

DRAFT (03-06-19)

BYLAWS of SELKIRK FIRE RESCUE & EMS, INC.

ARTICLE I. IDENTIFICATION, OFFICE, GOVERNING LAW, AND EFFECTIVENESS

- 1.1 **Corporate Identification. Effect of Bylaws.** This corporation is known as Selkirk Fire Rescue & EMS, Inc. (“**Corporation**”) and is incorporated under the laws of the State of Idaho.
- 1.2 **Office.** The principal office of the Corporation shall be located at 1123 Lake Street, Sandpoint, Idaho or at such other location as the Board of Directors of the Corporation shall from time to time determine.
- 1.3 **Governing Law.** The Corporation is a nonprofit corporation, formed under the authority of the Idaho Nonprofit Corporation Act, Title 30, Chapter 30, Idaho Code. These bylaws shall be interpreted under the laws of the State of Idaho.
- 1.4 **Corporation Purposes.** The purposes of the Corporation are to provide emergency fire and emergency medical services (“**Emergency Services**”) within the boundaries of the governmental agencies who become members of this Corporation and to provide Emergency Services to other governmental agencies who contract with the Corporation for the provision of such services. The existence of this Corporation for the provision of such Emergency Services is authorized by Idaho Code Section 67-2328.
- 1.5 **Effectiveness.** These bylaws (“**Bylaws**”) shall be effective upon adoption by the incorporator of the Corporation.

ARTICLE II. VOTING RIGHTS, MEETINGS

- 2.1 **Members. Management.** The members of the Corporation are the governmental agencies that contract for the provision of Emergency Services to such governmental agencies by the Corporation. Emergency Services shall be provided to each member of the Corporation under the terms of a written agreement between such member and the Corporation which shall be substantially

in the form of Attachment I to these Bylaws, with such modifications as may be agreed to by the Corporation and the member ("**Emergency Services Contract**"). Management authority of the Corporation is vested in the Corporation's Board of Directors ("**Board**"). The number of directors ("**Directors**") on the Board shall be equal to twice the number of members of the Corporation plus one. Each member of the Corporation shall appoint two Directors to the Board and the Board shall appoint one member who shall be a member-at-large with the same voting rights the Directors appointed by the members of the Corporation. The membership in the Corporation of any member governmental agency and the membership on the Board of the Directors of the Directors appointed by such governmental agency shall automatically terminate upon the giving by such governmental agency of a notice of termination to the Corporation of such governmental agency's Emergency Services Contract. Each member of the Corporation may terminate the membership on the Board of any Director appointed by such member by giving written notice of such termination to the Corporation naming a replacement Director appointed by such member. The Board may terminate the membership of any member-at-large appointed by the Board upon the approval by the Board of a replacement member-at-large.

2.2 **Voting Rights.** Each Director on the Board shall have one (1) vote regarding all matters subject to the vote of the Board.

2.3 **Annual Meeting.** The annual meeting of the Corporation ("**Annual Meeting**") shall be held in the month of _____ each year, beginning with the year 2019, on a day and at a time determined by the Board, for the following purposes:

(1) The appointment by each member of the Corporation of two Directors for a term beginning upon such appointment and ending upon the next Annual Meeting, unless earlier terminated as provided in these Bylaws;

(2) Consideration and approval of a budget for the Corporation for its next succeeding fiscal year which such budget shall include a statement of the amount required to be paid to the Corporation by each member as such member's share of the operating costs of the Corporation for such next succeeding fiscal year; and

(3) For the transaction of such other business as may come before the meeting.

The Board shall have discretion to change the date of the Annual Meeting by resolution and notice to Directors.

2.4 **Regular Meetings.** The Board shall hold regular monthly meetings at such time and place as the Board shall adopt by resolution for the purpose of (1) reviewing and considering the approval of the payment by the Corporation of all bills due during such month and (2) all other matters that may properly come before the Board. The Board may also, by resolution and notice to the members of the Corporation, schedule regular meetings of the Board and/or members of the Corporation from time to time.

2.5 **Special Meetings.** Special meetings of the Board or the members of the Corporation, for any purpose or purposes, unless otherwise prescribed by statute,

may be called by the Chairman of the Board of the Corporation or by the Board. Notice given as provided in these Bylaws shall be required for the scheduling of any special meeting.

- 2.6 **Place of Meeting.** The Board may designate any location for any meetings of the Board or the members of the Corporation so long as the meetings are held in Bonner County, Idaho.
- 2.7 **Meetings by Telephone.** The Directors and members may participate in any meeting of the Board or the members, including the Annual Meeting, by means of a conference telephone or similar communications equipment in which all persons participating in the meeting can hear each other at the same time. Participation in a meeting by any Director or member by such means shall constitute the presence in person of such Director or member at such meeting.
- 2.8 **Action without a Meeting.** Any action that may be taken by the Board or the members of the Corporation at a meeting may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed by all of the Directors or the members of the Corporation.
- 2.9 **Notice of Meeting.** Written notice stating the place, day and hour of all meetings of the Board or members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) days nor more than twenty (20) days before the date of the meeting, to each Director or member at such Director's or member's address in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the Director or member at such Director's or member's address as it appears in the Corporation records. Each Director and member shall keep the Corporation informed of such Director's or member's current mailing address.
- 2.10 **Manner of Acting.** The act of the majority of the Directors present at a Board meeting at which a quorum is present shall be the act of the Board. The act of the majority of the members at a meeting of the members at which a quorum shall be the act of the members.
- 2.11 **Quorums.** The quorum for a meeting of the Board shall be a majority of the Board, provided that at least one Director appointed by each member of the Corporation is present in person or by proxy. The quorum for a meeting of the members of the Corporation shall be all of the members.
- 2.12 **Proxy Voting.** A Director or a member of the Corporation may give a proxy to a Director of the Corporation. Such proxy shall (a) be in writing; (b) be signed by the giver; (c) state the particular meeting or time period in which the proxy may be exercised; and (d) be delivered to the Secretary at or prior to the meeting at which the proxy is to be exercised.
- 2.13 **Resignation of Directors.** A Director may resign by submitting a written notice of resignation to the Secretary. If the Secretary is resigning, the notice shall be submitted to the Chief Executive Officer. Resignation shall be effective upon

receipt, or on the date set forth in the notice of resignation, whichever occurs later.

- 2.14 **Vacancies.** Any vacancy occurring on the Board shall be filled by an appointment to the Board made by the member of the Corporation who appointed the last occupant of the vacated Board position. A Director appointed to fill a vacancy shall be appointed for the duration of the unexpired term of such Director's predecessor in office.

ARTICLE III. OFFICERS, DUTIES, FINANCIAL CONTROLS,

- 3.1 **Officers.** The officers of the Corporation shall be (i) a Chairman of the Board/Chief Executive Officer ("**CEO**"); (ii) a Vice Chairman of the Board ("**Vice Chair**"); (iii) a Fire Chief ("**Fire Chief**"); (iv) an Assistant Fire Chief ("**Assistant Fire Chief**"); (v) a Secretary and (vi) a Treasurer. Only Directors may be elected as CEO and Vice Chair. The Fire Chief, the Assistant Fire Chief, the Secretary and the Treasurer may or may not be Directors at the discretion of the Board.
- 3.2 **Election of Officers.** The officers of the Corporation shall be elected annually by the newly appointed Board immediately following the Annual Meeting. If the election of officers does not occur at such time, the election shall be held as soon thereafter as practicable. Each officer shall hold office until such officer's successor shall have been duly elected and shall have qualified, or until such officer's death, or until such officer shall resign or shall have been removed in the manner provided in these Bylaws.
- 3.3 **Removal.** Except as may be otherwise provided in any employment contract between an officer and the Corporation, any officer may be removed by the Board whenever, in the judgment of the Board, the best interests of the Corporation will be served thereby. Removal shall be effective upon the vote of a majority of the Board.
- 3.4 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term of the officer who occupied the vacant office.
- 3.5 **CEO.** The CEO shall be the principal executive officer of the Corporation and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Corporation. The CEO shall, when present, preside at all meetings of the Board and meetings of the members. The CEO shall sign any legal instruments on behalf of the Corporation unless, by resolution, the Board permits another officer or executive to sign documents on behalf of the Corporation. The CEO shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board from time to time.
- 3.6 **Vice Chair.** In the absence of the CEO or in event of the CEO's death, inability or refusal to act, the Vice Chair shall perform the duties of the CEO, and when so

acting, shall have all the powers of and be subject to all the restrictions upon the CEO. The Vice Chair shall perform such other duties as from time to time may be assigned to the Vice Chair by the CEO or by the Board.

- 3.7 **Fire Chief.** Subject to the control of the Board and the CEO, the Fire Chief shall supervise and administer the routine and day to day operations of the Corporation. The Fire Chief shall be in charge of the allocation of all Corporation resources to the conduct of and preparation for all Emergency Services. The Fire Chief shall control the hiring and termination of employment of all Corporation personnel other than the officers elected by the Board. The Fire Chief may sign all legal instruments on behalf of the Corporation unless, by resolution, the Board requires or permits another officer or executive to sign documents on behalf of the Corporation.
- 3.8 **Assistant Fire Chief.** Subject to the control of the Board, the CEO and the Fire Chief, the Assistant Fire Chief shall assist the Fire Chief in the supervision and administration of the routine and day to day operations of the Corporation as directed by the Fire Chief.
- 3.9 **Secretary.** The Secretary shall (a) Keep the minutes of the proceedings of the Board in one or more minute books provided for that purpose; (b) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) Be custodian of the corporate records of the Corporation; (d) Keep a register of the post office address of each Director, which shall be furnished to the Secretary by each Director; and (e) In general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to the Secretary by the CEO or by the Board.
- 3.10 **Treasurer.** The Treasurer shall: (a) Have charge and custody of Corporation financial records; (b) Receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the Board; and (c) In general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the CEO or by the Board.
- 3.11 **Expenses and Compensation.** By resolution of the Board but subject to the terms of any employment agreement between an officer and the Corporation, each officer may be paid compensation for his or her services to the Corporation and be reimbursed for expenses incurred by such officer in performance of such services. Compensation arrangements shall be documented, specifying the services to be rendered to the Corporation by such officer.
- 3.12 **Checks and Financial Controls.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, may be signed by the any member of the Board, the CEO, the Vice Chair, the Fire Chief, the Assistant Fire Chief and by the Treasurer. The Board, by resolution, shall adopt any other internal financial controls deemed necessary in the judgment of the Board.

- 3.13 **Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.
- 3.14 **Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.
- 3.15 **Conflict of Interest Policy.** Each Director and officer shall avoid the actual and the appearance of a conflict of interest in carrying out his or her duties. A Director or a Director's spouse, family or relative may not receive any direct funds or benefits from the Corporation in the form of grants or otherwise, except as reasonable reimbursement of expenses or compensation for services rendered the Corporation pursuant to a resolution of the Board.
- 3.16 **Delegation of Authority.** The Board may by resolution from time to time delegate to any employee of the Corporation any authority of any officer of the Corporation, including, without limitation, banking authority and the authority to sign contracts binding the Corporation.

ARTICLE IV. POWERS OF THE BOARD OF DIRECTORS

- 4.1 **All Authorized Acts.** The Board may apply any and all power, authority and discretion given a corporate board under the laws of the state of Idaho, as long as such statutory authority is not inconsistent with the provisions of these Bylaws or the Articles of Incorporation of the Corporation.
- 4.2 **Appoint Agents and Attorneys.** The Board may employ agents and attorneys as necessary or desirable for the proper administration of the Corporation or for any litigation, controversy or uncertainty which may arise in connection with the Corporation.
- 4.3 **Appoint Standing or Temporary Committees.** The Board may designate and appoint one or more standing or temporary committees and invest such committees with such powers as the Board may see fit, subject to such conditions as may be prescribed by the Board and by applicable Idaho law. The Board, by resolution, may also consolidate, modify, or eliminate any of such committees.
- 4.4 **Engage in Legal Proceedings.** The Board may cause the Corporation to prosecute, defend or participate in any legal action as principal or otherwise. This power shall include, without limitation, actions for attachment, execution, eviction, foreclosure, indemnity, arrest, and any other proceeding for legal, equitable or injunctive relief.

**ARTICLE V.
NONDISCRIMINATION POLICY**

The Corporation shall not discriminate against any person in the employment of any personnel or the provision of services or facilities because of race, color, religion, sex, familial status, or national origin, or other legally protected characteristic. The term "familial status" means the status of parental or guardianship relationships or pregnancy.

**ARTICLE VI.
INDEMNITY**

The Corporation shall indemnify its directors, officers and employees as follows: (a) Every director, officer, employee of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be made a party, or in which he or she may become involved, by reason of being or having been a director, officer or employee of the Corporation or any settlement of any such proceeding, whether or not he or she is a director, officer or employee at the time such expenses are incurred, except in such cases wherein the director, officer, or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Corporation; (b) The Corporation shall provide to any person who is or was a director, officer or employee of the Corporation or is or was serving at the request of the Corporation as a director, officer or employee of the Corporation, the indemnity against expenses of suit, litigation or other proceedings which is specifically permissible under applicable law; and (c) The Board may, in its discretion, direct the purchase of liability insurance to cover the obligations of the Corporation under the provisions of this Article.

**ARTICLE VII.
FISCAL YEAR**

The fiscal year of the Corporation shall begin on the first day of _____ and end on the last day of _____ each year, unless a different fiscal year is established by resolution of the Board.

**ARTICLE IX.
AMENDMENTS**

These Bylaws may be altered, amended, repealed, restated, or new Bylaws adopted by resolution of the Board adopted at a duly called meeting of the Board.

THESE BYLAWS are adopted by the incorporator of the Corporation on the ___ day of _____, 2019.

Print Name: Ron Stocking
Incorporator

ATTACHMENT I TO BYLAWS

SELKIRK EMERGENCY SERVICES AGREEMENT

This Selkirk Emergency Services Agreement (“**Agreement**”) is made as of _____, 2019 (“**Effective Date**”) between Selkirk Fire Rescue & EMS, Inc., an Idaho nonprofit corporation (“**Selkirk**”) and _____ a fire district formed under the laws of the state of Idaho (“**District**”). Selkirk and the District shall sometimes be referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

- A.** Selkirk is an Idaho nonprofit corporation formed for the purpose of providing Emergency Services, as defined herein, within the boundaries of those governmental agencies who become members of Selkirk and to provide such Emergency Services to other governmental agencies who contract for the provision of such Emergency Services by Selkirk.
- B.** District is located wholly within Bonner County and is legally obligated to provide fire protection services within its boundaries.
- C.** District is a party to that certain undated First Amended and Restated Joint Powers Agreement for the Coordinated and Cooperative Provision of Fire Services in the City of Sandpoint, the Sagle Fire District and the Westside Fire District (“**JPA Agreement**”).
- D.** The Commission of the District has determined, in good faith, that it is necessary and in the best interest of its jurisdiction that the District withdraw from participation in the JPA Agreement. As provided in Section 4.4.4 of the JPA Agreement the District has withdrawn from the JPA Agreement and as provided in Section 4.4.5 of the JPA Agreement has given notice of its withdrawal to the other parties to the JPA Agreement.
- E.** District has chosen to be a member of Selkirk and to contract with Selkirk for the provision of Emergency Services within the District’s boundaries.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

I. DEFINITIONS: As used in this Agreement:

1. “Board” means the Board of Directors of Selkirk.

2. "District" means _____.
3. "Emergency Services" means fire suppression, fire prevention, fire investigation, emergency medical, rescue and related services, hazardous materials response, hazardous materials disclosure and community safety and education services. Emergency Services shall not include weed abatement services.
4. "Selkirk" means Selkirk Fire Rescue and EMS, Inc.

II. MEMBERSHIP: District shall be a member of Selkirk and shall be subject to all the provisions, conditions, benefits, obligations and liabilities set forth in the Articles of Incorporation and Bylaws of Selkirk, as such Articles and Bylaws may be amended from time to time. District shall appoint two members to the Board of Directors of Selkirk.

III. GENERAL SCOPE:

1. Selkirk shall provide Emergency Service to District at the levels and methods that Emergency Services are currently provided to District under the JPA Agreement. Any changes to such levels and methods of service shall be determined by the Board of Selkirk. All Emergency Services shall be administered and supervised by the Chief Operating Officer/President of Selkirk, who shall have direct control and supervision over the Emergency Services provided pursuant to this Agreement.
2. The date ("**Commencement Date**") on which Selkirk will begin providing Emergency Services to District is _____ 2019; which Commencement Date may be modified by mutual written agreement of District and Selkirk.
3. In providing Emergency Services to District, Selkirk is hereby authorized to and may enforce all applicable District codes and ordinances, collect and retain any and all fire prevention and miscellaneous user fees as determined by Selkirk, and file any claims or actions on behalf of District to recover and retain amounts for emergency and hazardous materials responses.

IV. LEASE OF EQUIPMENT:

1. Effective upon the Commencement Date, Selkirk leases from District, and District leases to Selkirk, the equipment ("**Leased Equipment**") listed on Exhibit A attached hereto.
2. Selkirk will lease the Leased Equipment from the District at no cost to Selkirk. The term of such lease with respect to any particular item of Leased Equipment shall commence on the Commencement Date and shall terminate upon the earlier to occur of (i) the retirement of the use of such Leased Equipment by Selkirk or (ii) the termination of this Agreement.

3. District shall deliver the Leased Equipment to Selkirk equipped as currently equipped by the District. Selkirk will ensure that frontline emergency Leased Equipment assigned within the District (including trucks, engines, rescue, fire boat and utility vehicles) will, in addition to the Selkirk logo, indicate that the Leased Equipment is serving the District.
4. Each vehicle included in the Leased Equipment shall be incorporated into Selkirk's vehicle rotation and replacement programs, preventive maintenance programs, and will be enrolled in Selkirk's vehicle insurance program.
5. Upon the termination of the lease of any Leased Equipment, Selkirk shall return such Leased Equipment to District in condition at least as good as when such Leased Equipment was delivered by District to Selkirk, ordinary wear and tear excepted.

V. LEASE OF FIRE STATION: Concurrently with the execution of this Agreement, District and Selkirk shall execute a Station Lease Agreement in the form and substance of **Exhibit B** attached hereto under which District shall lease to Selkirk and Selkirk shall lease from District the fire station located at _____ ("**District Fire Station**"); provided however that if the District is not the owner of the District Fire Station, but is leasing the District Fire Station from the owner thereof, the District shall sublease the District Fire Station to Selkirk on terms substantially the same as the terms of **Exhibit B** with such modifications as may be necessary to conform such sublease to the terms of the lease between the District and the owner of the District Fire Station ("**Master Lease**") ; and provided further that if the consent of the owner of the District Fire Station to such sublease to Selkirk is required under the terms of the Master Lease and such consent is not granted, either Selkirk or the District may terminate this Agreement by written notice to the other of them.

VI. PERSONNEL:

1. Attached hereto as **Exhibit C** is a list of all personnel currently employed by District stating each such employee's name, position with the District and monthly salary and benefits. Selkirk will offer employment effective 8:00 a.m. on the Commencement Date to the personnel employed by the District's fire department on such Commencement Date. Each such offer shall be contingent upon the person offered employment by Selkirk meeting the minimum physical and medical standards for his or her designated positions in Selkirk, as determined by a physical examination conducted prior to the Commencement Date. Those personnel who fail to meet the standards prior to the Commencement Date solely because of injury or illness will be offered employment by Selkirk on the first occasion on which they meet such standards, but in no event shall they be offered employment more than 365 days after the Commencement Date.

2. Each District employee hired by Selkirk as provided in Paragraph 1 above shall have the same position, compensation, seniority and (to the extent reasonably possible) benefits as such employee had when employed by District. Selkirk will assume all obligations arising from and after the Commencement Date to and including the date any termination of this Agreement under any contract of employment currently in effect between District and an employee hired by Selkirk as provided in Paragraph 1 above.
3. After 8:00 a.m. on the Commencement Date the District shall not be liable for the payment of any wages or other compensation to any officer, employee, or agent of Selkirk for any sickness or injury incurred by such person in the course of performing services as an employee of Selkirk. Selkirk shall be solely responsible for all personnel actions relating to Selkirk employees utilized in providing Emergency Services to District.
4. District has provided Selkirk with a copy of any collective bargaining agreement between the District and any union representing the District's current employees. District has obtained or will promptly and prior to the Commencement Date obtain the consent of the bargaining agent required under such collective bargaining agreement for the transitions of employees of the District to employees of Selkirk provided for herein. Effective on the Commencement Date, Selkirk will assume all obligations of District under any such bargaining agreement arising from and after the Commencement Date to and including the date of any termination of this Agreement; District shall remain liable for all obligations of District under any such bargaining agreement arising prior to the Commencement Date.
5. Upon any termination of this Agreement, District shall offer employment to any employees of Selkirk who were employees of District prior to the Commencement Date.

VII. COST FOR SERVICE: For the period beginning on the Commencement Date and ending on the date twelve (12) months after the Commencement Date the District shall pay to Selkirk the sum of \$_____ in equal semi-annual installments due on _____ and _____. For each successive period of twelve (12) months during the term of this Agreement following the date twelve (12) months after the Commencement Date, the District shall pay to Selkirk in equal semi-annual installments due on _____ and _____ the amount approved by the Board of Selkirk in its annual budget as the payment due from District for the Emergency Services to be provided by Selkirk to District under this Agreement for such period (“**Annual Payment for Services**”). It is the understanding and agreement of the District and Selkirk that the Annual Payment for Services for each twelve (12) month period shall be substantially all of funds received or to be received by the District from Bonner County. In the event that the District receives funds from Bonner County during any such twelve period in excess of the Annual Payment for Services for such period, the District shall

promptly pay such amount to Selkirk; Selkirk shall hold such funds in a separate account designated for the District and shall use such funds to support its operations only with the prior consent of the District, which consent shall not be unreasonably withheld.

XII. TERM AND TERMINATION:

This Agreement shall commence on the Effective Date and shall continue in full force and effect for an initial term ending twelve (12) months after the Commencement Date. This Agreement shall continue in full force and effect for successive twelve (12) month terms after the initial term. Either Party hereto may terminate this Agreement, without cause, by giving written notice of such Party's termination of this Agreement to the other Party not less than one hundred and twenty (120) days prior to the expiration of the then current term of this Agreement.

XIII. MISCELLANEOUS PROVISIONS:

1. This Agreement supersedes any prior agreements between Selkirk and District.
2. This Agreement may be amended only in writing, in whole or in part, and signed by all of both Parties. No waiver of any term or condition herein shall be a continuing waiver thereof.
3. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent may be withheld for any reason whatsoever or for no reason. Any assignment effected in violation of this provision shall be void ab initio and of no force or effect.
4. The Parties are independent contractors and are not partners or joint venturers. Neither Party has the authority or right to legally bind the other Party in any way.
5. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Idaho without regard to the principles of conflicts of law. In the event of any dispute or litigation arising out of or related to this Agreement, such dispute shall be brought in the state or federal courts in or for Bonner County, Idaho, and such courts shall be the exclusive venue for any dispute or litigation arising out of or related to this Agreement. In the event of any action, suit or proceeding arising out of or related to this Agreement, the prevailing Party in such litigation shall be entitled to recover from the nonprevailing Party the Prevailing Party's costs and expenses, including, without limitation, reasonable outside attorneys' fees, incurred in connection with such litigation.
6. No failure by either Party to insist upon the strict performance of any term, covenant, agreement or provision of this Agreement or to exercise any right or remedy upon a breach thereof shall constitute a waiver of any such breach or of any such term, covenant, agreement or provision. No term, covenant,

agreement or provision of this Agreement and no breach thereof shall be waived, altered or modified except by a written instrument executed by the Parties.

7. This Agreement contains the final and entire agreement between the Parties and is intended to be an integration of all prior agreements between them regarding the subject matter hereof. The Parties hereto shall not be bound by any agreements, conditions, representations or warranties relating to the subject matter hereof, oral or written, express or implied, not contained herein.
8. In the event that, for any reason whatsoever, any clause or provision of this Agreement (or the application of such clause or provision to a particular set of circumstances) is held or declared to be invalid, illegal or unenforceable, such holding or declaration shall not in any way affect the validity or enforceability of any other clause or provision of this Agreement (or the application of such clause or provision to a different set of circumstances).
9. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together will constitute one instrument. The Parties agree that copies of this Agreement (including copies of any signatures) that are reproduced or transmitted via portable document format (PDF) or electronically receipted fax transmissions will be equivalent to original documents.
10. Notices to be given under this Agreement will be sent by email, facsimile or through the United States Postal Service, postage prepaid, to the attention of the person signing this Agreement at such email, facsimile or United States Postal Service address stated below for each party or at such other email, facsimile or United States Postal Service address as the respective Parties may designate by written notice from time to time. Notices given by email or facsimile will be effective upon the transmission date; notices given by U.S. mail will be effective upon the third (3rd) day following the date notice was mailed.

IN WITNESS WHEREOF, the undersigned Parties have caused this Agreement to be executed as of the date first written above.

Selkirk Fire Rescue & EMS, Inc.

_____ **Fire District**

By: _____
Name: _____
Title: Chief Executive Officer

By: _____
Name: _____
Title: Commission Chairman

ATTEST:

_____, Clerk of the
Board of Commissioners

EXHIBIT A – LEASED EQUIPMENT

EXHIBIT B

STATION LEASE AGREEMENT

This Station Lease Agreement ("**Lease**") is entered into as of _____ 2019 between _____ Fire District, a fire district organized under the laws of the State of Idaho ("**Lessor**"), and Selkirk Fire Rescue & EMS, Inc., an Idaho nonprofit corporation ("**Lessee**"), and shall be effective upon execution.

RECITALS

Lessor and Lessee are parties to that certain Selkirk Emergency Services Agreement of even date herewith ("**Services Agreement**"). This Lease is executed by Lessor and Lessee in accordance with the terms of the Services Agreement.

I. LEASED PROPERTY

The property leased by Lessor to Lessee under this Lease is that certain fire station located at _____ ("**Leased Property**").

II. AGREEMENT

IN CONSIDERATION of the mutual promises contained herein and other good and valuable consideration, it is agreed:

- 2.1 **Initial Term.** Lessor leases Leased Property to Lessee for a term beginning on the Commencement Date, as defined in the Services Agreement, and ending upon the termination of the Services Agreement.
- 2.2 **Rental Payment.**
The rent for the Leased Property shall be One Dollar (\$1.00) for each twelve (12) month period occurring during the term of this Lease.
- 2.3 **Utility and Service Costs.** Lessee shall pay for the cost of all utilities supplied to the Leased Property during the term of this Lease.
- 2.4 **Use of Leased Property.** Lessee shall use Leased Property solely as a fire station. Lessor shall have the right to approve any substantial change in the use of the Leased Property which approval shall not be unreasonably withheld.
- 2.5 **Sublease and Assignment.** Lessee shall not sub-lease the Leased Property or assign its interest in this Lease without Lessor's express written permission. Lessor may deny sub-leasing and assignment for any reason or no reason at all.

- 2.6 **Maintenance Obligations.** Lessee shall be responsible for the routine maintenance of the non-structural elements of the Leased Property. Lessor shall be responsible for and shall promptly perform any reasonably necessary repairs and replacements to the structural elements of the Leased Property and to the electrical, plumbing and HVAC systems of the Leased Property.
- 2.7 **Alterations and Improvements.** Subject to Lessor's written consent, Lessee shall have the right to make additions or improvements to all or any part of Leased Property, provided such improvements are made in a workmanlike manner and utilizing good quality materials. Consent by Lessor shall not be unreasonably withheld.
- 2.8 **Insurance.** Lessor shall maintain in full force and effect the hazard insurance covering the Leased Property currently in effect, which hazard insurance limit is the full replacement value of the Leased Property. In the event of any covered loss to the Leased Property, Lessor shall promptly apply the insurance proceeds to the repair or reconstruction of the Leased Property.
- 2.11 **Quiet Possession.** Lessor covenants and warrants that upon performance by Lessee of its obligations under this Lease, Lessor will keep and maintain Lessee in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of Leased Property during the term of this Lease.
- 2.12 **Liens.** Lessee shall not permit any mechanic's, materialmen's or other liens to be filed against all or any part of the Leased Property, nor against Lessee's leasehold interest in the Leased Property, by reason of or in connection with any repairs, alterations, improvements or other work contracted for or undertaken by Lessee or any other act or omission of Lessee or Lessee's agents, employees, contractors, licensees or invitees.
- 2.13 **Assignment.** Lessee may assign its obligations under this Lease upon Lessor's prior written consent, which shall not be unreasonably withheld.
- 2.14 **Successors and Assigns.** This Lease shall bind and inure to the benefit of each party's respective heirs, successors, agents, trustees, conservators and assign.
- 2.15 **Counterparts.** This Lease may be executed in counterparts. Each identical copy of an agreement signed in counterpart is deemed to be an original and all identical copies shall together constitute one and the same instrument.
- 2.16 **Attorney's Fees.** If either party initiates an arbitration or judicial action including an appeal, as to the interpretation or enforcement of this Lease, including remedies upon default, the nonprevailing party shall pay the reasonable attorney fees and costs of the prevailing party.
- 2.17 **Entire Agreement.** This Lease contains the entire agreement of the Parties respecting the matters herein and supersedes all prior written and oral agreements between the Parties respecting such matters.
- 2.18 **Time is of the Essence.** Time is of the essence in this Lease.

- 2.19 **Governing Law and Severability.** This Lease is established under and shall be governed by the laws of the state of Idaho. Any provision of this Lease prohibited by law or unenforceable shall not affect the remaining provisions of this Lease.
- 2.20 **Modification.** This Lease may be modified only by a further writing that is duly executed by both Parties.

IN WITNESS WHEREOF, the undersigned Parties have caused this Lease to be executed as of the date first written above.

Selkirk Fire Rescue & EMS, Inc.

_____ Fire District

By: _____
Name: _____
Title: Chief Executive Officer

By: _____
Name: _____
Title: Commission Chairman

ATTEST:

_____, Clerk of the
Board of Commissioners

EXHIBIT C – PERSONNEL

Name:

District Position:

Compensation:

Seniority: