

EXHIBIT 1

LEASE AGREEMENT

This Lease agreement made and entered into as of the date hereinafter set forth, by and among The City of Oklahoma City, a municipal corporation (hereinafter also referred to as "City" and "Lessor"), and the Emergency Medical Services Authority, a public trust, (hereinafter also referred to as "EMSA" and "Lessee").

LEASE OF EQUIPMENT

Subject to the terms and conditions hereof, Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the equipment described in each invoice and/or title submitted by EMSA as well as all equipment still in Lessee's possession from prior leases, with all replacement parts, repairs, additions and accessories incorporated therein or affixed thereto (herein collectively called the "Equipment").

(2) TERM.

This Lease shall become effective upon execution by both parties. The Lease shall end on June 30, 2012, unless earlier terminated as expressly provided for in this Lease. The City may terminate this lease for its convenience provided that notice of termination occurs during the "window of opportunity" provided for in the Amended and Restated Emergency Medical Services Authority Trust Indenture ("Indenture"). Termination of the lease will also occur at the termination of the Trust. If the lease is terminated by the City, EMSA shall return all leased equipment in good condition to the City at no cost to the City.

(3) LESSEE CERTIFICATION.

Lessee has the legal capacity to enter into this Lease and is not in contravention of any state, county, district, city or town statute, rule, regulation or other governmental provision and during the

Lease Term, the Equipment shall not be used in a trade or business of any other person or entity.

(4) **LIMITATION ON WARRANTIES.**

LESSEE ACKNOWLEDGES AND AGREES THAT THE EQUIPMENT IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE, THAT LESSOR IS NOT A MANUFACTURER, VENDOR OR DISTRIBUTOR OF SUCH EQUIPMENT, AND THAT LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED WITH RESPECT THERETO AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO THE USE, PERFORMANCE OR MAINTENANCE OF EQUIPMENT.

Lessor hereby assigns to Lessee during the Lease Term, to the extent permitted by law, all manufacturer's warranties, if any, that it may have, express or implied, with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessor authorizes Lessee, to the extent permitted by law, to enforce in its own name any warranty, representation or other claim enforceable against the manufacturer. Lessor assumes no responsibility for shipment, delivery, installation or maintenance,

and all claims of Lessee with respect thereto, whether for delay, damage or otherwise, shall be made against the manufacturer.

(5) USE; REPAIRS.

Lessee shall use the Equipment in a careful and reasonable manner for the use contemplated by the manufacturer of the Equipment and shall comply with all laws, ordinances, insurance policies and regulations relating to, and shall pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its sole cost and expense, shall maintain the Equipment according to the manufacturer's recommended guidelines or the equivalent and meet any and all recertification requirements and shall furnish proof of such maintenance, if requested by Lessor, and shall furnish all needed servicing and parts, which parts shall become part of the Equipment. If the Equipment is such as is customarily covered by a maintenance agreement, Lessee shall furnish Lessor with a maintenance agreement with a party satisfactory to Lessor.

(6) ALTERATIONS.

Lessee shall not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent, and any permitted alteration or attachment that cannot be readily removed without damaging the Equipment's originally intended function or value shall become part of the Equipment.

(7) LOCATION; INSPECTION.

The Equipment shall not be removed from, or if the Equipment consists of rolling stock, its permanent base shall not be changed from EMSA's Western Division without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall be entitled to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operation.

(8) LESSEE'S OBLIGATION.

In consideration for the use of the vehicles and equipment covered by this lease, lessee agrees to provide emergency medical services in the City of Oklahoma City as required by the trust indenture.

(9) RISK OF LOSS; DAMAGE; DESTRUCTION.

Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment shall relieve Lessee of the obligation to perform its obligation to provide emergency medical services in the City of Oklahoma City under this Lease. In the event of damage to any item of Equipment, Lessee shall immediately place the same in good repair (the proceeds of any insurance recovery shall be applied to the cost of such repair). If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessor, shall replace the same with like equipment in good repair. If equipment covered under this lease is determined to be surplus to the needs of the lessee, the lessee shall dispose of property pursuant to City ordinances and will provide the proceeds from such disposal to Lessor or, alternatively, may return surplus property to the Lessor for disposition. Should lost or damaged property not be replaced and an insurance settlement is received, the proceeds from such settlement shall be provided to the Lessor, unless otherwise directed by the Lessor.

(10) INSURANCE

EMSA's operations contractor must carry insurance pursuant to the provisions of section 6-8 of the Oklahoma Municipal Code, 2010, as amended, insuring the City and EMSA. EMSA shall furnish the City Manager of the City a certificate, on a form provided by the City of such insurance which shall provide that The City is an additional insured under said policy or policies, and that said policy or policies cannot be canceled or materially modified except upon thirty (30) days advance

written notice received by the City. Provided, however, any modification or termination shall not excuse or release any entity from its obligations hereunder. Failure to maintain insurance shall be considered a material breach of the contract.

(11) **INDEMNIFICATION**

EMSA hereby agrees to release, to defend, to indemnify and to save harmless the City and its officers, trustees, agents and employees from and against any and all loss of or damage to property or injuries to, or death of, any person or persons, and EMSA agrees to defend, indemnify and save harmless the City, its officers, trustees, agents and employees, from and against all claims, damages, suits, costs, expense, liability, actions or proceedings of any kind or nature whatsoever, including without limitation, worker's compensation claims, of or by anyone whomever, in any way resulting from, or arising out of directly or indirectly, EMSA's operations under or in connection with this lease or EMSA's use of the leased property and including, without limitation, acts and omissions of EMSA's officers, employees, representatives, suppliers, invitees, members, transportees, guests, contractors or agents. The minimum insurance requirements prescribed above shall not be deemed to limit or define EMSA's obligations herein.

(12) **ASSIGNMENT.**

Without Lessor's prior written consent, Lessee shall not: (a) assign, transfer, pledge, hypothecate or grant any security interest in, or otherwise dispose of, this Lease or the Equipment or any interest in this Lease or the Equipment or (b) sublet or lend the Equipment or permit the Equipment to be used by anyone other than Lessee or Lessee's employees, or Lessee's operations contractor.

(13) **AMENDMENTS.**

All amendments or modifications of the terms of this Lease (except for the addition of serial

numbers for the Equipment as set forth in the Acceptance Certificate) must be accomplished by written consent of Lessee and Lessor.

(14) NOTICES.

All notices to be given under this Lease shall be made in writing and mailed by certified mail to the other party at the following addresses:

City of Oklahoma City
Craig Freeman
Finance Director
100 N. Walker, Suite 400
Oklahoma City, OK 73102
(405) 297-2506

EMSA
Stephen Williamson
President
1417 N. Lansing Ave.
Tulsa, OK 74106-5906
(918) 596-3153

Any such notice shall be deemed to have been received five (5) days subsequent to mailing.

(15) SECTION HEADINGS.

All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

(16) GOVERNING LAW.

This Lease shall be governed by the provisions hereof and by the laws of the State of Oklahoma. Any disagreements about the lease shall be settled in a court of competent jurisdiction in Oklahoma County, Oklahoma

(18) SEVERABILITY.

Any provision of this Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Lease.

(19) WAIVER.

The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach hereof.

Notary Commission number: _____

REVIEWED for form and legality.

Assistant Municipal Counselor