

LIEN SALES SERVICE AGREEMENT

THIS AGREEMENT is made and entered on this 1st day of November 2023, by and between the City of Upland, a municipal corporation organized under the laws of the State of California with its principal place of business at 460 N. Euclid Avenue, Upland, CA 91786 and, hereinafter referred to as "City", and Denco Lien Sales, Inc., a California Corporation, with its principal place of business at 224 S. Glendora Ave, #C, Glendora, Ca 91741, hereinafter referred to as "Contractor".

WITNESSETH:

WHEREAS, it is the desire of the CITY and CONTRACTOR to enter into an exclusive agreement for lien sale services that will be requested by the Upland Police Department, pursuant to the terms and conditions set forth herein.

DESCRIPTION OF SERVICES

<u>Service Provided:</u>	<u>Fees</u>
SHORT LIEN:	\$35
LONG LIEN:	\$125
LONG LIEN CANCELLATION:	\$25
LEGAL OWNERS	\$10 EXTRA

Lien Services are described as providing the following services every week on an ongoing basis;

Completed lien sales processing:

- Providing lien sale paperwork on eligible items that are registered with the DMV.
- Lien processing for all values of liens.
- California DMV vehicle/vessel registration forms.
- All required postage.
- All Reg. 656 applications for vehicles valued over \$4,000.00.
- All legal ads for vehicles valued over \$4,000.00.
- Retention of all returned notices and green cards.
- Provide police department with invoice paperwork, including cancellations.

The City of Upland is responsible for the following in connection with Lien Sales Services:

- Documentation of all towed vehicles.
- Providing CHP 180 paperwork to the Lien Sale Service.
- Providing keys and viewing opportunity of stored vehicles to Lien Sale Service.

NOW, THEREFORE, the parties hereto agree as follows:

1. Performance of Service: Contractor agrees to perform lien sale services on an exclusive basis as an Official Lien Sales Provider and to furnish all labor and equipment necessary to implement lien sales in the City of Upland as directed, and subject to the satisfaction of, the Upland Police Department. All lien sales services shall be performed in accordance with all applicable provisions of law, and the provisions of this agreement.
2. Terms and Conditions: The terms and conditions of this agreement shall be effective as of November 1, 2023, and continue through October 31, 2026, unless sooner terminated as provided herein. The CITY may, upon mutual agreement, extend the contract for two (2) one-year additional terms.
3. Insurance: The CONTRACTOR shall not commence work under this contract until it has obtained all insurance required hereunder a company or companies acceptable to the CITY nor shall the CONTRACTOR allow any subcontractor to commence work on its subcontract until all insurance required of the subcontractor has been obtained. The CONTRACTOR shall take out and maintain at all times during the life of this contract the following policies of insurance:
 - a. Compensation insurance: Before beginning work, the CONTRACTOR shall furnish to the CITY a certificate of insurance as proof that it has taken out full compensation insurance for all persons whom the CONTRACTOR may employ directly or through subcontractors in carrying out the work specified herein, in accordance with the laws of the State of California. Such insurance shall be maintained in full force and effect during the period covered by this contract. Further, such policy of insurance shall provide that the insurer waives all rights of subrogation against the CITY and its elected officials, officers, employees and agents.

In accordance with the provisions of Section 3700 of the California Labor Code, every contractor shall secure the payment of compensation to his employees. CONTRACTOR, prior to commencing work, shall sign and file with the CITY a certification as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing with the performance of work under this contract."

- b. For all operations of the CONTRACTOR or any subcontractor authorized to perform the work herein, insurance with the following minimum limits and coverage:
 - i. Commercial General Liability (occurrence) - for bodily injury, death and property damage for products/completed operations and any and all other activities undertaken by the contractor in the performance of this Agreement, OR
 - ii. (Alternative to Commercial General Liability) – Comprehensive, broad form General Public Liability (occurrence) – for bodily injury, death and property damage arising out of any activities undertaken by CONTRACTOR in the performance of this Agreement.
 - iii. Comprehensive Automobile Liability (occurrence) – for bodily injury, death and property damage insuring against all liability arising out of the use of any vehicle.

- iv. Other required insurance, endorsements or exclusions as required by the CITY.
 - v. The policies of insurance required in the above sections shall have no less than the following limits of coverage:
 - 1. \$1,000,000 (One Million Dollars) for bodily injury or death;
 - 2. \$1,000,000 (One Million Dollars) for property damage;
 - 3. \$1,000,000 (One Million Dollars) combined Single Limit for Injuries, including Accidental Death and Property Damage Insurance.
- c. Each such policy of insurance required in Section (b) shall:
- i. Be subject to no deductible amount unless otherwise approved in writing by CITY.
 - ii. Be issued by an insurance company approved in writing by CITY, which is admitted and licensed to do business in the State of California and which is rated AVII or better according to the most recent A.M. Best Co. Rating Guide.
 - iii. Name as additional insured the CITY, its elected officials, officers, agents and employees.
 - iv. Specify that it acts as primary insurance and that no insurance held or owned by the designated additional insured shall be called upon to cover a loss under said policy.
 - v. Specify that it apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - vi. Contain a clause in the following words: "It is hereby understood and agreed that this policy may not be canceled nor the amount of coverage thereof reduced until thirty (30) days after receipt by CITY of written notice of such cancellation or reduction of coverage as evidenced by receipt of a registered letter."
 - vii. Specify that any failure to comply with reporting or other provisions of the required policy, including breaches of warranty, shall not affect the coverage required to be provided.
 - viii. Specify that the insurer waives all rights of subrogation against any of the named additional insured.
 - ix. Specify that any and all costs of adjusting and/or defending any claim against any insured, including court costs and attorney's fees, shall be paid in addition to and shall not deplete any policy limits.
 - x. Otherwise be in form satisfactory to CITY.
 - 1. Prior to commencing performance under this Agreement, the CONTRACTOR shall furnish to the CITY with original endorsements, or copies of each required policy, effecting and evidencing the insurance coverage required by this Agreement. The endorsements shall be signed by a person authorized by the insurer(s) to bind coverage on its behalf. All endorsements or policies shall be received and approved by the CITY before CONTRACTOR commences performance. If performance of this Agreement shall extend beyond one year, CONTRACTOR shall provide City with the required

policies or endorsements evidencing renewal of the required policies or endorsements evidencing renewal of the required policies of insurance prior to the expiration of any required policies of insurance.

4. Indemnification: The CONTRACTOR shall indemnify, defend and hold the CITY, its elected officials, officers, agents, and/or employees free and harmless from all claims, liabilities, costs, and demands of any description arising out of performance of this Agreement or any supplemental agreement, to the extent such claims or demands are alleged to be the result of an act or omission of CONTRACTOR or anyone acting on behalf of CONTRACTOR when performing services pursuant to this Agreement. CONTRACTOR'S duty to indemnify shall include payment of all attorneys' fees, court costs and all other costs of litigation incurred by CITY.

5. Labor and Equipment: It is expressly understood and agreed that in the furnishing of all labor and equipment and in the performance of all work under this Agreement, the CONTRACTOR is acting as an independent contractor and not as an agent, servant, or employee of the City of Upland.

6. CONTRACTOR'S Responsiveness: CONTRACTOR shall respond to Upland Police Department once a week on a regular business day to be determined by the Upland Police Department.

7. Vehicle Values: The vehicle values will be determined by consulting the most current Kelley Blue Book.

8. Costs: The costs for service provided by each party under this Agreement shall be in the amounts, due and payable all as set forth on Attachment 1 hereto, which amounts may be revised from time to time pursuant to this Agreement.

9. Dispute of Agreement: A representative of the Upland Police Department who is the Administrative Services Division Commander shall mediate any dispute between the CONTRACTOR and the CITY regarding the administration of this Agreement and the decision shall be governed by the provisions of Section 13 of this Agreement.

10. Interpretation of Contract: This Agreement constitutes the entire contract between the CITY and CONTRACTOR. No representation, agreement, or promise, whether express or implied, shall be binding upon either party hereto unless expressly set forth herein. Any changes or modifications of any of the terms and conditions herein shall be in writing and executed by the parties hereto, provided, however, that CONTRACTOR understands and agrees that it will, if required by the CITY, execute such further agreements as the CITY requires to provide additional insurance protection for the CITY against third party claims arising from CONTRACTOR'S operations pursuant to this Agreement.

11. Termination Agreement: Either the CITY and/or the CONTRACTOR may terminate this Agreement upon giving to the other thirty (30) days prior written notice of said termination. Termination may be with or without cause and, upon termination, neither party shall have any further liability hereunder provided, however, that CONTRACTOR'S obligations pursuant to Section 4 shall continue for the maximum period permitted by law.

12. Assignment of Work: This Agreement may not be assigned nor shall CONTRACTOR subcontract any portion of the work required to be performed herein or utilize equipment or storage yard not owned or

leased by CONTRACTOR, without prior written consent of the CITY, and any attempted assignment thereof without such consent shall be null and void.

13. Attorney's Fees: Should it be necessary for any party to commence any legal action or proceeding to enforce the terms or conditions hereof, the prevailing party in such action shall be entitled to recover from the unsuccessful party all reasonable attorney's fees, costs and expenses incurred by it in the prosecution or defense of such action.


14. Severability: Should any provision, section, word or sentence of this Agreement be declared invalid or preempted by a court of competent jurisdiction, such invalidity or preemption shall not affect any remaining provision, section, word or sentence in this agreement.

Executed the day and the year first above written.

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

By 
Michael Blay, City Manager

Attest: 
Keri Johnson, City Clerk

Approved As to Form:

City Attorney

CONTRACTOR: Denco Lien Sales, Inc.

BY: 

Dennis Willett
(Printed Name)

Title: President

BY: 

DAVID CHRISTENSEN
(Printed Name)

Title: SECRETARY