

ATTACHMENT 3

AGREEMENT

CITY OF SIGNAL HILL

AGREEMENT FOR GENERAL SERVICES

1. PARTIES AND DATE

This Agreement for Police Tow Services ("Agreement") 10th day of June, 2025, by and between the City of Signal Hill, a municipal corporation organized under the laws of the State of California with its principal place of business at 2175 Cherry Avenue Signal Hill, CA 90755 ("City") and Kruger Tow Inc, a Corporation with its principal place of business at 17803 S. Santa Fe Ave., Rancho Dominguez, CA 90221 ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. RECITALS

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain Police Tow services required by City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing Police Tow services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Contractor to render such services for Police Tow.

2.3 Incorporation of Documents.

If applicable, this Agreement includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto: Notice Inviting Proposals, Request for Proposals, and Contractor's Proposal.

3. TERMS

3.1 Scope of Services and Term.

(a) General Scope of Services. Contractor promises and agrees to furnish to City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the services and advice on various issues affecting the decisions of City regarding the Project and on other programs and matters affecting City ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

(b) Term. The term of this Agreement shall be from July 1st, 2025 to June 30th 2028, unless earlier terminated as provided herein. City shall have the unilateral option at its sole

discretion, to automatically extend the term of the Agreement for no more than two additional 1-year terms. The City reserves the right to review the Contractor's performance at the end of each year and terminate all or part of the Agreement.

3.2 Responsibilities of Contractor.

(a) Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee of City. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees or agents, except as set forth in this Agreement. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

(b) Schedule of Services/Time for Performance.

(i) Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Contractor represents that it has the skilled personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the Schedule, City shall respond to Contractor's submittals in a timely manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

(ii) Neither City nor Contractor shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Contractor and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the services and Agreement. Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Contractor to any additional compensation.

Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

(c) Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

(d) Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence and experience upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to City, or who are determined by City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by Contractor at the request of City. The key personnel for performance of this Agreement are as follows: Joe Gonzalez, President and Paul Raedyn, Secretary and Treasurer.

(e) City's Representative. City hereby designates Brad Kenneally, Chief of Police, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of City for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than City's Representative or his or her designee.

(f) Contractor's Representative. Contractor hereby designates Joe Gonzalez, President and Paul Raedyn, Secretary and Treasurer, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Agreement. Contractor's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

(g) Coordination of Services. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, contractors and other staff at all reasonable times.

(h) Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by contractors in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from City, any services necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein, and shall be fully responsible to City for all damages and other liabilities provided for in the indemnification provisions of this Agreement.

arising from the Contractor's errors and omissions.. Any employee of Contractor or its subcontractors who is determined by City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to City, shall be promptly removed from the Project by Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

(i) Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

(j) Labor

(i) Prevailing Wage. Contractor is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects ("Prevailing Wage Laws"). If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

(ii) Registration. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of the Project and require the same of any subcontractors, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

(iii) Compliance Monitoring. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against

Contractor or any subcontractor that affect Contractor's performance of Services, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

(iv) Acknowledgment of Employment Relationship. Reserved

(v) Labor Code Compliance: Audit Rights. City shall have the right to audit Contractor's compliance with this Agreement and California Labor laws with respect to Contractor's personnel, including, but not limited to, Contractor's compliance with Sections 3.2.1, 3.2.10, and 3.6. Upon City's request, Contractor shall provide within five (5) business days documents sufficient to demonstrate its compliance with this Agreement including, but not limited to, W4s, itemized wage statements, employee handbooks, and time cards for any of Contractor's personnel who provide the Services.

(k) Insurance.

(i) Time for Compliance. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall not commence work under this Agreement until it has provided evidence satisfactory to City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to City that the subcontractor has secured all insurance required under this section.

(ii) Types of Required Coverages. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, Contractor in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance.

(1) Commercial

General Liability: Commercial General Liability Insurance which affords coverage at least as broad as the latest version of the Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, for bodily injury, personal injury, and property damage. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as the latest version of Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Commercial Auto or Transportation Pollution Liability Insurance. Coverage shall be in an amount not less than \$1,000,000 combined single limit per accident and shall include Pollution Liability (CA9948) and MCS-90 Endorsements.

(2) Workers' Compensation and Employer's Liability: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(iii) Endorsements.

(1) The policy or policies of insurance required by Section 3.2.11(b) (i) Commercial General Liability and (ii) Automobile Liability Insurance and (iv) Transportation Pollution Liability shall be endorsed to provide the following:

- (1) Additional Insured: City, its officials, officers, employees and agents shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Endorsements shall be issued on a combination of ISO CG 20 10 and CG 20 37 or exact equivalents. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Contractor; or (4) contain any other exclusions contrary to the Agreement.
- (2) Primary Insurance and Non-Contributing Insurance: This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees and agents shall not contribute with this primary insurance.
- (3) Severability: In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.

- (4) Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon City except ten (10) days prior written notice shall be allowed for non-payment of premium.
- (5) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees and agents.
- (6) Duties: Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officials, officers, employees and agents.
- (7) Applicability: That the coverage provided therein shall apply to the obligations assumed by Contractor under the indemnity provisions of the Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.

(2) The policy or policies of insurance required by Section 3.2.11(b) (iii) Workers' Compensation shall be endorsed, as follows:

- (1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees and agents.
- (2) Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon City except ten (10) days prior written notice shall be allowed for non-payment of premium.

(iv) Deductible. Any deductible or self-insured retention must be approved in writing by City and shall protect the City, its officials, officers, employees and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(v) Evidence of Insurance. Contractor, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall

deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

(vi) Failure to Maintain Coverage. Contractor agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to City. City shall have the right to withhold any payment due Contractor until Contractor has fully complied with the insurance provisions of this Agreement.

In the event that Contractor's operations are suspended for failure to maintain required insurance coverage, Contractor shall not be entitled to an extension of time for completion of the work because of production lost during suspension.

(vii) Acceptability of Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(viii) Insurance for Subcontractors. Contractor shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding City as an Additional Insured to the subcontractor's policies.

(I) Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

(a) Compensation. Contractor shall receive no compensation from the City in connection with this Agreement. For the services rendered pursuant to this Agreement, the Contractor shall be permitted to participate in the City's rotation tow program, for which the Contractor may become eligible to collect certain charges and fees for services rendered from

persons who receive those services. In no event shall Contractor be paid by, or become eligible for payment directly from the City. The schedule of fees and charges, including those charges that must be collected by Contractor for the benefit of the City, are included in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. This Agreement further requires that the Contractor shall attend all project meetings reasonably deemed necessary by the City, and Contractor shall not be entitled to any additional compensation for attending said meetings.

(b) Payment of Compensation. Contractor shall submit to City a quarterly franchise fee of \$3,000. Contractor understands and accepts that it is Contractor's obligation and sole responsibility to collect and fees imposed by, and on behalf of, City related to towing, storage, release of vehicles, including but not limited to, vehicles stored or impounded for State law violations, and any other fees provided for under this Agreement.

(c) Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

(d) Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.4 Accounting Records.

(a) Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

(a) Termination of Agreement.

(i) Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been fully and adequately rendered to City through the effective date of the termination, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

(ii) Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Contractor in connection with the

performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

(iii) Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

(b) Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

Kruger Tow, Inc
17803 S. Sante Fe Avenue
Rancho Dominguez, CA 90221
Attn: Joe Gonzalez, President

City:

City of Signal Hill
2175 Cherry Avenue
Signal Hill, CA 90755
Attn: Brad Kenneally, Chief of Police

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

(c) Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

(d) Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

(e) Indemnification. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, subconsultants and subcontractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all damages, attorneys' fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or

instituted against City, its officials, officers, employees, agents or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by City or its officials, officers, employees, agents or volunteers. This Section 3.5.5 shall survive any expiration or termination of this Agreement.

(f) Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be supplemented, amended or modified by a writing signed by both Parties.

(g) Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

(h) Time of Essence. Time is of the essence for each and every provision of this Agreement.

(i) City's Right to Employ Other Contractors. City reserves the right to employ other Contractors in connection with this Project.

(j) Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

(k) Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

(l) Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

(m) Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

(n) Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

(o) No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

(p) Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

(q) Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

(r) Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall also comply with all relevant provisions of any minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

(s) Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

(t) Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

(u) Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

(v) Employment Adverse to City. Contractor shall notify City, and shall obtain City's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against City during the term of this Agreement.

(w) Conflict of Employment. Employment by Contractor of personnel currently on the payroll of City shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by Contractor of personnel who have been on City's payroll within one year prior to the date of execution of this Agreement, where

this employment is caused by and or dependent upon Contractor securing this or related Agreements with City, is prohibited.

(x) Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, and the obligations related to receipt of subpoenas or court orders, shall survive any such expiration or termination.

3.6 Independent Contractors and Subcontracting

(a) Use of Contractors. Contractor is aware of statutory and case law regarding classification of workers as independent contractors, including California Labor Code Section 2750.3 and Dynamex Operations West, Inc. v. Superior Court, 4 Cal. 5th 903 (2018). To ensure that Contractor is in compliance with the California Labor Code, Contractor shall only utilize its employees to provide the Services. Contractor may not provide the services through any independent contractor, subcontractor or subconsultant ("Subcontractor(s)") unless approved by the City as set forth in Section 3.6.2 below. Contractor represents and warrants that all personnel who perform the Services on Contractor's behalf are Contractor's employees, and that Contractor complies with all applicable laws, rules and regulations governing its employees, including, but not limited to, the California Labor Code, Unemployment Insurance Code and all applicable Industrial Welfare Commission Wage Orders.

(b) Prior Approval Required. Contractor shall not use any Subcontractor to provide the Services, or any portion of the work required by this Agreement, without prior written approval of City. In the event that City authorizes Contractor to use a Subcontractor, Contractor shall enter into a written agreement with the Subcontractor, which must include all applicable provisions of the Agreement, including a restriction on the Subcontractor's use of further independent contractors, subcontractors or subconsultants without the City's prior written consent.

SIGNATURE PAGE FOR AGREEMENT
FOR GENERAL SERVICES
BETWEEN THE CITY OF SIGNAL HILL
AND KRUGER TOW

IN WITNESS WHEREOF, each of the Parties has caused this Contract to be executed on the day and year first above written.

CITY OF SIGNAL HILL

KRUGER TOW

By: _____
Mayor or City Manager

By: _____
Joe Gonzalez, President
[If _____ Corporation, TWO
SIGNATURES, President **OR** Vice
President **AND** Secretary **OR**
Treasurer **REQUIRED**]

ATTEST:

By: _____
Paul Raedyn, Secretary &
Treasurer

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

PURSUANT TO THIS AGREEMENT, IT SHALL BE CONTRACTOR'S RESPONSIBILITY TO TOW AND STORE VEHICLES AS REQUESTED BY SHPD, INCLUDING, BUT NOT LIMITED TO VEHICLES IMPOUNDED FOR EVIDENCE OR TAKEN INTO CUSTODY BY SHPD. VEHICLES INVOLVED IN ACCIDENTS OR DISABLED FOR OTHER CAUSES (WHEN ALTERNATIVE TOWING IS EITHER NOT APPROPRIATE OR NOT REQUESTED BY THE OWNER OR CONTRACTOR OF THE VEHICLE); ABANDONED VEHICLES; AND, VEHICLES WHICH ARE WITHIN THE JURISDICTION OF SHPD. CONTRACTOR SHALL FURTHER BE RESPONSIBLE FOR THE REMOVAL OF DEBRIS RESULTING FROM ACCIDENTS AND THE NECESSARY WORK PRELIMINARY TO TOWING, SUCH AS REMOVAL OF VEHICLES FROM DITCHES, RIGHTING SAID VEHICLES, SEPARATING ENTANGLED VEHICLES, DISCONNECTING DRIVE SHAFTS, AND OTHER SUCH WORK AS SHALL BE REQUIRED IN CONNECTION WITH THE TOWING OPERATIONS. THIS AGREEMENT DOES NOT APPLY TO, NOR DOES IT AUTHORIZE, TOWS AT THE REQUEST OF THE PUBLIC IN EITHER EMERGENCY OR NON - EMERGENCY SITUATIONS.

IN PROVIDING THESE SERVICES IN THE FIELD, CONTRACTOR, INCLUDING ITS AGENTS AND EMPLOYEES SHALL CONDUCT THEMSELVES IN A SAFE MANNER AND SHALL NEVER, IN ANY CIRCUMSTANCE, ACT IN A MANNER THAT MAY CAUSE A DANGER TO THEMSELVES OR THOSE AT THE SCENE. IN NO WAY SHALL THE CONTRACTOR, INCLUDING ITS AGENTS AND EMPLOYEES, BE IN ANY RELATION OF DEPENDENCE UPON OFFICERS IN PERFORMING UNDER THIS AGREEMENT AND TAKES SPECIAL NOTE THAT, PURSUANT TO MINCH V. DEPARTMENT OF CALIFORNIA HIGHWAY PATROL (2006) 140 CAL.APP.4FFI 895, THE CITY AND ITS OFFICERS OWE NO DUTY OF CARE TO CONTRACTOR, OR ITS AGENTS AND EMPLOYEES.

A. TOW TRUCK CLASSIFICATIONS.

1. CONTRACTOR SHALL EQUIP, REPAIR, AND MAINTAIN ALL TOW TRUCKS COVERED UNDER THIS AGREEMENT IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN THE CALIFORNIA VEHICLE CODE; TITLE 13 OF THE CALIFORNIA CODE OF REGULATIONS, AND CONSISTENT WITH INDUSTRY STANDARDS AND PRACTICES.

- a. NOTWITHSTANDING VEHICLE CODE § 615, ALL TOW TRUCKS SHALL HAVE RECOVERY CAPABILITIES, WHEEL LIFT CAPABILITIES, AND A BOOM MEETING THE SPECIFICATIONS CONTAINED IN THIS AGREEMENT. FOR THE PURPOSE OF THIS AGREEMENT, A TRAILER FOR HIRE THAT IS BEING USED TO TRANSPORT A VEHICLE SHALL NOT QUALIFY AS A PRIMARY TOW TRUCK FOR ROTATION TOW LISTS.
- b. TO THE EXTENT CONTRACTOR HAS A CAR CARRIER, SUCH TRUCK(S) IS /ARE EXEMPTED FROM THE RECOVERY, WHEEL LIFT, AND BOOM CAPABILITY REQUIREMENTS.

2. A VIOLATION OF THE GROSS VEHICLE WEIGHT RATING (GVWR), FRONT AXLE WEIGHT RATING, REAR AXLE WEIGHT RATING, MAXIMUM TIRE WEIGHT RATINGS, NOT MAINTAINING 50% OF THE TOW TRUCK'S UNLADEN WEIGHT ON THE FRONT AXLE WHEN LIFTING /CARRYING A LOAD OR SAFE LOADING REQUIREMENTS OF A TOW TRUCK

SHALL BE CAUSE FOR SUSPENSION OF A TRUCK USED IN PERFORMING UNDER THIS AGREEMENT, AND MAY BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

3. THERE ARE FOUR CLASSES OF TOW TRUCKS COVERED UNDER THIS AGREEMENT. IN NO CASE SHALL ANY TOW TRUCK BE RATED LESS THAN ONE -TON CAPACITY. (THE EQUIPMENT SPECIFICATIONS FOR EACH CLASS OF TOW TRUCK ARE FURTHER DESCRIBED IN EXHIBIT "C".)

- a. CLASS A - LIGHT DUTY. CLASS A TOW TRUCKS SHALL HAVE A MANUFACTURER'S GVWR OF AT LEAST 10,000 POUNDS.
- b. CLASS B - MEDIUM DUTY. CLASS B TOW TRUCKS SHALL HAVE A GVWR OF AT LEAST 19,501 POUNDS. THE TRUCK SHALL BE CAPABLE OF PROVIDING AND MAINTAINING CONTINUOUS AIR TO THE TOWED VEHICLE.
- c. CLASS C - HEAVY DUTY. CLASS C TOW TRUCKS WITH THREE AXLES AND A GVWR OF AT LEAST 33,000 POUNDS. THE TRUCK SHALL BE EQUIPPED WITH AIR BRAKES AND MUST BE CAPABLE OF PROVIDING AND MAINTAINING CONTINUOUS AIR TO THE TOWED VEHICLE.
- d. CLASS D - SUPER HEAVY DUTY. CLASS D TOW TRUCKS WITH THREE AXLES AND A GVWR OF AT LEAST 50,000 POUNDS. THE TRUCK SHALL BE EQUIPPED WITH AIR BRAKES AND MUST BE CAPABLE OF PROVIDING AND MAINTAINING CONTINUOUS AIR TO THE TOWED VEHICLE.

B. TOW TRUCK DRIVERS.

1. CONTRACTOR SHALL ENSURE THAT TOW TRUCK DRIVERS ("DRIVERS ") RESPONDING TO CALLS INITIATED BY SHPD ARE QUALIFIED AND COMPETENT EMPLOYEES OF CONTRACTOR. CONTRACTOR SHALL ENSURE THAT THE TOW TRUCK DRIVERS ARE TRAINED AND PROFICIENT IN THE USE OF THE TOW TRUCK AND RELATED EQUIPMENT, INCLUDING, BUT NOT LIMITED TO, THE PROCEDURES NECESSARY FOR THE SAFE TOWING AND RECOVERY OF THE VARIOUS TYPES OF VEHICLES SERVICED THROUGH SHPD ROTATION. TOW TRUCK DRIVERS SHALL BE AT LEAST 18 YEARS OLD AND POSSESS THE FOLLOWING MINIMUM CLASS DRIVER LICENSE:

- a. CLASS A TOW TRUCK - A VALID CLASS C LICENSE, OR A VALID CLASS A LICENSE WITH VALID MEDICAL CERTIFICATE.
- b. CLASS B TOW TRUCK - A VALID CLASS C LICENSE FOR NON - REGULATED VEHICLES, OR A VALID CLASS A LICENSE WITH VALID MEDICAL CERTIFICATE FOR REGULATED VEHICLES PURSUANT TO VEHICLE CODE SECTION 34500.
- c. CLASS C AND D TOW TRUCKS - A VALID CLASS A LICENSE WITH VALID MEDICAL CERTIFICATE.

2. THE CLASS A LICENSE MUST BE ENDORSED TO ALLOW OPERATION OF SPECIAL VEHICLE CONFIGURATIONS AND/OR SPECIAL CARGOES AS DESCRIBED IN ATTACHMENT "2" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

3. CURRENT DRIVER LISTING. CONTRACTOR SHALL MAINTAIN A CURRENT LIST OF DRIVERS. CONTRACTOR SHALL PROVIDE A CURRENT LIST OF HIS/HER DRIVERS TO SHPD UPON IMPLEMENTATION OF THIS AGREEMENT AND NOT LESS THAN MONTHLY THEREAFTER. CONTRACTOR SHALL NOTIFY SHPD UPON ANY CHANGE IN DRIVER STATUS, INCLUDING THE ADDITION OF ANY NEW DRIVER(S), OR THE DELETION OF ANY DRIVER(S) AND REVOCATION OR SUSPENSION OF A DRIVER'S LICENSE. AN UPDATED LIST SHALL BE PROVIDED SHPD WITHIN SEVEN (7) CALENDAR DAYS OF ANY CHANGE IN DRIVER STATUS. CONTRACTOR SHALL, AT A MINIMUM, MAINTAIN THE FOLLOWING INFORMATION FOR EACH EMPLOYEE, AND PROVIDE THE SAME TO THE POLICE CHIEF NOT LESS THAN MONTHLY:

- A. FULL NAME.
- B. DATE OF BIRTH.
- C. CALIFORNIA DRIVER LICENSE NUMBER AND EXPIRATION DATE.
- D. COPY OF VALID MEDICAL CERTIFICATE (IF REQUIRED).
- C. JOB TITLE /DESCRIPTION.
- F. CURRENT HOME ADDRESS.
- G. CURRENT HOME PHONE NUMBER.
- H. TYPE(S) OF TRUCK(S) DRIVER HAS BEEN TRAINED AND INSTRUCTED TO OPERATE.
- I. CERTIFICATE SHOWING DRIVER IS CALIFORNIA TOW TRUCK ASSOCIATION (CTTA) TRAINED.

4. DRIVERS' APPEARANCE. DRIVERS MUST MAINTAIN A NEAT, CLEAN, AND PROFESSIONAL APPEARANCE AT ALL TIMES. DRIVERS MUST WEAR A DISTINCTIVE UNIFORM BEARING THE CONTRACTOR'S NAME CLEARLY VISIBLE WITH SHIRTTAILS TUCKED INTO THE WAISTBAND OF THEIR PANTS.

5. SCREENING OF DRIVERS. PRIOR TO UTILIZING ANY DRIVER TO PERFORM SERVICES UNDER THIS AGREEMENT, CONTRACTOR SHALL PROVIDE TO THE CITY'S CHIEF OF POLICE A CONFIDENTIAL SCREENING APPLICATION FOR THAT PROSPECTIVE DRIVER CONTAINING INFORMATION REQUESTED BY THE POLICE CHIEF. THE CHIEF OF POLICE SHALL SCREEN THE PROSPECTIVE DRIVER AND APPROVE OR DENY THAT DRIVER FOR SERVICE UNDER THIS AGREEMENT. THE CHIEF SHALL DENY THAT DRIVER IF THE POLICE CHIEF DETERMINES, IN HIS SOLE DISCRETION, THAT THE PROSPECTIVE DRIVER: A) PROVIDED FALSE OR MISLEADING INFORMATION ON THE APPLICATION, OR B) HAS BEEN CONVICTED OF ANY FELONY OR ANY THEFT - RELATED CRIME. UTILIZING ANY DRIVER BEFORE THE POLICE CHIEF HAS COMPLETED THE SCREENING, OR UTILIZING ANY DRIVER WHO HAS BEEN DISAPPROVED UNDER THIS PARAGRAPH SHALL BE GROUNDS FOR SUSPENDING CONTRACTOR'S PARTICIPATION IN

THE TOW ROTATION. IF CONTRACTOR BECOMES AWARE OF ANY DRIVER BEING ARRESTED OR CONVICTED FOR ANY FELONY OR THEFT- RELATED CRIME AFTER APPROVAL BY POLICE CHIEF, CONTRACTOR SHALL NOTIFY THE CITY WITHIN 24 HOURS OF SUCH FACT.

6. REMOVAL OF DRIVERS. AT ANY TIME DURING THE TERM OF THIS AGREEMENT, THE POLICE CHIEF, IN HIS OR HER SOLE DISCRETION AND WITH OR WITHOUT CAUSE, MAY DIRECT CONTRACTOR TO NO LONGER UTILIZE A PARTICULAR DRIVER TO PERFORM SERVICES FOR THE CITY UNDER THIS AGREEMENT. SUCH DIRECTION SHALL BE GIVEN BY WRITTEN NOTICE TO CONTRACTOR. UPON RECEIPT OF SUCH NOTICE, CONTRACTOR SHALL IMMEDIATELY DISCONTINUE USE OF THE DRIVER TO PERFORM SERVICES UNDER THIS AGREEMENT. UPON REQUEST BY CONTRACTOR, THE POLICE CHIEF MAY, IN HIS OR HER SOLE DISCRETION, PROVIDE WRITTEN NOTICE REINSTITUTING THE DRIVER'S ELIGIBILITY TO PERFORM SERVICES FOR CITY.

C. STORAGE OPERATIONS.

1. CONTRACTOR RESPONSIBILITIES.

a. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL VEHICLES STORED BY CONTRACTOR, TOGETHER WITH ALL ACCESSORIES AND EQUIPMENT ON EACH VEHICLE AND ALL PERSONAL PROPERTY IN EACH VEHICLE. IT SHALL BE CONTRACTOR'S RESPONSIBILITY TO PROTECT THE STORED EQUIPMENT AND PROPERTY AGAINST LOSS OR DAMAGE BY FIRE, THEFT, WEATHER OR OTHER CAUSES. IN THE EVENT OF LOSS OR DAMAGE TO A STORED VEHICLE, ITS ACCESSORIES OR EQUIPMENT, OR PERSONAL PROPERTY CONTAINED IN THE VEHICLE, CONTRACTOR SHALL BE RESPONSIBLE TO THE OWNER FOR ALL LOSSES OR DAMAGES. PERSONAL PROPERTY IN VEHICLES STORED BY CONTRACTOR SHALL NOT BE DISPOSED OF TO DEFRAY ANY CHARGES FOR THE TOWING OR STORING OF A VEHICLE; AND, IF NOT CALLED FOR BY THE OWNER WITHIN THIRTY (30) DAYS AFTER DATE OF NOTICE BY SHPD OF IMPOUND OR STORAGE, ALL SUCH PROPERTY SHALL BE DISPOSED OF IN ACCORDANCE WITH ALL STATE, COUNTY AND MUNICIPAL LAWS, STATUTES, ORDINANCES AND REGULATIONS, INCLUDING WITHOUT LIMITATION, VEHICLE CODE § 10652 (REPORTING STORAGE OF VEHICLES OVER THIRTY (30) DAYS).

b. CONTRACTOR SHALL TAKE ALL REASONABLE PRECAUTIONS AS DIRECTED BY SHPD TO AVOID DAMAGE TO ANY EVIDENCE, SUCH AS FINGERPRINTS OR STAINS. VEHICLES TAKEN INTO CUSTODY THAT INVOLVE EVIDENCE SHALL BE STORED IN A SECURED, LOCKED AREA WHICH IS INSIDE A STRUCTURE PROTECTED AGAINST ENTRY BY UNAUTHORIZED PERSONS. CONTRACTOR SHALL PARK ALL STORED OR IMPOUNDED VEHICLES IN SUCH A MANNER AS TO PREVENT ANY DAMAGE WHILE OTHER VEHICLES ARE BEING MOVED OR PARKED IN THE VICINITY OF SAID VEHICLES. VEHICLES HELD FOR THIRTY (30) DAYS SHALL BE SECURED IN AN INSIDE STORAGE AREA.

c. CONTRACTOR MUST MAINTAIN A LOCKED AND SECURED STORAGE AREA FOR VEHICLES HELD FOR POLICE INVESTIGATION OR PRESERVATION OF EVIDENCE ("POLICE HOLD VEHICLES "). POLICE HOLD VEHICLES SHALL BE PLACED IN A SECURED, ENCLOSED, INSIDE STORAGE AREA ("INSIDE STORAGE AREA "). THE POLICE HOLD VEHICLES INSIDE STORAGE AREA SHALL BE CAPABLE OF BEING SECURED IN A MANNER ACCEPTABLE BY THE POLICE CHIEF, OR HIS/HER DESIGNEE, SO AS TO ASSURE THE

INTEGRITY AND CHAIN OF CUSTODY OF EVIDENCE OR OTHER INFORMATION DERIVED FROM A VEHICLE, WHICH IS SUBJECT TO A POLICE HOLD. VEHICLES SO STORED SHALL NOT BE MOVED, RELOCATED, OR PHYSICALLY TOUCHED BY EMPLOYEES OF CONTRACTOR EXCEPT AS AUTHORIZED BY THE POLICE CHIEF, OR HIS/HER DESIGNEE, AND UPON WRITTEN AUTHORIZATION OF CITY.

2. STORAGE FACILITIES.

- a. CONTRACTOR SHALL MAINTAIN A VEHICLE STORAGE AREA TO IMPOUND TOWED VEHICLES LARGE ENOUGH TO ACCOMMODATE ALL VEHICLES STORED LESS THAN THIRTY (30) DAYS. THE PRIMARY VEHICLE STORAGE AREA MUST HAVE THE LEGAL STORAGE CAPACITY FOR EIGHTY (80) VEHICLES.

- b. ALL VEHICLES IMPOUNDED OR TAKEN INTO CUSTODY BY SHPD MUST BE STORED BY CONTRACTOR IN AREAS THAT ARE ENCLOSED BY SUBSTANTIAL WIRE FENCES OR WALLS THAT HAVE GATES OR DOORS WHICH LOCK. SUCH FENCES OR WALL ENCLOSURES SHALL BE NOT LESS THAN SIX (6) FEET IN HEIGHT AND SHALL HAVE NOT LESS THAN ONE (1) GATE OR DOOR OF ADEQUATE WIDTH AND HEIGHT. A FENCE OR WALL ENCLOSURES SHALL BE MAINTAINED AND REPAIRED IN GOOD CONDITION THROUGHOUT THE TERM OF THIS AGREEMENT. SUCH FENCES OR WALLS SHALL BE REPAIRED WITHIN TWENTY -FOUR (24) HOURS OF THE TIME OF ANY DAMAGE THERETO TO INSURE PROPER PROTECTION OF THE STORED VEHICLES. THE STORAGE AREA MUST BE PAVED WITH CONCRETE OR ASPHALT AND MAINTAINED IN GOOD CONDITION. THE POLICE CHIEF, OR HIS/HER DESIGNEE, MAY MODIFY SECURITY REQUIREMENTS NECESSARY TO COINCIDE WITH LOCAL CONDITIONS.

- c. THE STORAGE FACILITY SHALL BE OPEN AND ATTENDED FROM 8:00 A.M. TO 5:00 P.M., MONDAY THROUGH FRIDAY, AND SHALL HAVE A RESPONSIBLE PERSON ON CALL ON A TWENTY -FOUR (24) HOUR BASIS, SEVEN (7) DAYS A WEEK. THE DESIGNATED ON -CALL PERSON(S) SHALL BE AVAILABLE TO RELEASE VEHICLES BETWEEN 5:00 P.M. AND 8:00 A.M., MONDAY THROUGH FRIDAY AND A TWENTY -FOUR (24) HOUR BASIS ON SATURDAY, SUNDAY AND HOLIDAYS.

3. LOCATION AND MAINTENANCE OF STORAGE FACILITY.

A) CONTRACTOR SHALL MAINTAIN AND PROVIDE AT LEAST ONE PLACE OF BUSINESS WHICH IS ALSO THE LOCATION OF THE STORAGE FACILITY FOR THE VEHICLES STORED UNDER THIS AGREEMENT WITHIN SEVEN (10) MILES FROM THE BOUNDARIES OF CITY, AS MAY BE MODIFIED FROM TIME TO TIME. THE BUSINESS ADDRESS AND PRIMARY STORAGE FACILITY SHALL BE LOCATED REASONABLY CLOSE TO THE POLICE STATION, AS DETERMINED BY THE POLICE CHIEF IN HIS/HER SOLE OPINION.

B) THE PRIMARY STORAGE FACILITY SHALL BE AT THE SAME LOCATION AS THE BUSINESS ADDRESS. THE VEHICLE AND PERSONAL PROPERTY SHALL BE RELEASED AT A PRIMARY STORAGE FACILITY UPON REQUEST OF THE OWNER. EXCEPT WITH RESPECT TO POLICE HOLD VEHICLES, UPON PROPER IDENTIFICATION OR PROOF OF AUTHORITY, THE OWNER OR HIS DESIGNATED REPRESENTATIVE SHALL BE PERMITTED TO REMOVE PERSONAL EFFECTS FROM A STORED VEHICLE WITHOUT REFERENCE TO ANY COSTS OR CHARGES PENDING BECAUSE OF TOWING OR STORAGE OF SAID VEHICLE. POLICE HOLD VEHICLES SHALL NOT BE RELEASED WITHOUT THE PRESENTATION OF A FULLY EXECUTED PROPERTY RELEASE FORM ISSUED BY THE SIGNAL HILL POLICE DEPARTMENT, AND

UPON COMPLIANCE WITH THIS PARAGRAPH.

C) CONTRACTOR SHALL FURNISH THE POLICE CHIEF, OR HIS/HER DESIGNEE, WITH THE ADDRESSES OF ALL STORAGE FACILITIES WHENEVER THERE IS A CHANGE.

D) ALL STORAGE FACILITIES SHALL COMPLY WITH ALL LAND USE AND ZONING ORDINANCES OF THE APPLICABLE JURISDICTION IN WHICH THEY ARE LOCATED AND ALL REQUIREMENTS AND SPECIFICATIONS DESCRIBED IN THIS AGREEMENT. ALL LANDSCAPED AND PAVED AREAS OF CONTRACTOR'S PREMISES SHALL BE MAINTAINED IN A NEAT AND ORDERLY CONDITION WITH THE LANDSCAPE IN A HEALTHY CONDITION AND FREE OF WEEDS AND LITTER.

E) ANY STORAGE SPACE SHALL BE KEPT FREE OF WEEDS, LITTER, DEBRIS, AND ANY OTHER MATERIALS OR SUBSTANCES OR ANY AUTOMOTIVE PARTS UNLESS SAID PARTS ARE STORED AS EVIDENCE FOR THE POLICE DEPARTMENT. CONTRACTOR SHALL TAKE ALL REASONABLE STEPS TO PREVENT CONTAMINATION OF SOIL BY GASOLINE, OIL, GREASE, OR ANY OTHER HAZARDOUS SUBSTANCES AS SPECIFIED BY FEDERAL, STATE, COUNTY OR MUNICIPAL REGULATIONS.

F) CONTRACTOR SHALL POST NOT LESS THAN ONE OUTDOOR SIGN AT EACH STORAGE FACILITY, AT OR NEAR THE ENTRANCE THEREOF, IDENTIFYING CONTRACTOR'S NAME, TELEPHONE NUMBER, AND THE BUSINESS TELEPHONE NUMBER OF SHPD.

G) UNLESS THE VEHICLE IS SUBJECT TO A POLICE HOLD, AS DESCRIBED IN SECTION (C)(1)(C), ABOVE, CONTRACTOR SHALL BE ABLE TO PROPERLY CONDUCT A LIEN SALE AS OUTLINED IN VEHICLE CODE § 22851.1.

D. INSPECTIONS.

SHPD OR, AS AUTHORIZED BY SHPD, THE CALIFORNIA HIGHWAY PATROL ("CHP ") MAY CONDUCT INSPECTIONS AT ANY TIME OF ALL TOW TRUCKS TO DETERMINE WHETHER SUCH TOW TRUCKS ARE SAFE AND

ADEQUATELY EQUIPPED TO PERFORM THE SERVICE REQUIRED OF SUCH CLASS LEVEL TOW TRUCK. SHPD OR

CHP MAY ALSO CONDUCT INSPECTIONS AT ANY TIME OF CONTRACTOR'S BUSINESS PREMISES TO DETERMINE

WHETHER THE PREMISES ARE SECURED AND MAINTAINED ACCORDING TO THE TERMS OF THIS AGREEMENT.

SHPD OR CHP MAY CONDUCT INSPECTIONS WITHOUT NOTICE DURING NORMAL BUSINESS HOURS.

CONTRACTOR SHALL NOT DISPATCH A TOW TRUCK (TO A SHPD CALL) THAT HAS NOT BEEN INSPECTED AND

APPROVED BY SHPD OR CHP. SHPD OR CHP SHALL INSPECT A TOW TRUCK WITHIN THIRTY (30) DAYS OF A

REQUEST FROM CONTRACTOR. IF CONTRACTOR FAILS AN INSPECTION FOR ANY REASON (AS DETERMINED IN THE

REASONABLE DISCRETION OF SHPD OR CHP) IS ENTITLED TO ONLY ONE (1) RE- INSPECTION. FAILURE TO PASS

THE RE- INSPECTION MAY BE CAUSE FOR DISQUALIFICATION OF THE TOW TRUCK FROM USE IN PERFORMING THIS

AGREEMENT.

E. BUSINESS RECORDS.

1. CONTRACTOR SHALL MAINTAIN RECORDS, AT ITS PLACE OF BUSINESS, RELATING TO TOW SERVICES FURNISHED UNDER THIS AGREEMENT. AT THE REQUEST OF SHPD, CONTRACTOR SHALL FURNISH SHPD A

WRITTEN LIST OF ALL VEHICLES THAT HAVE BEEN TOWED BY CONTRACTOR UNDER THIS AGREEMENT. SUCH LIST

SHALL SHOW THE NATURE OF SERVICE, DESCRIPTION OF VEHICLES, DATE OF TOW, TOW TRUCK DRIVERS NAME,

START TIME, END TIME, STORAGE LOCATION OF EACH VEHICLE, DATES OF STORAGE, ITEMIZED COSTS OF TOWING

AND STORAGE, VEHICLE MAKE AND MODEL, LICENSE NUMBER AND VEHICLE SERIAL NUMBER. UPON REQUEST,

CONTRACTOR SHALL FURNISH SHPD WITH AN ITEMIZED LIST OF ALL CHARGES INCURRED.

2. CONTRACTOR SHALL ALSO MAINTAIN BUSINESS RECORDS RELATING TO PERSONNEL, INSURANCE, PERSONNEL TAXES, PAYROLL, APPLICABLE OPERATING AUTHORITIES, LOCAL OPERATING AUTHORITIES, LIEN SALE

ACTIONS, AUCTIONS, FCC AND ANY OTHER NECESSARY LICENSING (IF ANY), AND NON -SHPD TOWS.

3. SHPD MAY INSPECT ALL CONTRACTOR RECORDS WITHOUT NOTICE DURING NORMAL BUSINESS HOURS.

CONTRACTOR SHALL PERMIT SHPD TO MAKE COPIES OF BUSINESS RECORDS AT THEIR PLACE OF BUSINESS, OR TO

REMOVE BUSINESS RECORDS FOR THE PURPOSE OF REPRODUCTION. SHPD SHALL PROVIDE A RECEIPT FOR ANY

(ORIGINAL) RECORDS REMOVED FROM THE PLACE OF BUSINESS. RECORDS SHALL BE MAINTAINED AND AVAILABLE FOR INSPECTION FOR A PERIOD OF TWO YEARS PLUS THE CURRENT TERM OF THIS AGREEMENT.

FAILURE OF CONTRACTOR TO COMPLY WITH THE RECORDS REQUIREMENT SHALL BE CAUSE FOR TERMINATION OF

THIS AGREEMENT.

4. FOR PURPOSES OF AUDIT BY THE CITY, CONTRACTOR SHALL ALSO KEEP ACCURATE RECORDS OF ALL GROSS

RECEIPTS EARNED AS A RESULT OF THE BUSINESS CONDUCTED UNDER THE AGREEMENT, EXCEPTING THEREFROM ALL SALES AND EXCISE TAXES. RECEIPTS SHALL BE ISSUED TO ALL CUSTOMERS. THE RECORDS MUST BE SUPPORTED BY SOURCE DOCUMENTS SUCH AS RECEIPT SLIPS, CASH REGISTER TAPES, INVOICES OR OTHER PERTINENT INFORMATION. CONTRACTOR SHALL READ AND RECORD THE TOTALS AT THE BEGINNING AND END OF EACH CALENDAR DAY. SUCH RECORDS MUST BE AVAILABLE AT ALL TIMES AND SHALL BE SUBJECT TO INSPECTION, REVIEW AND AUDIT DURING THE ENTIRE AGREEMENT PERIOD BY THE POLICE CHIEF, OR HIS/HER DESIGNEE, OR CITY FINANCE DIRECTOR OR HIS REPRESENTATIVE. SUCH AUDITS MAY BE CONDUCTED AT THE DISCRETION OF THE POLICE CHIEF, OR HIS/HER DESIGNEE, OR THE FINANCE DIRECTOR, EITHER UNANNOUNCED OR BY APPOINTMENT. CONTRACTOR'S FAILURE TO HAVE RECORDS OF ALL GROSS RECEIPTS IMMEDIATELY AVAILABLE FOR AUDIT SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT BY CITY.

F. CONDUCT AND DEMEANOR.

1. WHILE INVOLVED IN SHPD REQUESTED TOW OPERATIONS, CONTRACTOR AND/OR ITS EMPLOYEES SHALL

REFRAIN FROM ANY ACT(S) OF MISCONDUCT, TO INCLUDE, BUT NOT LIMITED TO, ANY OF THE FOLLOWING:

- A) RUDE OR DISCOURTEOUS BEHAVIOR.
- B) LACK OF SERVICE, SELECTIVE SERVICE, OR REFUSAL TO PROVIDE SERVICE WHICH CONTRACTOR IS /SHOULD BE CAPABLE OF PERFORMING.
- C) ANY ACT OF SEXUAL HARASSMENT OR SEXUAL IMPROPRIETY.
- D) UNSAFE DRIVING PRACTICES.
- E) EXHIBITING ANY OBJECTIVE SYMPTOMS OF ALCOHOL AND /OR DRUG USE.
- F) APPEARING AT THE SCENE OF A SHPD TOW CALL WITH THE ODOR OF AN ALCOHOLIC BEVERAGE EMITTING FROM HIS/HER BREATH. CONTRACTOR /TOW TRUCK DRIVER SHALL SUBMIT TO A PRELIMINARY ALCOHOL - SCREENING TEST UPON DEMAND OF SHPD.

2. CONTRACTOR SHALL NOT LEAVE ANY TOW SITE WITHOUT CLEANING THE LOCATION SUFFICIENT TO RESTORE NORMAL TRAFFIC PATTERNS.

3. ALL COMPLAINTS RELATED TO SERVICES UNDER THIS AGREEMENT RECEIVED BY SHPD AGAINST CONTRACTOR (OR ITS EMPLOYEES) WILL BE ACCEPTED AND INVESTIGATED IN A FAIR AND IMPARTIAL MANNER BY SHPD WITH THE FULL COOPERATION OF CONTRACTOR. CONTRACTOR WILL BE NOTIFIED OF THE RESULTS OF ANY INVESTIGATION BEFORE ANY ACTION IS TAKEN.

G. COMPLIANCE WITH LAW.

1. CONTRACTOR, AND ITS EMPLOYEES, SHALL, AT ALL TIMES, BE KNOWLEDGEABLE OF, AND COMPLY WITH, ALL FEDERAL, STATE, AND LOCAL LAWS AND ORDINANCES, WHICH INCLUDE, BUT ARE NOT LIMITED TO, THOSE LAWS WHICH ARE APPLICABLE TO CONTRACTOR AS PROMULGATED BY THE CALIFORNIA DEPARTMENT OF TRANSPORTATION, THE CALIFORNIA HIGHWAY PATROL, AND INDUSTRY PRACTICES ENDORSED BY THE CALIFORNIA TOW TRUCK ASSOCIATION. CONTRACTOR SHALL RETAIN AN ADEQUATE NUMBER OF TRAINED AND PROPERLY LICENSED (AS REQUIRED BY VEHICLE CODE § 12804) PERSONNEL ASSIGNED TO PERFORM THE WORK DESCRIBED IN THIS AGREEMENT.

A) IN THE EVENT OF A TRAFFIC VIOLATION OF ANY KIND BY CONTRACTOR'S TOW TRUCK DRIVER(S) WHICH IS /ARE KNOWN BY SHPD, CONTRACTOR SHALL BE ADVISED OF THE VIOLATION(S) BY SHPD. EXCEPT AS PROVIDED BELOW, CONTRACTOR WILL BE GRANTED THE OPPORTUNITY TO TAKE NECESSARY STEPS TO ENSURE THAT THE SAME OR SIMILAR VIOLATION DOES NOT REOCCUR. ANY SUBSEQUENT TRAFFIC VIOLATION(S) MAY BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

B) ANY TRAFFIC VIOLATION(S) CHARGEABLE AS A FELONY, OR A TRAFFIC VIOLATION INVOLVING DRUGS OR ALCOHOL (E.G., DRIVING UNDER THE INFLUENCE OF DRUGS OR ALCOHOL) OR DRIVING ON A SUSPENDED OR REVOKED LICENSE, SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

2. THE PROVISIONS CONTAINED HEREIN DO NOT PRECLUDE SHPD FROM TAKING APPROPRIATE

ENFORCEMENT OR ADMINISTRATIVE ACTION FOR ANY VIOLATIONS OF LAW.

3. ANY CONVICTION OF CONTRACTOR, OR ANY OF ITS AGENTS, EMPLOYEES OR OFFICERS, INVOLVING A STOLEN OR EMBEZZLED VEHICLE, FRAUD RELATED TO THE TOWING BUSINESS, STOLEN OR EMBEZZLED PROPERTY, A CRIME OF VIOLENCE, A DRUG RELATED OFFENSE, FELONY OR MISDEMEANOR DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL AND /OR A DRUG, WHETHER OR NOT IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT OR NOT, SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

H. INVENTORY OF VEHICLE CONTENTS.

A DETAILED WRITTEN INVENTORY OF ALL PERSONAL PROPERTY IN ANY VEHICLE WHICH IS TOWED AND STORED OR TOWED AND IMPOUNDED WILL BE COMPLETED BY THE POLICE DEPARTMENT EMPLOYEE REQUESTING CONTRACTOR'S SERVICES, AND THE TOW CONTRACTOR SHALL COMPLETE THE APPROPRIATE SECTION ON THE POLICE DEPARTMENT'S FORM AND SHALL SIGN SAID FORM. A COPY OF SAID SIGNED FORM SHALL BE GIVEN TO THE TOW TRUCK DRIVER AND SHALL BE RETAINED BY CONTRACTOR. WHENEVER ANY ITEM IS REMOVED FROM A STORED VEHICLE AND TAKEN TO ANOTHER PLACE OF STORAGE, CONTRACTOR SHALL PROVIDE A RECEIPT, WITH A COPY PLACED IN THE STORED VEHICLE AND A COPY GIVEN TO THE POLICE DEPARTMENT.

I. SERVICE COMPLAINTS.

CONTRACTOR SHALL POST A NOTICE IN A CONSPICUOUS PLACE AT CONTRACTOR'S PLACE OF BUSINESS OF A SIZE WHICH IS AT LEAST 8 1/2" X 11" INFORMING THE PUBLIC OF THE RIGHT TO MAKE COMPLAINTS REGARDING SERVICE PROVIDED BY CONTRACTOR, AND SHALL INCLUDE THE NAME AND LOCATION WHERE COMPLAINTS CAN BE MADE TO CITY. CONTRACTOR SHALL NOTIFY SHPD, IN WRITING, WITHIN SEVENTY -TWO (72) HOURS OF ANY COMPLAINTS MADE TO CONTRACTOR REGARDING THE PERFORMANCE OF SERVICE IN CONNECTION WITH TOWING OR STORAGE, OR CONCERNING RATES, CHARGES OF FEES, OR ANY CLAIMS, OR ANY LEGAL ACTIONS FILED, DELIVERED OR SERVED UPON OR INSTITUTED AGAINST CONTRACTOR OR ANY OF ITS AGENTS, OFFICERS OR EMPLOYEES.

J. ADVERTISING.

CONTRACTOR SHALL NOT DISPLAY ANY SIGN OR ENGAGE IN ANY ADVERTISEMENT INDICATING AN OFFICIAL OR UNOFFICIAL CONNECTION WITH SHPD OR THE DEPARTMENT OF MOTOR VEHICLES. EXAMPLES OF PROHIBITED SIGNAGE INCLUDE, WITHOUT LIMITATION, "OFFICIAL SHPD Tow," "APPROVED BY SHPD," "SHPD Tow." THE PROVISIONS UNDER THIS SECTION SHALL NOT PRECLUDE THE POLICE CHIEF, OR HIS/HER

DESIGNEE, FROM IMPLEMENTING A SYSTEM TO MARK AND IDENTIFY PARTICULAR TOW TRUCKS AS HAVING PASSED SHPD INSPECTION.

L. TERMINATION OF AGREEMENT FOR CAUSE.

1. THE POLICE CHIEF, OR HIS/HER DESIGNEE, SHALL BE AUTHORIZED TO TAKE ACTION AGAINST CONTRACTOR FOR VIOLATIONS OF THIS AGREEMENT INVESTIGATED AND CONFIRMED OR SUSTAINED UP TO AND INCLUDING TERMINATION OF THIS AGREEMENT.

2. OVERCHARGING BY CONTRACTOR SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT IN THE SOLE DISCRETION OF THE POLICE CHIEF, OR HIS/HER DESIGNEE.

3. FAILURE BY CONTRACTOR TO RESPOND TO CALLS AS REQUIRED, MEET THE MAXIMUM RESPONSE TIME REQUIREMENTS, MEET THE AVERAGE RESPONSE TIME ON A REGULAR BASIS, OR PERFORM THE REQUIRED TOWING OR SERVICE AS REQUIRED BY THIS AGREEMENT SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT IN THE SOLE DISCRETION OF THE POLICE CHIEF, OR HIS/HER DESIGNEE.

4. FAILURE OF CONTRACTOR TO MAINTAIN THE MINIMUM INSURANCE REQUIREMENTS AS SET FORTH IN THE AGREEMENT SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT IN THE SOLE DISCRETION OF THE POLICE CHIEF, OR HIS/HER DESIGNEE.

5. A VIOLATION OF THE BIENNIAL INSPECTION OF TERMINALS (BIT) PROGRAM REQUIREMENTS SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

6. FAILURE OF CONTRACTOR, ITS EMPLOYEES, OR ITS AGENTS TO MAINTAIN PROFESSIONAL CONDUCT BECOMING OF A REPRESENTATIVE OF THE CITY, IN THE SOLE DISCRETION OF THE POLICE CHIEF, SHALL BE CAUSE FOR TERMINATION OF THIS AGREEMENT.

EXHIBIT "B"
SCHEDULE OF SERVICES

RESERVED

EXHIBIT "C"
COMPENSATION

KRUGER TOW WILL PROVIDE THE CITY WITH \$3,000 EACH QUARTER FOR DURATION OF CONTRACT.

TOWING SERVICES

Basic Tow Rate - Light class: Vehicles \leq 9,000 lbs. GVWR	\$239.00 /Hour
Basic Tow Rate - Medium Class: Vehicles 9,001 lbs. - 26,000lbs. GVWR	\$326.00 /Hour*
Basic Tow Rate - Heavy Class: Vehicles \geq 26,001 lbs. GVWR	\$434.00 /Hour*
Drop Fee - Light Class: Vehicles \leq 9,000 lbs. GVWR	\$119.00 /Hour*
Drop Fee - Medium Class: Vehicles 9,001 lbs. - 26,000 lbs. GVWR	\$133.00 /Hour*
Drop Fee - Heavy Class: Vehicles \geq 26,001 lbs. GVWR	\$355.00 /Hour*

* 2 HOUR MINIMUM

TOWING MISCELLANEOUS FEES

After Hours Vehicle/Property Release	\$119.00 Vehicle
Archive Files Research	\$41.00 Vehicle

SECURED STORAGE FEES

Motorcycle Storage	\$47.00 Day
Vehicle Storage - Standard: \leq 20 Feet	\$78.00 Day
Vehicle Storage - Large: \geq 21 Feet	\$96.00 Day

AUCTION PROCESS FEES

Short Lien	\$70.00 Vehicle
Long Lien	\$100.00 Vehicle

PRICING WILL ALWAYS REFLECT THE CITY OF LONG BEACH'S TOW RATES