To: Mayor Farrer and the Honorable Members of the City Council

Prepared by: Robert DuBoux, Public Works Director/City Engineer

Approved by: Reva Feldman, City Manager

Date prepared: February 19, 2020  Meeting date: March 9, 2020

Subject: Bailment Agreement with the County of Los Angeles

RECOMMENDED ACTION: Authorize the City Manager to negotiate and execute a bailment agreement with the County of Los Angeles to allow the Sheriff’s Department to use a new City vehicle for the Volunteers on Patrol program.

FISCAL IMPACT: There is no fiscal impact to the General Fund associated with the recommended action.

WORK PLAN: This item was not included in the Adopted Work Plan for Fiscal Year 2019-2020. This project is part of normal staff operations.

DISCUSSION: This past fiscal year, the City purchased a new vehicle for the Volunteers on Patrol (VOP). The VOP program consists of civilian volunteers who assist the Sheriff’s Department by identifying suspicious activities, crimes in progress or other dangerous circumstances, and help enforcing the City’s parking regulations. The Sheriff’s Department operates the VOP program for the City.

The County of Los Angeles has a new policy that requires the City to enter into a bailment agreement so that the Sheriff's Department can use the new vehicle. Under the bailment agreement, the Sheriff’s Department will take physical possession of the new VOP vehicle, equip the vehicle with all required law enforcement equipment, maintain automobile insurance, pay for normal maintenance, repairs, fuel, washing and service required. The new VOP vehicle will be used only for the City’s VOP program and will be parked at Malibu City Hall at the end of each shift. The title of the new VOP vehicle will remain in the name of the City.
Staff recommends the City Council authorize the City Manager to execute a bailment agreement County of Los Angeles to allow the Sheriff's Department to use a new City vehicle for the Volunteers on Patrol program.

ATTACHMENTS: Bailment Agreement with County of Los Angeles
BAILMENT AGREEMENT BY AND BETWEEN
THE COUNTY OF LOS ANGELES AND THE CITY OF MALIBU

This Bailment Agreement ("Agreement") is made and entered into this ___ day of March, 2020, by and between the County of Los Angeles ("County") and the City of Malibu ("City"). The County and City may be individually referred to as "Party" or collectively referred to as the "Parties."

RECITALS

(A) The Los Angeles County Sheriff's Department ("Sheriff's Department") established a Volunteers on Patrol ("VOP") program, which consists of civilian volunteers who act as the "eyes and ears" of the Sheriff's Department. On December 13, 2010, the City approved the establishment of the VOP program to allow its residents to assist the Sheriff's Department in achieving its goals.

(B) The VOP volunteers ("Volunteers") provide assistance to the Sheriff's Department by identifying suspicious activities, crimes in progress, or other dangerous circumstances, and notifying the authorities for proper handling. They also help enforce the City's parking regulations through the issuance of parking citations.

(C) The County has mandated that in order for the Sheriff's Department to continue its participation in the VOP program, the City must bail a City vehicle to the Sheriff's Department. The vehicle will be used to conduct authorized activities within the City, and will be equipped by the County with all required law enforcement equipment.

(D) As such, the Parties wish to enter into this Agreement so that the Sheriff's Department may continue its VOP program within the City.

NOW, THEREFORE, for and in consideration of the foregoing recitals and the mutual covenants and agreements herein, the Parties agree as follows:

1. Bailment of Property

The City hereby bails a 2018 Ford Interceptor ("Vehicle"), Vehicle Identification Number 1FM5K8AR3JGC43513, to the County for the exclusive use of the Sheriff's Department, as set forth in this Agreement. The Parties shall execute an amendment to this Agreement for any additional vehicle the City bails to the County that is not identified herein.

2. Term of Bailment

The term of this Agreement shall be five years and will commence upon execution by both Parties on the 15 day of March, 2020. If not extended by the Parties, the Agreement will terminate on 15 day of March, 2025. At the end of the initial five year term, the Parties will have an opportunity to extend the term of the Agreement for an additional five years by mutual written notice (expiring on 15 day of March, 2030). The Parties may not elect to extend the Agreement for a period other than the specified five year terms without executing an amendment to this Agreement.

3. Safekeeping and Maintenance:

The County shall exercise due care for the safekeeping of the Vehicle. The County has the right to inspect said Vehicle prior to acceptance. The County shall inspect the Vehicle upon delivery and by acceptance thereof finds the Vehicle in good working order and condition. The County shall maintain
the Vehicle in good working order and condition, ensure proper servicing, and shall comply in every respect with any manufacturer’s/owner’s manual (including its recommended maintenance schedule) that comes with the Vehicle. The County shall pay for normal maintenance, repair, and service required for the proper operation of the Vehicle. The County shall pay for all costs related to the vehicle including fuel, washing, parking, and garage storage. The County will provide, install, and maintain all required equipment including voice radio, amber lights, and graphics on the Vehicle. All required law enforcement equipment installed by the Sheriff’s Department will be removed from the Vehicle, at no cost to the City, prior to return of the Vehicle to the City.

4. **Indemnification**

The County agrees to indemnify, defend, and hold harmless the City, its officers, officials, and employees from any and all liability, losses, expenses, costs (including without limitation reasonable attorney’s fees, expert fees and all other costs and fees of litigation), or damages the City may suffer and from any claims, demands, or judgments against the City arising out of County’s (including, but not limited to, the Sheriff’s Department and the Volunteers) use or operation of the City’s Vehicle. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement. This indemnification does not extend to any liability resulting from inherent defects or malfunctions in such Vehicles related to manufacturer’s acts or omissions.

5. **Titles**

Legal title to the Vehicle is, and shall at all times, remain in the name of the City. The County shall hold title as the registered owner only. The Vehicle shall not be transferred or delivered by the County to any persons other than the City without the City’s prior written consent.

6. **Cost**

Except as otherwise set forth in this Agreement, the County’s use of the Vehicle shall be at no cost to the City.

7. **Inspection by County**

The County agrees to allow the City to inspect the Vehicle or otherwise observe it at such times and locations as mutually agreed upon. The County shall provide the City with such mileage, safety, operating, and other information, or copies of any such records maintained by County with respect to the Vehicle as the City or any government agency may require from time to time.

8. **Use of Vehicle**

a) The County may use the Vehicle for the sole and exclusive purpose of the VOP program. Unless written approval is obtained from the City, the County shall not use the Vehicle outside of the City’s jurisdictional limits, except when necessary for maintenance, repair, refueling, inspection, or washing. The Vehicle may only be operated by Sheriff’s Department VOP Volunteers, Sheriff’s Department employees and mechanics in the course of servicing the Vehicle.

b) The Vehicle shall be parked at Malibu City Hall at the end of each shift.

c) The County shall not use or operate the Vehicle in violation of any federal, state, local or provincial law, rule, regulation, or ordinance including those pertaining to the age and licensing of drivers.
Under no circumstances shall the County disconnect the Vehicles’ odometers or other mileage recording devices. Nor shall the Vehicle be used or operated as follows:

i. In a manner subjecting it to depreciation above the normal depreciation associated with law enforcement use.

ii. For an illegal purpose or by a person under the influence of alcohol or narcotics.

9. **Risk of Loss**
   
a) The County shall assume all risks of loss to the Vehicle from the time the Vehicle is delivered by the City to the County, and upon inspection and acceptance by County, until the Vehicle is returned to the City at its place of business.

b) Upon inspection and acceptance of the Vehicle, the County shall be responsible for any and all damages to the Vehicle except those resulting from inherent defects or malfunctions in such Vehicles related to manufacturer’s acts or omissions.

c) In the event of damages to the Vehicle, the County shall notify the City and follow such instructions that the City may provide with respect to repair or disposal of the Vehicle. If the Vehicle is lost, stolen, destroyed, or declared to be a total constructive loss (subject to the City agreement as to such condition), the County shall notify the City thereof and hold any wreckage for disposal by the City. With respect to any loss, theft, or destruction of the Vehicle, the County and the City shall negotiate the value for a comparably equipped vehicle in a condition similar to the lost, stolen, or destroyed Vehicle immediately prior to any such loss to be reimbursed to the City.

10. **Termination**

Either Party may terminate this Agreement by giving five (5) calendar days advance written notice to the other Party. Upon termination of this Agreement, the County shall immediately return the Vehicle to the City.

11. **Amendments**

No variation, modification, change, or amendment to this Agreement shall be binding upon any Party unless such variation, modification, change, or amendment is in writing and duly authorized and executed by all Parties. This Agreement shall not be amended or modified by oral agreements or understandings among the parties or by any acts or conduct of the Parties.

12. **Notices**

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified below. Addresses and persons to be notified may be changed by either party by giving ten (10) calendar days prior written notice thereof to the other party.

Los Angeles County Sheriff’s Department  
Attn: Communications and Fleet Management Bureau  
1277 North Eastern Avenue  
Los Angeles, CA 90063
13. Insurance

The County shall maintain comprehensive general and automobile liability insurance for the Vehicle protecting the County in amounts not less than $2,000,000 for personal injury to any one person, $2,000,000 for injuries arising out of one occurrence, and $500,000 for property damages or a combined single limit of $2,000,000. This insurance policy shall specify its acts as primary insurance for the Vehicle and covers the operations of the County pursuant to the terms of this Agreement.

The County of Los Angeles is self-insured.

14. Independent Contractor

This Agreement is by and between the County and the City and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the City. The employees and agents of one party shall not be construed to be employees and agents of the other Party.

15. Volunteers

The County expressly acknowledges that the Volunteers are members of the Sheriff’s Department Civilian Volunteers and are not agents, employees, officers, or otherwise associated with, the City. The County is responsible for ensuring that the Volunteers comply with all applicable federal, state, and local laws, the Sheriff’s Department’s Civilian Volunteer Regulations and Guidelines, and other rules, regulations, or guidelines that may be applicable.

16. Governing Law, Jurisdiction, and Venue

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The City agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

17. Validity and Waiver

If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby. No waiver by the County of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

18. Assignment
A Party shall not assign its rights or delegate its duties under this Agreement, in whole or in part, without the prior written consent of the other party, and any attempted assignment or delegation without such consent shall be null and void.

19. **Authorization Warranty**

The Parties represent and warrant that the person executing this Agreement on behalf of each Party is an authorized agent who has actual authority to bind the Parties to each and every term, condition, and obligation of this Agreement and that all requirements of the Parties have been fulfilled to provide such actual authority.

20. **Integrated Agreement**

This Agreement constitutes the entire understanding of the Parties, and no representations or promises have been made that are not fully set forth herein. The Parties understand and agree that no modifications of this Agreement will be binding unless such modification is in writing, duly accepted, and executed by both parties pursuant to Section 11 of this Agreement.

21. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

22. **Headings**

The section headings that appear throughout this Agreement have been provided solely for the convenience of the Parties and do not define or limit the scope of any provision. Consequently, the headings shall not be considered when interpreting this Agreement.

[Continued on following page for signatures]
COUNTY OF LOS ANGELES

By___________________

ATTEST:

By___________________

APPROVED AS TO FORM:

By___________________

CITY OF MALIBU

By______________
Reva Feldman, City Manager

By______________
Heather Glaser, City Clerk

By______________
Christi Hogin, City Attorney