

**CITY OF CHULA VISTA  
CONTRACTOR SERVICES AGREEMENT  
WITH CORTES TOWING ENTERPRISES, INC.  
TO PROVIDE VEHICLE TOW AND IMPOUND SERVICES FOR CITY-INITIATED TOWS**

This Agreement is entered into effective as of **February 1, 2017** (“Effective Date”) by and between the City of Chula Vista, a chartered municipal corporation (“City”) and Cortes Towing Enterprises, Inc., a California corporation doing business as **Cortes Towing**, (“Contractor”), (collectively, the “Parties” and, individually, a “Party”) with reference to the following facts:

**RECITALS**

WHEREAS, the City requires vehicle tow and impound services for tows and impounds initiated by the Chula Vista Police Department; and

WHEREAS, in order to procure these services, the City in April 2016 solicited proposals in Request for Qualifications #Q14-15/16 in accordance with Chula Vista Municipal Code sections 2.56 and 5.58; and

WHEREAS, the City received seven proposals, evaluated each proposal, and inspected the proposers’ tow yards, equipment and businesses for responsibility to the the Request for Qualification; and

WHEREAS, the City determined that Contractor is responsible and “Final Qualified” under the RFQ; and

WHEREAS, the City is entering into Agreements with each Final Qualified contractor to provide vehicle tow and impound services for Police-initiated tows and impounds on a rotation basis; and

WHEREAS, Contractor warrants and represents that it is experienced and staffed in a manner such that it can deliver the services required of Contractor to City in accordance with the time frames and the terms and conditions of this Agreement.

**[End of Recitals. Next Page Starts Obligatory Provisions.]**

## OBLIGATORY PROVISIONS

NOW, THEREFORE, in consideration of the above recitals, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, City and Contractor hereby agree as follows:

### 1. SERVICES

1.1 Required Services. Contractor agrees to perform the services described in the attached Exhibit A, incorporated into the Agreement by this reference, within the time frames set forth therein, time being of the essence for this Agreement. The services described in Exhibit A shall be referred to herein as the "Required Services."

1.2 Reductions in Scope of Work. City may independently, or upon request from Contractor, from time to time, reduce the Required Services to be performed by the Contractor under this Agreement. Upon doing so, City and Contractor agree to meet and confer in good faith for the purpose of negotiating any corresponding reduction in fees associated with the reduction.

1.3 Additional Services. Subject to compliance with the City's Charter, codes, policies, procedures and ordinances governing procurement and purchasing authority, City may request Contractor provide additional services related to the Required Services ("Additional Services"). If so, City and Contractor agree to meet and confer in good faith for the purpose of negotiating an amendment to Exhibit A, to add the Additional Services. Unless otherwise agreed, compensation or fees for the Additional Services shall be charged and paid consistent with the rates and terms already provided therein. Once added to Exhibit A, "Additional Services" shall also become "Required Services" for purposes of this Agreement.

1.4 Standard of Care. Contractor expressly warrants and agrees that any and all Required Services hereunder shall be performed in accordance with the highest standard of care exercised by members of the profession currently practicing under similar conditions and in similar locations.

1.5 No Waiver of Standard of Care. Where approval by City is required, it is understood to be conceptual approval only and does not relieve the Contractor of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the Contractor or its subcontractors.

1.6 Security for Performance. In the event that Exhibit A Section 4 indicates the need for Contractor to provide additional security for performance of its duties under this Agreement, Contractor Provider shall provide such additional security prior to commencement of its Required Services in the form and on the terms prescribed on Exhibit A, or as otherwise prescribed by the City Attorney.

1.7 Compliance with Laws. In its performance of the Required Services, Contractor shall at all times comply with any and all applicable federal, state and local laws, including the Chula Vista Municipal Code.

1.8 Business License. Prior to commencement of work, Contractor agrees to obtain and shall obtain a business license from City. Contractor shall maintain a current business license during the term(s) of the Agreement at Contractor's own expense.

1.9 Subcontractors. If applicable, prior to commencement of any work and before execution of this Agreement, Contractor shall submit for City's information and approval a list of any and all subcontractors to

be used by Contractor in the performance of the Required Services, such as Class C Heavy Duty services and Class D Super Heavy Duty services. Contractor agrees to take appropriate measures necessary to ensure that all subcontractors and personnel utilized by the Contractor to complete its obligations under this Agreement comply with all applicable laws, regulations, ordinances, and policies, whether federal, state, or local. In addition, if any subcontractor is expected to fulfill any responsibilities of the Contractor under this Agreement, Contractor shall ensure that each and every subcontractor carries out the Contractor's responsibilities as set forth in this Agreement.

1.10 Term. This Agreement shall commence on the Effective Date of February 1, 2017 and shall terminate on December 31, 2017; provided, however, provisions which expressly survive termination shall remain in effect. The Agreement may be administratively extended up to four (4) additional one-year periods (January 1 to December 31 for any additional terms) upon mutual written agreement of the Parties.

## 2. TOW LICENSE FEE

2.1 Authorization of Tow License Fee. According to California Vehicle Code Section 12110:

*(a) Except as provided in subdivision (b), no towing service shall provide and no person or public entity shall accept any direct or indirect commission, gift or any compensation whatever from a towing service in consideration of arranging or requesting the services of a tow truck. As used in this section, "arranging" does not include the activities of employees or principals of a provider of towing services in responding to a request for towing services.*

*(b) Subdivision (a) does not preclude a public entity otherwise authorized by law from requiring a fee in connection with the award of a franchise for towing vehicles on behalf of that public entity. However, the fee in those cases may not exceed the amount necessary to reimburse the public entity for its actual and reasonable costs incurred in connection with the towing program.*

2.2 Tow License Fee Amount/Apportionment. Each contractor shall pay an annual Tow License Fee to the City for each year of the term of the contract. The Tow License Fee will be apportioned equally among the selected contractors. Exhibit E shows the 2017 Tow License Fee based upon the number of tow companies in contract with the City. The Tow License Fee relates to staff recovery costs of requesting a tow call for service, from the start time a police employee calls for a tow request to the end time that the tow company leaves the scene. The Tow License Fee shall be paid by Contractor in equal quarterly installments.

With six (6) tow companies currently contracting with City, Contractor agrees to pay an annual Tow License Fee of **\$23,046.00**.

2.3 Fee Updates. The Tow License Fee is subject to review and revision each year of the contract by the City in accordance with the methodology set forth in Exhibit E. In addition, the City may make prorated adjustments on a quarterly basis to compensate for either an increase or decrease in the number of contractors providing service.

2.4 Late Payments. The City will bill the Tow License Fee to the contractor in equal quarterly installments. If the City fails to receive the Tow License Fee within thirty (30) calendar days of the quarterly due date, the payment shall be considered delinquent and a penalty of 10% of the amount due shall be applied and collected. For any payments not received within sixty (60) calendar days after the due date, an additional 1.5% per month multiplied by the amount due and any accrued penalties shall be applied and collected. The City will allow one late payment (with corresponding late penalties) of the Tow License Fee if it is received within

ninety (90) calendar days after the due date. Any one payment received ninety (90) calendar days after the due date, or any two payments received after sixty (60) calendar days after the due date shall be cause for additional damages for breach of contract and/or termination of contract.

2.5 Negligent Vehicle Impound Fee. The Negligent Vehicle Impound Fee, which is a separate fee in addition to the Tow License Fee, relates to additional City staff recovery costs to process a negligent vehicle impound. If applicable, the Negligent Vehicle Impound Fee shall be paid by the vehicle owner in person at the Chula Vista Police Department prior to the release of the vehicle.

### **3. INSURANCE**

3.1 Required Insurance. Contractor must procure and maintain, during the period of performance of Required Services under this Agreement, and for twelve months after completion of Required Services, the policies of insurance described on the attached Exhibit B, incorporated into the Agreement by this reference (the "Required Insurance"). The Required Insurance shall also comply with all other terms of this Section.

3.2 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions relating to the Required Insurance must be disclosed to and approved by City in advance of the commencement of work.

3.3 Standards for Insurers. Required Insurance must be placed with licensed insurers admitted to transact business in the State of California with a current A.M. Best's rating of A V or better, or, if insurance is placed with a surplus lines insurer, insurer must be listed on the State of California List of Eligible Surplus Lines Insurers (LESLI) with a current A.M. Best's rating of no less than A X. For Workers' Compensation Insurance, insurance issued by the State Compensation Fund is also acceptable.

3.4 Subcontractors. Contractor must include all sub-Contractors as insureds under its policies and/or furnish separate certificates and endorsements demonstrating separate coverage for those not under its policies. Any separate coverage for sub-Contractor must also comply with the terms of this Agreement.

3.5 Additional Insureds. City, its officers, officials, employees, agents, and volunteers must be named as additional insureds with respect to any policy of general liability, automobile, or pollution insurance specified as required in Exhibit B or as may otherwise be specified by City's Risk Manager.. The general liability additional insured coverage must be provided in the form of an endorsement to the Contractor's insurance using ISO CG 2010 (11/85) or its equivalent; such endorsement must not exclude Products/Completed Operations coverage.

3.6 General Liability Coverage to be "Primary." Contractor's general liability coverage must be primary insurance as it pertains to the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers is wholly separate from the insurance provided by Contractor and in no way relieves Contractor from its responsibility to provide insurance.

3.7 No Cancellation. No Required Insurance policy may be canceled by either Party during the required insured period under this Agreement, except after thirty days' prior written notice to the City by certified mail, return receipt requested. Prior to the effective date of any such cancellation Contractor must procure and put into effect equivalent coverage(s).

3.8 Waiver of Subrogation. Contractor's insurer(s) will provide a Waiver of Subrogation in favor of the City for each Required Insurance policy under this Agreement. In addition, Contractor waives any right it may have or may obtain to subrogation for a claim against City.

3.9 Verification of Coverage. Prior to commencement of any work, Contractor shall furnish City with original certificates of insurance and any amendatory endorsements necessary to demonstrate to City that Contractor has obtained the Required Insurance in compliance with the terms of this Agreement. The words "will endeavor" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives" or any similar language must be deleted from all certificates. The required certificates and endorsements should otherwise be on industry standard forms. The City reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements evidencing the coverage required by these specifications.

3.10 Claims Made Policy Requirements. If General Liability, Pollution and/or Asbestos Pollution Liability and/or Errors & Omissions coverage are required and are provided on a claims-made form, the following requirements also apply:

a. The "Retro Date" must be shown, and must be before the date of this Agreement or the beginning of the work required by this Agreement.

b. Insurance must be maintained, and evidence of insurance must be provided, for at least five (5) years after completion of the work required by this Agreement.

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a "Retro Date" prior to the effective date of this Agreement, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work required by this Agreement.

d. A copy of the claims reporting requirements must be submitted to the City for review.

3.11 Not a Limitation of Other Obligations. Insurance provisions under this section shall not be construed to limit the Contractor's obligations under this Agreement, including Indemnity.

3.12 Additional Coverage. To the extent that insurance coverage provided by Contractor maintains higher limits than the minimums appearing in Exhibit B, City requires and shall be entitled to coverage for higher limits maintained.

#### 4. INDEMNIFICATION

4.1 General. Contractor shall defend, indemnify protect and hold harmless City, its elected and appointed officers and employees (collectively, "Indemnified Parties"), from and against all claims for damages, liability, cost and expense (including without limitation attorney's fees) arising out of the conduct of Contractor, or any agent or employee, subcontractors, or others in connection with the execution of the work covered by this Agreement to provide services for City, except only for those claims arising from the sole negligence or sole willful conduct of the City, its officers, or employees.

Contractor's indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by City, its officers, agents, or employees in defending against such claims, whether the same proceed to judgment or not. Further, Contractor at its own expense shall, upon written request by City, defend any such

suit or action brought the city, its officers, agents, or employees. Contractor's indemnification of City shall not be limited by any prior or subsequent declaration and shall survive termination of the contract.

## 5. FINANCIAL INTERESTS OF CONTRACTOR.

5.1 Form 700 Filing. The California Political Reform Act and the Chula Vista Conflict of Interest Code require certain government officials and contractors performing work for government agencies to publicly disclose certain of their personal assets and income using a Statement of Economic Interests form (Form 700). In order to assure compliance with these requirements, Contractor shall comply with the disclosure requirements identified in the attached Exhibit C, incorporated into the Agreement by this reference.

5.2 Disclosures; Prohibited Interests. Independent of whether Contractor is required to file a Form 700, Contractor warrants and represents that it has disclosed to City any economic interests held by Contractor, or its employees or subcontractors who will be performing the Required Services, in any real property or project which is the subject of this Agreement. Contractor warrants and represents that it has not employed or retained any company or person, other than a bona fide employee or approved subcontractor working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants and represents that it has not paid or agreed to pay any company or person, other than a bona fide employee or approved subcontractor 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. Contractor further warrants and represents that no officer or employee of City, has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, the proceeds hereof, or in the business of Contractor or Contractor's subcontractors. Contractor further agrees to notify City in the event any such interest is discovered whether or not such interest is prohibited by law or this Agreement. For breach or violation of any of these warranties, City shall have the right to rescind this Agreement without liability.

## 6. REMEDIES

6.1 Termination of Agreement for Cause. If, through any cause, Contractor fails to fulfill in a timely and proper manner its obligations to provide services for City, or if a Contractor violates any of the terms, conditions, or stipulations of the Agreement, City shall have the right to terminate the Agreement by giving written notice to the Contractor at least five (5) days prior to the effective date of such termination.

In that event, all finished or unfinished documents, data, studies, surveys, reports and other materials prepared by Contractor shall, at the option of the City, become the property of the City, and Contractor shall be liable to pay City its Tow License Fee for any work satisfactorily completed up to the effective date of the Notice of Termination, not to exceed the amounts payable according to Tow License Fee, and in addition to any damages caused to the City for Contractor's breach.

6.2 Termination or Suspension of Agreement for Convenience of City. City may suspend or terminate this Agreement, or any portion of the Required Services, at any time and for any reason, by giving specific written notice to Contractor of such termination or suspension and specifying the effective date thereof, at least fifteen (15) days prior to the effective date of such termination. In that event, all finished and unfinished documents, data, studies, surveys, reports and other materials prepared by Contractor shall, at the option of City, become the property of City, and Contractor shall be liable to pay City for any work satisfactorily completed to the effective date of such termination. Contractor hereby expressly waives any and all claims for damages, penalties, or additional compensation arising under such termination.

6.3 Waiver of Claims. In the event City terminates the Agreement in accordance with the terms of this Section, Contractor hereby expressly waives any and all claims for damages or compensation as a result of such termination except as expressly provided in this Section 6.

6.4 Administrative Claims Requirements and Procedures. No suit or arbitration shall be brought arising out of this Agreement against City unless a claim has first been presented in writing and filed with City and acted upon by City in accordance with the procedures set forth in Chapter 1.34 of the Chula Vista Municipal Code, as same may be amended, the provisions of which, including such policies and procedures used by City in the implementation of same, are incorporated herein by this reference. Upon request by City, Contractor shall meet and confer in good faith with City for the purpose of resolving any dispute over the terms of this Agreement.

6.5 Governing Law/Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action arising under or relating to this Agreement shall be brought only in San Diego County, State of California.

6.6 Service of Process. Contractor agrees that it is subject to personal jurisdiction in California. If Contractor is a foreign corporation, limited liability company, or partnership that is not registered with the California Secretary of State, Contractor irrevocably consents to service of process on Contractor by first class mail directed to the individual and address listed under "For Legal Notice," in section 1.B. of Exhibit A to this Agreement, and that such service shall be effective five days after mailing.

6.7 Damages for Breach of Agreement. Contractor's violations of the terms and conditions of this Agreement may result in the following: 1) First Violation in a 12-month period: letter of written warning; 2) Second Violation in a 12-month period: the suspension of one rotation term; 3) Third Violation in a 12-month period: termination of the Agreement, pursuant to Subsection 6.1. Violations will be determined by the City, at the City's sole discretion, after giving written notice of the violation to the Contractor, review of available evidence and consideration of Contractor's response to notice of the violation, if provided.

## 7. OWNERSHIP AND USE OF WORK PRODUCT

All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems and any other materials or properties produced in whole or in part under this Agreement in connection with the performance of the Required Services (collectively "Work Product") shall be the sole and exclusive property of City. No such Work Product shall be subject to private use, copyrights or patent rights by Contractor in the United States or in any other country without the express, prior written consent of City. City shall have unrestricted authority to publish, disclose, distribute, and otherwise use, copyright or patent, in whole or in part, any such Work Product, without requiring any permission of Contractor, except as may be limited by the provisions of the Public Records Act or expressly prohibited by other applicable laws. With respect to computer files containing data generated as Work Product, Contractor shall make available to City, upon reasonable written request by City, the necessary functional computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

## 8. GENERAL PROVISIONS

8.1 Amendment. This Agreement may be amended, but only in writing signed by both Parties.

8.2 Assignment. City would not have entered into this Agreement but for Contractor's unique qualifications and traits. Contractor shall not assign any of its rights or responsibilities under this Agreement,

nor any part hereof, without City's prior written consent, which City may grant, condition or deny in its sole discretion.

8.3 Authority. The person(s) executing this Agreement for Contractor warrants and represents that they have the authority to execute same on behalf of Contractor and to bind Contractor to its obligations hereunder without any further action or direction from Contractor or any board, principle or officer thereof.

8.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed such a counterpart.

8.5 Entire Agreement. This Agreement together with all exhibits attached hereto and other agreements expressly referred to herein, constitutes the entire Agreement between the Parties with respect to the subject matter contained herein. All exhibits referenced herein shall be attached hereto and are incorporated herein by reference. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded.

8.6 Record Retention. During the course of the Agreement and for three (3) years following completion of the Required Services, Contractor agrees to maintain, intact and readily accessible, all data, documents, reports, records, contracts, and supporting materials relating to the performance of the Agreement, including accounting for costs and expenses charged to City, including such records in the possession of sub-contractors/sub-Contractor.

8.7 Further Assurances. The Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the Parties.

8.8 Independent Contractor. Contractor is and shall at all times remain as to City a wholly independent contractor. Neither City nor any of its officers, employees, agents or volunteers shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents ("Contractor Related Individuals"), except as set forth in this Agreement. No Contractor Related Individuals shall be deemed employees of City, and none of them shall be entitled to any benefits to which City employees are entitled, including but not limited to, overtime, retirement benefits, worker's compensation benefits, injury leave or other leave benefits. Furthermore, City will not withhold state or federal income tax, social security tax or any other payroll tax with respect to any Contractor Related Individuals; instead, Contractor shall be solely responsible for the payment of same and shall hold the City harmless with respect to same. Contractor shall not at any time or in any manner represent that it or any of its Contractor Related Individuals are employees or agents of City. Contractor shall not incur or have the power to incur any debt, obligation or liability whatsoever against City, or bind City in any manner.

8.9 Notices. All notices, demands or requests provided for or permitted to be given pursuant to this Agreement must be in writing. All notices, demands and requests to be sent to any Party shall be deemed to have been properly given or served if personally served or deposited in the United States mail, addressed to such Party, postage prepaid, registered or certified, with return receipt requested, at the addresses identified in this Agreement at the places of business for each of the designated Parties as indicated in Exhibit A, or otherwise provided in writing.

**(End of page. Next page is signature page.)**



**SIGNATURE PAGE  
CONTRACTOR SERVICES AGREEMENT**

IN WITNESS WHEREOF, by executing this Agreement where indicated below, City and Contractor agree that they have read and understood all terms and conditions of the Agreement, that they fully agree and consent to bound by same, and that they are freely entering into this Agreement as of the Effective Date.

CORTES TOWING ENTERPRISES, INC.

CITY OF CHULA VISTA

BY:   
JOHNNY CORTES  
OPERATIONS MANAGER

BY: \_\_\_\_\_  
DAVID BILBY, MSBA, CPFO  
DIRECTOR OF FINANCE/TREASURER

APPROVED AS TO FORM

BY: \_\_\_\_\_  
GLEN R. GOOGINS  
CITY ATTORNEY

**EXHIBIT A**  
**SCOPE OF WORK**

**I. CONTACTS FOR AGREEMENT ADMINISTRATION AND LEGAL NOTICE**

A. City:

Jonathan Alegre, Police Administrative Services Administrator  
Chula Vista Police Department  
315 Fourth Avenue  
Chula Vista, CA 91910  
619-476-2570  
[jalegre@chulavistapd.org](mailto:jalegre@chulavistapd.org)

For Legal Notice Copy to:  
City of Chula Vista  
City Attorney  
276 Fourth Avenue, Chula Vista, CA 91910  
619-691-5037  
[CityAttorney@chulavistaca.us](mailto:CityAttorney@chulavistaca.us)

B. Contractor:

CORTES TOWING ENTERPRISES, INC.  
919 Hollister Street  
San Diego, CA 92154  
619-250-3408  
[Johnny.cortes@yahoo.com](mailto:Johnny.cortes@yahoo.com)

For Legal Notice Copy to:  
Johnny Cortes, same as above

**II. REQUIRED SERVICES**

**A. Response To City Calls.**

A.1 If on-call during a rotation, Contractor shall respond to calls 24 hours a day, seven (7) days a week. For tow service requests located west of the Interstate 805, the company shall respond within twenty (20) minutes of being notified by the City. Thirty (30) minute response times are authorized for locations east of Interstate 805. "Response time" shall be measured from the time of notification to arrival at the tow site.

A.2 Contractor shall respond with a properly equipped tow truck of the class required to tow the vehicle and perform requested service.

A.3 Contractor shall advise City dispatch, at the time of notification, if Contractor is unable to respond or unable to meet the maximum response time.

A.4 A failure to respond to towing or service calls, and/or repeated failures to meet maximum response time requirements shall be cause for damages for breach and/or termination of contract.

A.5 Only Contractor's personnel and equipment requested shall respond to a City call (e.g. tow truck driver bringing a girlfriend, child, or pet is not allowed).

A.6 Contractor shall not respond to a City call assigned to another contractor or re-assign a call to another contractor or tow company. Contractors who do not occupy the first position of the Call List (as described in Section IV.L) are forbidden to "jump calls" unless specifically called by a citizen and approved by the on-scene officer.

**B. Removing Motor Vehicles.** Contractor shall, at the request of the City, move, tow away, and impound motor vehicles under the authority of the California Vehicle Code or Chula Vista Municipal Code, declared by the City to be: illegally parked, abandoned, have been involved in a traffic collision, or constitute an obstruction of traffic due to mechanical failure or operator negligence or arrest. Such services are required 24 hours a day, seven (7) days a week during the Contractor's rotation period (as described in Section IV.L). Tow truck operators shall perform all towing and recovery operations in the safest and most expedient manner possible.

**C. Inoperable City Vehicles.** The City may, from time-to-time, require the removal of inoperable City vehicles from the public right-of-way and towing to an appropriate City facility. The Contractor occupying the first position on the Call List (as described in Section IV.L) shall provide such services to the City at the rate of \$50 per tow.

C.1 Occasionally, the City's Police Department may require the response of the on-call Contractor to assist with the changing of flat tires, jump starts and/or unlocking vehicles (lockouts). Such service shall be provided by the tow company occupying the first position on the Call List at a cost of \$35 per occurrence.

**D. Abandoned Vehicle Abatement.** The Contractor occupying the first position on the Call List (as described in Section IV.L) shall, at the request of the City, remove and impound up to twenty (20) vehicles annually from private property, or from the public right-of-way, which are declared abandoned by the City. As the Contractor rotates to the top of the list, the Contractor may not waive responsibility to remove the next twenty (20) vehicles, passing the request to the contractor on the list. Failure to comply with aforementioned requirement is subject to damages for breach and/or termination of the Contractor's Agreement with the City. Such services shall be provided from 8:00 a.m. until 5:00 p.m., Monday through Friday, to the City at a rate of \$50 per tow.

**E. On-Scene Duties.** Upon arriving on-scene, Contractor/its employee shall report to the Peace Officer in charge and discharge its duties in accordance with the following requirements:

E.1 Shall make every reasonable effort to comply with direction provided by the officer-in-charge.

E.2 Shall be responsible for making an accurate damage assessment for each vehicle towed and recording said damage assessment on City approved forms and signed by an authorized Contractor employee.

E.3 Shall be responsible for making an accurate content inventory for each vehicle towed and recording said vehicle's inventory on City approved forms and signed by an authorized Contractor employee.

E.4 Shall be responsible for removing and appropriately disposing of collision-related debris, including broken glass, from the public right-of-way to ensure public safety.

E.5 May make any emergency alterations reasonably required to safely move and/or tow vehicles.

**F. Vehicle Impounds.** Subsequent to removing a vehicle from the public right-of-way or private property, Contractor shall securely impound that vehicle.

**G. Collection of Negligent Vehicle Impound Fees.** Negligent Vehicle Impound Fees (NVIF) must be paid in person to the Chula Vista Police Department prior to release of any vehicle.

**H. Vehicle Release Services/Requirements.** Contractor shall provide vehicle release services 24 hours a day, seven (7) days a week. Any vehicle releases outside of the normal business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, is subject to the after-hours release fee contained in the City approved Fee Schedule, Exhibit D. Vehicles subject to NVIF must not be released unless the vehicle's owner/agent is in possession of a paid receipt for NVIF from the Chula Vista Police Department. Release of any NVIF vehicles without the receipt will be billed to Contractor at the then current NVIF rate contained in the City's Master Fee Schedule (currently \$175).

If Contractor uses a City-approved secondary storage yard, release of personal property and the vehicle to the customer shall be at the primary storage lot only, unless the customer requests release of property or the vehicle from the secondary storage yard. A secondary storage yard may be used only when the primary storage yard is full. There shall be no charge to the customer for moving a vehicle between a primary and secondary storage yard or vice-versa.

## **I. Tow Rates**

I.1 The rate for towing should be computed based on the time of travel from portal to portal when a vehicle is towed to the Contractor's storage yard. Portal to portal is defined as follows: Time shall start from either the point of dispatch or upon departure from the place of business, whichever is closer to the location of the call, and shall end at the estimated time of return to Contractor's storage yard or completion of the call, if another call is pending, whichever is shorter.

I.2 The time expended, for towing a vehicle back to the Contractor's storage yard as provided in Subsection I.1, shall be charged at a rate not to exceed the labor rate indicated in the City approved Fee Schedule, Exhibit D. The rates for Basic Tow, Medium Tow & Heavy Tow include one hour of labor. If any city-initiated tows shall exceed one hour of service time portal to portal, then the time expended in excess of that hour shall be calculated at no more than one-minute increments at the hourly rate. A clear, itemized and detailed explanation of any additional service that caused the time to exceed one hour shall be documented on the invoice pursuant to Section 22651.07 I(7) of the California Vehicle Code.

I.3 There shall be no additional charges for mileage or a dolly charge.

I.4 Contractor may charge a fee for vehicle releases outside of their normal business hours (e.g. after 5:00 pm and holidays) as indicated in the City approved Fee Schedule, Exhibit D.

I.5 Contractor shall base charges for the class of vehicle being towed or serviced regardless of the class of tow truck used.

I.6 No additional transportation charges, mileage, or other reimbursable expenses will be allowed. Any Contractor who charges rates above the City approved Fee Schedule, Exhibit D, shall be subject to damages for breach and/or termination of the Agreement.

I.7 The City's tow and impound requirements are indeterminate. Quantities may vary depending on need. Contractor agrees to waive any variations in tow and impound requirements and to hold prices, terms and conditions firm for the duration of the Agreement.

**J. Storage Fees.** A vehicle stored/impounded 24 hours or less shall be charged no more than one day storage. If a vehicle is released from storage after 24 hours has elapsed, charges may be allowed on a full, calendar-day basis for each day of storage, or part thereof. The storage rate shall be determined by the class of vehicle that was towed.

**K. Access to Stored Vehicles.** During regular business hours, Contractor must, except as provided in Subsection L below, make vehicles stored at the request of the City available to that registered owner, a person who can be verified to be the registered owner's agent, insurance agents, insurance adjusters, or representatives of automotive repair businesses for the purpose of estimating or appraising damages.

**L. Evidentiary Vehicle Security.** Vehicles impounded by the City for investigative purposes shall be held in maximally secured, non-public areas of the Contractor's property until the vehicle is released by order of the City. Any property or other contents of such vehicles shall not be removed by any person other than a Peace Officer or Evidence Technician employed by the City. Property removed from such vehicles shall be recorded as removed on the content inventory and the content inventory dated and signed by a representative of Contractor and the Peace Officer or Evidence Technician removing such property. Evidentiary or investigative tows requested by the City shall be charged at a rate of \$50 per tow and a maximum storage rate of \$10 per day.

L.1 Contractors that store evidentiary vehicles shall furnish a report to the City each month detailing which cars are being held for evidence and the length of time the car has been held. Failure to provide a detailed report shall relieve the City from the responsibility to pay storage fees for these vehicles.

**M. Business Records.** Contractor company shall maintain records of all tow and impound services at their place of business. (Note: printable electronic records are acceptable).

M.1 At a minimum, these records shall include: date of tow; make and model of vehicle; license plate number and vehicle identification number (presuming both are readily available); the time the tow company arrived on-scene; and the fees and charges levied against the vehicle and disposition thereof.

M.2 Contractor's place of business shall also maintain business records relating to personnel, insurance, personnel taxes, payroll, applicable operating authorities, local operating authorities, lien sale actions, driver's record of duty status, and non-City tows.

M.3 The City may inspect all company records relating to compliance of contract award without notice during normal business hours.

M.4 The tow company shall permit the City to make copies of business records at their place of business, at no cost to the City.

M.5 The tow company shall maintain business records for a period of three (3) years and shall make them available for inspection.

### III. ADDITIONAL SERVICES (OFF-CONTRACT PURCHASES)

Contractor is not required to possess a Class D (Super Heavy Duty) truck under the Agreement. In the event a tow or impound initiated by City requires Class D equipment, or any other tow-related service not required in this Agreement, the City will contact the contractor in the first or on-call position of the Call List. If that contractor is unable to provide Class D service or the other tow-related service not required in this Agreement, the City will contact the contractor in the next position on the Call List. The City will continue down the Call List until all contractors have been given the opportunity to provide service. If the contractor is able to provide Class D service or the other tow-related service not required under this Agreement, the City will contract with the contractor to purchase that service outside the Agreement. In that event, the contractor shall provide Class D services or the other service at the same rate it would charge any other customer for that service. In the event that none of the contractors are available or able to provide adequate service, the City, in its best interest, will contact with a Class D provider or other service provider outside of the Call List.

#### IV. GENERAL TERMS & CONDITIONS

**A. Individual Rights.** Contractor shall not infringe right of any individual involved in a non-criminal traffic collision to call the tow company of his/her own choosing except in those cases where an unnecessary delay in removing the motor vehicle will, in the opinion of the investigating Peace Officer, diminish public safety. However, City may initiate the tow with the on-call contractor notwithstanding the contrary desires of an individual.

**B. Courteous Customer Relations.** Contractor shall courteously provide any information required by a claimant to effect the release of the impounded vehicle including: confirming that a particular vehicle is in the Contractor's possession, directions to the location of the vehicle, the method of securing its release, documentation required, applicable charges and fees required to be paid, and terms of payment.

**C. Consumer Complaints.** Contractor shall display in a conspicuous manner, at every place of business from which City-initiated tow and impound services are rendered, City-issued "Consumer Complaint" forms. Such forms shall be provided by the City, at City expense, and shall be made readily available to Contractor. The Chief of Police or his/her designee will review and investigate such consumer complaints in his/her discretion, whether such complaints are provided to the tow company or to the City directly. Excessive, valid consumer complaints, or improper handling of same by Contractor may subject Contractor to damages for breach or termination of the Agreement.

**D. Efficient Processing.** Contractor shall efficiently process claimants' requests so that legitimate and appropriate requests for the release of stored or impounded vehicles are completed within one (1) hour of the time a claimant arrives at the Contractor's location.

**E. Charges & Fees.** Contractor is authorized to, and is responsible for, collecting applicable tow and storage charges as outlined in Exhibit D prior to releasing a vehicle.

**F. Billings.** All invoices for tows and impounds shall be clearly itemized by charge or fee type. Contractor shall exercise its best efforts to amicably and fairly resolve billing disputes with consumers. Billing disputes resulting in consumer complaints will be handled as described in Section IV.C

**G. Repair & Alteration of Impounded Vehicles.** Except as provided in Section II.E.5, emergency alternations, Contractor shall not make any repairs or alterations of vehicles in its possession without the express written authorization of the vehicle's registered owner, the registered owner's insurance carrier, or a verifiable agent of the owner or insurance carrier.

**H. Damage to Vehicle.** Contractor shall be responsible for any damage occurring to the vehicle while in its possession. All damage not recorded on the damage assessment will be considered the Contractor's responsibility.

**I. Loss of Property While in Contractor's Possession.** Contractor shall be responsible for all property belonging to that vehicle as identified by the content inventory.

**J. Documents Required Prior to Release.** Contractor shall not release any vehicle impounded as the result of a Police-initiated tow unless the claimant presents a valid, City-issued Police Release. Any and all responsibilities for the release of a vehicle without a Police Release shall be subject to damages for breach of contract.

**K. City Errors & Omissions.** When any vehicle has been ordered towed by the City, and it is established by City in its sole discretion that the tow was in error, Contractor shall release the vehicle to its registered owner or legitimate claimant at no cost. In the case of erroneous towing, Contractor shall charge the City at a rate of \$50 per tow and a maximum storage rate of \$10 per day.

**L. Call List.** The City will designate the contractor to provide required tow and impound service on the basis of a Call List. The City will create and maintain the Call List. The City will contact, by telephone, the contractor occupying the first position on the Call List whenever the City requires towing service.

L.1 Each eligible contractor will occupy the first position on the Call List for an eight (8) day rotation period. The City, in its sole discretion, may change the duration of a rotation period and will notify contractors of such change. At midnight of the prescribed "first-up" transition dates, the contractor company in the first position on the Call List will rotate downward to the last position, and the contractor in the second position will rotate upward to the first position.

L.2 If, except as a result of natural disaster or other causes beyond the reasonable control of the contractor, the contractor occupying the first position on the Call List cannot perform services required by the City, the City will contact contractors, in descending order of the Call List, until a contractor that can perform the towing service is identified.

L.3 Except in extraordinary circumstances, an Interim Call List rotation will be effected by City by contacting the contractor in the second position, if the contractor occupying the first position on the Call List fails to respond to three (3) consecutive requests for service from City. Interim Call List rotations will remain in effect until the non-responding contractor's turn in the rotation has been completed. At that time, the Interim Call List shall revert to the regular Call List.

L.4 In order to preserve the integrity of the Call List rotation schedule, a contractor rotating into the first position as the result of an Interim Call List rotation shall, in addition to retaining the first position for the remainder of the non-responding contractor's turn, maintain the first position for its regularly scheduled turn.

**M. Responsibility for Acts of Employees.** Contractor shall be responsible for all acts of its employees while those employees are performing services for the City.

**N. Compliance with Law.** Contractor and its employees shall at all times comply with federal, state and local laws and ordinances, including business, building, construction, and zoning requirements.

**O. Amendments to Scope of Work.** City may independently, or upon request from contractors, increase or reduce the scope of work to be performed. Upon doing so, City and Contractor agree to meet in good faith and confer for the purpose of resolving issues of concern to either party that may arise from such an increase or reduction in scope of work.

**P. Notification of Arrest or Conviction.** Contractor shall notify the City of any arrest and/or conviction of a tow truck owner, manager or driver, immediately, but no later than prior to the beginning of the relevant party's next work shift. Any conviction of a tow company owner or employee involving a stolen or embezzled vehicle, fraud related to the towing business, stolen or embezzled property, a crime of violence, a sexual offense, a drug-related offense, felony driving while under the influence of alcohol or drugs, misdemeanor driving while under the influence of alcohol or drugs, or a crime of moral turpitude, as defined in Subsection P.1, shall be cause for disqualifying such party from providing services under the City Agreement, or in the case of an owner, termination of the Agreement. The City reserves the right to periodically conduct criminal history inquiries, which may require an owner or employee to be fingerprinted or provide personal identifying information. The City shall keep personal identifying information confidential to the extent allowed by law.

P.1 For the purposes of Section P, a crime of moral turpitude is, as was stated in Section 2.5.3.1 of RFQ#Q14-15/16, conduct which is contrary to justice, honesty, modesty, or good morals, for which there is a nexus, or logical relationship between the criminal conduct and the individual's fitness to engage in the towing business – California Department of Motor Vehicles driver license and endorsement guidelines.

## V. CONTRACTOR'S BUSINESS REQUIREMENTS

**A. Place of Business.** Contractor's place of business must have a sign which clearly identifies it to the public as a tow service. The sign must have letters which are clearly visible to the public from the street and must be visible at night.

**B. Business Hours.** Contractor's business hours must be posted in plain view to the public.

**C. Tow and Storage Rates Posted.** Contractor's place of business must have posted in plain view to the public the "Chula Vista City-Initiated Tow and Storage Rates" as outlined in **Exhibit D** of the Agreement. This posting must also include all instructions necessary for consumers to effect an after-hours vehicle release.

**D. The Chula Vista City-Initiated Tow and Storage Rates.** The Chula Vista City-Initiated Tow and Storage Rates, Exhibit D, provides a complete schedule of all charges and fees that the tow companies will be authorized to collect from consumers for tow and impound services rendered on behalf of the City. This rate schedule is based upon the California Highway Patrol Southern San Diego Region Tow Rates. The City, at its sole discretion, may amend the rate schedule. Any contractor that charges rates above the listed City-Initiated Tow and Storage Rates for City-initiated tows is subject to termination of the Agreement for causes.

**E. Staffing.** Contractor's place of business must be sufficiently staffed to allow customers to talk face-to-face with Contractor's owner, manager or employee during normal business hours.

**F. Normal business hours.** Normal business hours must not be less than 8 a.m. to 5 p.m., Monday through Friday, except for the following City recognized holidays: New Year's Day, Martin Luther King



Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, day after Thanksgiving Day, and Christmas Day.

**G. Closure for lunch.** If Contractor's place of business is staffed with one employee, the business office may be closed one hour for lunch. A sign must be posted which reflects a lunch closure and a phone number where a request by a vehicle's owner/agent shall result in an immediate response to release property or a vehicle.

**H. Motor Carrier Property Permit.** Contractor must have a valid Motor Carrier Property (MCP) permit and maintain a valid MCP permit during the term of the Agreement. The expiration of Contractor's a tow company's MCP and/or suspension of the MCP pursuant to Section 34623 CVC will result in the immediate suspension of its Agreement with the City and may result in termination of the Agreement.

**I. Tow Truck Driver Certification.** Contractor shall ensure tow truck drivers responding to calls initiated by the City are competent and have completed a Tow Service Agreement Advisory Committee (TSAAC) approved tow truck driver training program as outlined in the California Highway Patrol's Tow Service Agreement.

I.1 Contractor shall maintain documentation of completion of an approved tow truck driver training program within the past five (5) years. Tow truck driver documentation should be for the appropriate class of tow truck (e.g., a Class D driver should have heavy duty tow truck driver's training documentation).

I.2 Tow truck drivers shall be at least 18 years of age and shall possess the proper class of license and endorsements for the towed and towing vehicle.

**J. Tow Truck Driver Uniform, Appearance and Safety Garments**

J.1 Tow truck drivers shall wear an identifiable uniform (either shirt and pants, or coveralls) displaying the Contractor name and the driver's name while engaged in City rotation tow operations.

J.2 Tow truck drivers shall represent a professional image. An unacceptable representation would include: unbathed, excessively dirty/torn uniform, body art, visible body piercing, etc.

J.3 Tow truck drivers shall wear appropriate safety warning garments (e.g. vests, jackets, shirts, retroreflective clothing) during daylight and hours of darkness in accordance with Cal/OSHA Regulations (Title 8, Section 1598 CCR.)

**K. Tow Truck Requirements.** A tow truck company must equip and maintain tow trucks in accordance with the provisions set forth in the California Vehicle Code (CVC), Title 13 of the CCR, the specifications contained in this proposal, and in a manner consistent with industry standard and practices.

K.1 The following is a list of the City's tow truck requirements. Tow trucks that can demonstrate a functional equivalency to any or all of the requirements of this sub-section may be proposed as an exception. Verification of tow truck specifications will be determined via unaltered manufacturer's installed plate. The tow company must currently own and operate a minimum of three (3) tow trucks and demonstrate capability of providing heavy duty services.

K.1.a One Class A (Light Duty) Wheel-Lift: A Wheel-Lift tow truck which has a manufacturer's gross vehicle weight rating (GVWR) of at least 14,000 pounds.

K.1.b One Class A (Light Duty) Flatbed: A Flatbed tow truck which has a manufacturer's gross vehicle weight rating (GVWR) of at least 14,000 pounds.

K.1.c One Class B (Medium Duty) Wheel-Lift: A Wheel-Lift tow truck with a GVWR of at least 33,000 pounds. The truck shall be equipped with air brakes and a tractor protection valve or device, and be capable of providing and maintaining continuous air to the towed vehicle.

K.1.d Contractor must demonstrate either: 1) Possession of One Class C (Heavy Duty) truck (a three-axle tow truck with a GVWR of at least 52,000 pounds. The truck shall be equipped with air brakes and must be capable of providing and maintaining continuous air to the towed vehicle.); or 2) Ability to sub-contract with another reliable tow company (with City's approval) for heavy duty services.

**L. "GREEN" Fleet.** On April 1, 2008, the City Council of the City of Chula Vista adopted new climate mitigation policies in order to reduce the City of Chula Vista's carbon footprint. One of these policies mandated that City-contracted fleet operators adopt the use of high efficiency (hybrid) or alternative fuel vehicles (AFVs) by stipulating that 100% of replacement vehicle purchases be AFVs or hybrid vehicles. AFVs include vehicles that operate on biodiesel (B20), compressed natural gas (CNG), ethanol (E85), hydrogen, or electricity. Contractor agrees to comply with this policy.

Contractor agrees to provide City, upon request, a detailed list of vehicles that will provide service to the City, whether these vehicles already meet AFV/hybrid status, and if not, the respondent's plan to meet this Council policy for vehicles scheduled for replacement during the term of the Agreement.

**M. Tow Truck Equipment & Outfitting.** The following is a list of the tow truck equipment required by the City.

M.1 Each truck shall have an operational winch that is power-driven in both directions and equipped with an adequate braking system.

M.2 Each truck shall be equipped with the lighting systems as required by California Vehicle Code (CVC) Sections 24605, 24606 and 25253. Additionally, trucks shall be equipped with utility lamp lighting systems that comply with CVC Section 25110.

M.3 Each truck shall carry the miscellaneous equipment required by CVC Section 27700. Additionally, each Contractor shall maintain three (3) sets of dollies for use by tow trucks providing services to the City. It is the City's preference that each tow truck carry its own set of dollies.

**N. Tow Truck Identification.** Each truck responding to requests for City initiated tow and impound services shall, on both sides of the vehicle, conspicuously bear the company name, address and phone number(s) in lettering that complies with CVC Section 27907.

**O. Tow Truck Communications.** Each truck responding to requests for City-initiated tow and impound services shall be capable of effecting two-way communications between the truck and the tow company's dispatching

operation. Tow companies may determine the type of two-way communications between their truck and their dispatcher, as long as it complies with all applicable sections of the California Vehicle Code (CVC).

**P. Tow Truck Maintenance.** Each truck responding to requests for City-initiated tow and impound services shall be well maintained and clean on the exterior and interior and should reflect the clean image of the City.

**Q. Tow Truck Inspections.** At its discretion, the City shall conduct inspections without notice of all tow trucks utilized on City rotation calls. The intent of these inspections is to ensure Contractor is engaged in an ongoing safety maintenance program for its tow trucks. If during the inspection, the tow trucks do not meet the requirements set forth in the Agreement, it shall be cause for damages for breach and/or termination of contract.

**R. Storage Yard.** The following is a list of the storage yard specifications required by the City.

R.1 Storage yard(s) must be within one air mile of City limits, as shown on Attachment D of RFQ#Q14-15/16. The red line on Attachment D shows the boundary limits of storage yard(s). **Contractor's primary storage yard is at 919 Hollister Street, San Diego, CA 92154 and secondary storage yard is at 7310 Pogo Road, Suite #96, San Diego, CA 92154.**

R.2 Storage yard(s) shall have adequate space to fulfill the needs outlined in RFQ#Q14-15/16. The City will require a minimum of one acre of vehicle storage space and must be net of office space or other non-storage usable space. The one acre of vehicle storage space must not be shared with other tow vendors, whether they are contracted with the City or not.

R.3 If Contractor primary storage yard does not meet the one acre minimum storage space requirement, a secondary storage yard site may be proposed, provided that (a) the storage space in the primary and secondary lot exceeds one acre, (b) the second site meets all storage yard requirements outlined in the RFQ, and (c) only one secondary storage yard is allowed (i.e. a maximum of two storage yards are allowed for use for City-initiated tows). A secondary storage yard may only be utilized if the primary storage yard is full. There shall be no charge to the vehicle's owner/agent for towing a vehicle from a secondary storage yard to the primary storage yard.

R.4 Contractor must maintain security and control of storage yard(s) at all times. The storage yard(s) shall be secure and enclosed, at minimum, by a six-foot high fence with adequate lighting. Contractor shall be responsible for the safekeeping and prevention of vandalism of all vehicles and contents which are stored/impounded by the City.

R.5 The storage yard(s) must be in conformance with applicable City zoning and building codes, or the applicable zoning and building codes of the jurisdiction in which it/they are located, and must be permitted as such.

R.6 Failure to fulfill the storage yard requirements at any time during the term of the Agreement shall be cause for damages for breach and/or termination of the Agreement.

**EXHIBIT B  
CONTRACTOR'S INSURANCE REQUIREMENTS**

Contractor shall adhere to all terms and conditions of Section 3 of the Agreement and agrees to provide the following types and minimum amounts of insurance, as indicated by checking the applicable boxes (x).

	Type of Insurance	Minimum Amount	Form
<input checked="" type="checkbox"/>	Garagekeeper's Legal Liability or Commercial General Liability	\$1,000,000 per occurrence, combined single limit and an aggregate limit of \$2,000,000 applied separately to each project away from premises owned or rented by Contractor, which names the City, its officials, officers, employees and volunteers as Additional Insureds, and which is primary to any policy which the City may otherwise case ("Primary Coverage"), and treats the employees in the City in the same manner as members of the general public ("Cross-liability coverage").	Insurance Services Office Form CG 00 01  <i>*Must be primary and must not exclude Products/Completed Operations</i>
<input checked="" type="checkbox"/>	Automobile Liability, including on-hook, if not already included in Garagekeeper's policy noted above	\$1,000,000 combined single limit and an aggregate limit of \$2,000,000, which names the City, its officials, officers, employees and volunteers as Additional Insured, and which is primary to any policy with the City may otherwise carry (Primary Coverage).	Insurance Services Office Form CA 00 01 Code 1-Any Auto Code 8-Hired Code 9-Non Owned
<input checked="" type="checkbox"/>	Workers' Compensation Employer's Liability	\$1,000,000 each accident \$1,000,000 disease policy limit \$1,000,000 disease each employee A Waiver of Subrogation endorsement shall also be provided to City. Waiver of Recovery Endorsement	

Other Negotiated Insurance Terms: None

**EXHIBIT C**  
**CONTRACTOR'S CONFLICT OF INTEREST DESIGNATION**

The Political Reform Act<sup>1</sup> and the Chula Vista Conflict of Interest Code<sup>2</sup> ("Code") require designated state and local government officials, including some contractors, to make certain public disclosures using a Statement of Economic Interests form (Form 700). Once filed, a Form 700 is a public document, accessible to any member of the public. In addition, contractors designated to file the Form 700 are also required to comply with certain ethics training requirements.<sup>3</sup>

**1. Required Filers**

Each individual who will be performing services for the City pursuant to the Agreement and who meets the definition of "Contractor," pursuant to FPPC Regulation 18700.3, must file a Form 700.

**2. Required Filing Deadlines**

Each initial Form 700 required under this Agreement shall be filed with the Office of the City Clerk via the City's online filing system, NetFile, within 30 days of the approval of the Agreement. Additional Form 700 filings will be required annually on April 1 during the term of the Agreement, and within 30 days of the termination of the Agreement.

**3. Filing Designation**

The City Department Director will designate each individual who will be providing services to the City pursuant to the Agreement as *full disclosure*, *limited disclosure*, or *excluded from disclosure*, based on an analysis of the services the Contractor will provide. Notwithstanding this designation or anything in the Agreement, the Contractor is ultimately responsible for complying with FPPC regulations and filing requirements. If you have any questions regarding filing requirements, please do not hesitate to contact the City Clerk at (619)691-5041, or the FPPC at 1-866-ASK-FPPC, or (866) 275-3772 \*2.

**APPLICABLE DESIGNATIONS FOR INDIVIDUAL(S) ASSIGNED TO PROVIDE SERVICES**

(Category descriptions available at [www.chulavistaca.gov/departments/city-clerk/conflict-of-interest-code](http://www.chulavistaca.gov/departments/city-clerk/conflict-of-interest-code).)

<i>Name</i>	<i>Email Address</i>	<i>Applicable Designation</i>
Cortes Towing Enterprises, Inc.	Johnny.cortes@yahoo.com	<input type="checkbox"/> <b>A. Full Disclosure</b> <input type="checkbox"/> <b>B. Limited Disclosure</b> (select one or more of the categories under which Contractor/Service Provider shall file): <input type="checkbox"/> 1. <input type="checkbox"/> 2. <input type="checkbox"/> 3. <input type="checkbox"/> 4. <input type="checkbox"/> 5. <input type="checkbox"/> 6. <input type="checkbox"/> 7. Justification: <input checked="" type="checkbox"/> <b>C. Excluded from Disclosure (corporation or LLC)</b>

Completed by: Jonathan Alegre

(Add additional pages, as needed.)

Pursuant to the duly adopted City of Chula Vista Conflict of Interest Code, this document shall serve as the written determination of the Contractor's requirement to comply with the disclosure requirements set forth in the Code.

1 Cal. Gov. Code §§81000 et seq.; FPPC Regs. 18700.3 and 18704.

2 Chula Vista Municipal Code §§2.02.010-2.02.040.

3 Cal. Gov. Code §§53234, et seq.

**EXHIBIT D**

**Chula Vista City-Initiated Tow and Storage Rates  
(2017)**

<b>Service</b>	<b>Rate</b>
<b>Basic Tow <sup>1</sup></b>	<b>\$209.00</b>
<b>Medium Tow <sup>2</sup></b>	<b>\$236.00</b>
<b>Heavy Tow <sup>3</sup></b>	<b>\$279.00</b>
<b>Mileage</b>	<b>None</b>
<b>Dolly Charge</b>	<b>None</b>
<b>Labor Rate (if exceeding one hour of service)</b>	<b>\$65.00/hour</b>
<b>Basic Storage Rate <sup>4</sup></b>	<b>\$51.00/24-hour period</b>
<b>Medium Storage Rate <sup>5</sup></b>	<b>\$61.00/24-hour period</b>
<b>Heavy Storage Rate <sup>6</sup></b>	<b>\$66.00/24-hour period</b>
<b>Evening Release (after 5:00 pm &amp; Holidays)</b>	<b>\$65.00</b>

<sup>1</sup> Basic Tow Rate is average of CHP's Class A tow rates

<sup>2</sup> Medium Tow Rate is average of CHP's Class B tow rates

<sup>3</sup> Heavy Tow Rate is average of CHP's Class C tow rates

<sup>4</sup> Basic Storage Rate is average of CHP's Class A storage rates

<sup>5</sup> Medium Storage Rate is average of CHP's Class B storage rates

<sup>6</sup> Heavy Storage Rate is average of CHP's Class C storage rates

**EXHIBIT E**

**2017 ANNUAL TOW LICENSE FEE APPORTIONMENT**

<b>NUMBER OF CONTRACTORS</b>	<b>TOW LICENSE FEE PER CONTRACTOR</b>	<b>TOW LICENSE FEE TOTAL</b>
1	\$138,277	<b>\$138,277</b>
2	\$69,139	
3	\$46,092	
4	\$34,569	
5	\$27,655	
6	\$23,046	
7	\$19,754	
8	\$17,285	
9	\$15,364	
10	\$13,828	

The City intends to enter into agreements for tow and impound services with all qualified firms who meet the City's requirements. If one or more of the service providers are terminated/withdraw from service for any reason, the Tow License Fee for the remaining contractors will be adjusted per the schedule above.

## EXHIBIT E, CONTINUED

### Computation of Annual Tow License Fee

(Annual estimate of police-initiated tows) x (Estimated time spent per tow) x (Fully burdened hourly rate) =  
Tow License Fee

Position	Annual Estimate of Police-Initiated Tows <sup>1</sup>	Hours Spent per Police-Initiated Tow <sup>2</sup>	Fully Burdened Hourly Rate <sup>3</sup>	Tow License Fee
Peace Officer	1,035	0.53	\$135.83	\$74,510
Community Service Officer	828	0.53	\$67.66	\$29,692
Parking Enforcement Officer	437	0.53	\$67.84	\$15,712
Police Dispatcher	2,300	0.08	\$99.80	\$18,363
<b>TOTAL</b>				<b>\$138,277</b>

<sup>1</sup> 2-year average of calendar years 2013 and 2014 is 2,300 tows

Does not include private tows or tows during grant-funded operations

Tow request breakdown by classification (Officer 45% of tow requests; CSO 36%; PEO 19%)

<sup>2</sup> Estimated 32 minutes of Officer/CSO/PEO time during a tow call for service

Estimated 5 minutes of Police Dispatcher time

<sup>3</sup> Fully Burdened Hourly Rate as posted on the City's Master Fee Schedule

14221 Peace Officer; 14241 Community Service Officer; 14242 Parking Enforcement Officer; 14260 Police Dispatcher

Note: The City reserves the right to review and revise the annual Tow License Fee each year.