Agenda

Special Meeting of the

Bell City Council/Bell Community Housing Authority/Successor Agency to the Bell Community Redevelopment Agency/ Bell Public Finance Authority

Tuesday, November 14, 2023

5:00 P.M. OPEN SESSION

BELL COMMUNITY CENTER
6250 PINE AVENUE, BELL CA 90201

Fidencio J. Gallardo
Mayor

Ana Maria Quintana
Vice-Mayor

Monica Arroyo
Council Member

Alicia Romero
Council Member

Ali Saleh
Council Member

Welcome to the City Council Meeting

The Bell City Council and staff welcome you. This is your City Government. Individual participation is a basic part of American Democracy and all Bell residents are encouraged to attend meetings of the City Council. Regular City Council meetings are held the second and fourth Wednesday of the month at 7:00 p.m., Bell Community Center, 6250 Pine Avenue. For more information, you may call City Hall during regular business hours 8:00 a.m. to 4:00 p.m., Monday through Friday at (323) 588-6211 Extension 2615.

City Council Organization

There are five City Council members, one of whom serves as Mayor and is the presiding officer of the City Council. These are your elected representatives who act as a Board of Directors for the City of Bell. City Council members are like you, concerned residents of the community who provide guidance in the operation of your City.

Addressing the City Council

If you wish to speak to the City Council on any item which is listed or not listed on the City Council Agenda, please complete a *Request to Speak Card* available in the back of the City Council Chambers. Please submit the completed card to the City Clerk prior to the meeting. The Mayor will call you to the microphone at the appropriate time if you have filled out a *Request to Speak Card*. At that time, approach the podium and please clearly state your name and address, and proceed to make your comments.

Compliance with Americans with Disabilities Act

The City of Bell, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodation(s) to access, attend, and or participate in a City meeting due to disability. Please contact the City Clerk's Office, (323) 588-6211, Ext. 2615, at least one business day prior to the scheduled meeting to ensure that we may assist you.

Statement Regarding Compensation for Members of the Bell City Council

Compensation for the members of the Bell City Council is $673 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the following regular meetings: Successor Agency to the Bell Community Redevelopment Agency, the Bell Community Housing Authority, the Bell Public Finance Authority, the Bell Surplus Property Authority, and the Bell Solid Waste Authority.

SPECIAL JOINT MEETING OF THE

Bell City Council/Bell Community Housing Authority/Successor Agency to the Bell Community Redevelopment Agency/Bell Public Finance Authority

Tuesday, November 14, 2023

5:00 P.M. Open Meeting

Location: Bell Community Center, 6250 Pine Avenue, Bell CA 90201

MEETING WILL BE HELD IN-PERSON AT THE BELL COMMUNITY CENTER

PUBLIC COMMENT: If you wish to make a comment on items listed on the agenda, you may attend the meeting in-person at Bell Community Center. Please complete a Request to Speak Card available in the location and wait until the mayor calls you to approach the podium. Please clearly state your name and address and proceed to make your comments.

You may also submit input electronically through a temporary public comment email established for City of Bell City Council meetings at cityclerk@cityofbell.org. Your written comment must be submitted by 4pm on Tuesday, November 14, 2023. Any emails received after the time indicated will not be included in the record. Written Comments will be subject to the three minute time limitation (approximately 350 words).

The meeting will be recorded and live streamed on the City's website at http://www.cityofbell.org/?NavID=101

Call to Order

Roll Call of the City Council in their capacities as Councilmembers/Members of all Related Agencies: Arroyo, Romero, Saleh, Quintana, and Gallardo

Pledge of Allegiance

Communications from the Public

This is the time members of the public may address the City Council and related Authorities and Agencies on items that are listed on the agenda only. (Each speaker is limited to three minutes)

Business Session

1. Economic Development Discussion. *(City Council)*

   Recommendation: *It is recommended that the City Council receive and file.*

2. Introduction and Conduct the First Reading, By Title Only, of an Ordinance of the People of the City of Bell Adding Chapter 3.22 to Title 3 of the Bell Municipal Code, relating to the Establishment of a New Additional General Transaction and Use Tax. *(City Council)*

   Recommendation: *It is recommended that the City Council introduce and conduct the first reading, by title only, of an "ORDINANCE OF THE PEOPLE OF THE CITY OF BELL ADDING CHAPTER 3.22 TO TITLE 3 OF THE BELL MUNICIPAL CODE, RELATING TO THE ESTABLISHMENT OF A NEW ADDITIONAL GENERAL TRANSACTIONS AND USE TAX".*

3. Authorize the Police Chief to accept and administer the Office of Traffic Safety (OTS),

Selective Traffic Enforcement Program (STEP) Grant to reduce the number of traffic fatalities and injuries. *(City Council)*

Recommendation: *It is recommended that the City Council read by title only, waive further reading and adopt Resolution No. 2023-85 titled:*

> **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING AN INTER-FUND ADANCEMENT, IN THE AMOUNT OF $90,000 FROM THE GENERAL FUND UNRESTRICTED FUND BALANCE TO THE POLICE DEPARTMENT'S OFFICE OF TRAFFIC SAFETY FUND ACCOUNT FOR THE PURPOSE OF PROVIDING OVERTIME TO REDUCE TRAFFIC COLLISIONS YEAR 2023-2024 BUDGET AMENDMENT**

4. Approve the City of Bell Vehicle Replacement and Maintenance Program, Authorize the City Manager to Execute a Master Equity Agreement and Vehicle Maintenance Agreement between the City of Bell and Enterprise Fleet Management Inc., Issuance of a Purchase Order to Enterprise in the amount of $400,000 and Issuance of Purchase Order to Folsom Ford in the amount of $128,866.98. *(City Council)*

   Recommendation: *It is recommended that the City Council:*

   1. Approve the Vehicle Replacement and Maintenance Program for the City of Bell.
   2. Authorize the City Manager to execute a Master Equity Agreement and Vehicle Maintenance Agreement between the City of Bell and Enterprise Fleet Management Inc.
   3. Authorize the designated surplus vehicles and authorize the Director of Finance to liquidate the designated surplus vehicles.
   4. Authorize issuance of a purchase order not to exceed $400,000 to Enterprise Fleet Maintenance inc.
   5. Authorize the Purchase of two (2) Ford Interceptors and issuance of a Purchase Order to Folson Ford in the amount of $128,866.98.

Next Regular Meeting, Wednesday, December 13, 2023

I, Angela Bustamante, City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on November 13, 2023 at least twenty-four (24) hours prior to the meeting as required by law.

Angela Bustamante

Angela Bustamante, City Clerk

AGENDA ITEM NO. 1

1. Economic Development Discussion. *(City Council)*

   Recommendation: *It is recommended that the City Council receive and file.*

AGENDA ITEM 2

City of Bell
Agenda Report

DATE: November 14, 2023

TO: Mayor and Members of the City Council

FROM: Michael L. Antwine II, City Manager

APPROVED BY: Michael L. Antwine II, (e-signature)
____
Michael L. Antwine II, City Manager

SUBJECT: Introduction and Conduct the First Reading, By Title Only, of an Ordinance of the People of the City of Bell Adding Chapter 3.22 to Title 3 of the Bell Municipal Code, relating to the Establishment of a New Additional General Transaction and Use Tax.

RECOMMENDATION:

It is recommended that the City Council introduce and conduct the first reading, by title only, of an "ORDINANCE OF THE PEOPLE OF THE CITY OF BELL ADDING CHAPTER 3.22 TO TITLE 3 OF THE BELL MUNICIPAL CODE, RELATING TO THE ESTABLISHMENT OF A NEW ADDITIONAL GENERAL TRANSACTIONS AND USE TAX"

BACKGROUND:

A. City's Financial Condition

The City's current and future financial condition is of significant concern. The City's economic condition has not improved significantly over the past 10 years. While there have been tremendous strides and gains in the areas of Financial Reporting and Transparency, Independent External Audits, Restructuring of Long-Term Debt and creating General Fund Reserves.

1. Revenue vs. Expense Imbalance. Two thirds (2/3) of the City's revenue come from three (3) revenue sources: Property tax, Sales tax, and Utility tax. Since 2020, while property and sales taxes have risen modestly, the decline in utility taxes has eliminated this gain. Meanwhile, expenses have risen approximately 20% over that same period.

In recent years, there have been national and regional economic factors that have created a flat (limited) revenue growth, while expenditures have continued to increase, which is a formula that creates lack of fiscally sustainability for local government budgets. If there were any national recession or regional economic decline that would significantly impact the city's fiscal solvency.

A table below illustrates the problem:

	FY 19/20 Actual	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Unaudited	FY 23/24 Projected
Property Tax	5,076,628	5,282,719	5,338,704	5,546,229	5,519,843
Sales Tax	2,639,765	3,185,706	3,862,511	3,785,474	3,805,590
Utility Tax	2,915,647	3,100,663	3,548,686	4,061,071	3,663,152
Total	10,632,040	11,569,088	12,749,901	13,392,774	12,988,585
	71%	73%	74%	72%	75%
Other Rev.	4,344,196	4,308,388	4,389,919	5,137,787	4,427,960
Total Revenue*	14,976,236	15,877,476	17,139,820	18,530,561	17,416,545
Expenses	(16,858,054)	(15,270,033)	(16,899,074)	(17,985,186)	(17,686,144)
Diff Rev/Exp	(1,881,818)	607,443	240,746	545,375	(269,599)

***Excluding Transfers In**

Notes:
1) FY21/22 and FY22/23 Surplus was a result of vacant positions.
2) Expenses:

Springbrook Upgrade	$281,000
Info. Tech./Ent. Mgmt	$500,000
Website Redesign	$140,000
Vehicle Replacement	$200,000
Building Improvements	$500,000
Sub Total	$1,621,000

3) Reductions (FY23/24)

Programs	$255,602
Part Time Positions	$197,470
City Wide Reduction	$44,872
Sub Total	$497,944
Total	$2,118,944

2. Unavoidable Expenses. The city has faced significant staff turnover at all levels of the organization, including various key executive management positions. This high rate of turnover is due largely in part to the City's inability to competitively match the salaries of surrounding cities. (Approximately 70 % of the City's general fund revenue goes to maintain the City's Police department and Community Services Department.) In addition, the General Fund pays for public facilities, and planning, finance, human resources, records management and other functions of the City.

3. Unfunded Retirement Obligations to Employees. The City is fortunate that in 1944 the voters approved an override property tax (the "Override") to fund retirement of City employees. There are only a handful of cities which have such a tax. The tax is projected to generate approximately $4.25M in FY 2024.

However, due to cyclical losses suffered by the State's pension fund ("CalPERS"), including various actions by CalPERS to reduce projected interest earnings and require greater contribution by member agencies, the City of Bell, along with most other public agencies, is facing increasing demand from CalPERS.

Current projections are that the City's pension obligation in fiscal year 2024 will be $4.7M, which is greater than the projected revenue of $4.25 million. These cost increases in the City's Pension costs represent a 27% increase over the last four (4) years.

B. Additional Sales Tax Revenue

Considering the foregoing fiscal concerns discussed during the FY 2023-2024 Budget process and the future concerns of the City's fiscal instability and lack of financial sustainability, staff is recommending the City Council consider the submission of a transactions and use tax (commonly known as a "sales tax") to the City's voters.

California law effectively "caps" the City's sales tax at a maximum rate of 10.25%. Prior to November 2019, the total sales tax rate for the City of Bell was 8.75%; the lowest among its neighboring cities. This 8.75% includes taxes such as the City's traditional 1% sales tax under Chapter 3.20 of the Bell Municipal Code, but also includes County sales taxes and State sales taxes (discussed further below).

The following table shows sales taxes for other cities:

City	Sales Tax
South Gate	10.25%
Commerce	10%
Pico Rivera	10.25%
Cudahy	10.25%
Downey	10%
Compton	10.25%
Bell	**9.50%**

In November 2018, voters approved two County sales taxes: Measure M (Los Angeles County Traffic Improvement Plan) and Measure HHH (Los Angeles County Homeless Services Tax). These two measures increased the City of Bell's sales tax rate to 9.50% without providing any additional revenue to the City of Bell.

Thus, the current sales tax rate of 9.50% leaves only 0.75% remaining available to the City of Bell to increase its sales tax revenue from sales generated within the City's boundaries.

The State share of sales tax is almost four times the City's 1% share. The County also receives 1% in unincorporated territory, but the County has other entities relating to public safety, transportation, traffic improvement, mental health and other functions which total another 4.5%. The authority of the City to impose the additional 0.75% transactions and use taxes (commonly referred to as a "sales tax") under any provision of law is subject to the rate limitation specified in Rev. & Tax Code Section 7251.1. It should be noted that other public entities can also take advantage of the additional 0.75% (e.g., other initiatives similar to Measure M and Measure HHH). A number of other entities are considering increases to make use of these funds.

This is not a matter of whether the citizens of Bell are going to pay higher sales taxes, it is whether those sales tax revenues stay in the City of Bell for local programs and services or if those sales tax revenues go to other eligible entities.

DISCUSSION:

C. Proposed Sales Tax Ordinance

The City's traditional 1% sales tax is found in Chapter 3.20 of the Bell Municipal Code. The Charter in Section 1107 allows the City to raise taxes in accordance with State law. This new sales tax ordinance adds Chapter 3.22 to Title 3 of the Bell Municipal Code. This accomplishes two things.

It adds provisions to the Bell Municipal Code in relation to the administration of the sales tax. Further, and more importantly, it establishes an additional sales tax at a rate of three-quarter cent per dollar (0.75%). This measure must be approved by a majority of voters in the City to take effect.

D. Procedures

A two-thirds (i.e., 4 Councilmembers) vote of all members of the City Council (Gov. Code Section 53724(b); Rev. & Taxation Code Section 7285.9) will be required to pass the resolution to order the submission of the proposed sales tax ordinance to the voters. Revenue & Taxation Code Section 7285.9 also requires that the City Council approve the sales tax ordinance. The ordinance will allow the Council to adopt the rate by resolution if the measure passes.

The ordinance adopted by the voters may provide authority to impose the full .75 increase or leave it open to the Council to subsequently set the amount. If the Council elects less than the .75 increase, the difference may be taken by other government entities.

Passage of the sales tax measure will require approval by a majority of the voters. (The proposed taxes will generate revenue, deposited in the general fund, available for any general governmental purpose. Thus, the taxes are considered “general taxes.” Under Proposition 218, the levy of a new general tax must be approved by a majority of voters. (Cal. Const. art. 13C, § 2(b).).) Such a measure, if presented at a general election at which Councilmembers are up only requires a majority vote, but if presented at a special selection requires a 2/3 vote.

As previously discussed, the City’s current Sales Tax is a General Fund revenue that is not restricted to any special purpose, and the same would be true of this additional sales tax. The City’s largest General Fund expenses are in the Bell Police Department and Community Services Department (Youth and Seniors Programs and Services).

E. State Administration

Staff previously researched and identified that the State has a different regulatory scheme for a new sales tax measure than the traditional and will charge significant fees for the administration up to $175,000. City staff is in the processing of determining if the State has created a specific schedule at this point; however, city staff previous research indicates that an increase of the tax in .25% increments, the State may adjust their administrative expense fees based on the Sales Tax increase.

FISCAL IMPACT:

The 2023-2024 Budget estimates that the sales and use tax (pursuant to Chapter 3.20 of Title 3 of the Bell Municipal Code) will generate $3.8 million for the year.

A 0.75% increase would generate approximately $1.5 million per year into the City’s General Fund.

ATTACHMENTS:

1. INTRODUCE AND CONDUCT THE FIRST READING, BY TITLE ONLY, OF AN “ORDINANCE OF THE PEOPLE OF THE CITY OF BELL ADDING CHAPTER 3.22 TO TITLE 3 OF THE BELL MUNICIPAL CODE, RELATING TO THE ESTABLISHMENT OF A NEW ADDITIONAL GENERAL TRANSACTIONS AND USE TAX”

ORDINANCE NO. XXXX

AN ORDINANCE OF THE PEOPLE OF THE CITY OF BELL ADDING CHAPTER 3.22 TO TITLE 3 OF THE BELL MUNICIPAL CODE, RELATING TO THE ESTABLISHMENT OF A NEW THREE QUARTER CENT PER DOLLAR (0.75%) GENERAL TRANSACTIONS AND USE TAX

WHEREAS, Article XIIIC, Section 2, of the California Constitution provides that any general tax must be submitted to the electorate and approved by a majority vote of the electorate and the Bell Charter in Section 1107 permits the City to impose any tax permitted by State law; and

WHEREAS, Article XIIIC, Section 2, of the California Constitution requires that general taxes must be submitted at a general municipal election unless an emergency is declared as the term “emergency” is used in Article XIIIC, Section 2(b) of the California Constitution; and

WHEREAS, on November 8, 2023 and November 14, 2023, the City Council of the City of Bell voted to submit a measure to the voters of the City of Bell at the General Municipal Election on March 5, 2024, for the increase of the City’s sales tax by three quarter cent per dollar (0.75%) (the “Measure”); and

WHEREAS, the City Council of the City of Bell is authorized and directed by Revenue & Tax Code Section 7285.1 to submit to the voters this Measure, and the City Council therefore wishes to have the voters consider the same at a General Municipal Election to be held on March 5, 2024; and

WHEREAS, if the Measure is approved by the voters, by a majority vote this Ordinance would establish a general tax to be deposited in the City of Bell’s General Fund for any lawful public purpose and the measures to implement and administers such tax; and

WHEREAS, the City Council authorizes the City Manager and City Attorney to make any changes to this ordinance, in accordance with the recommendations from the CDTFA; and

WHEREAS, this Ordinance, if authorized by the voters, may be adopted and amended from time to time by the City Council in accordance with the terms hereof.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL HEREBY ORDAINS AS FOLLOWS:

Section 1. Chapter 3.22 is hereby added to Title 3 of the Bell Municipal Code as follows:

“Chapter 3.22 - Transactions and Use Tax

3.22.010. TITLE. This ordinance shall be known as the “City of Bell Transactions and Use Tax” Ordinance. This ordinance shall be applicable in the incorporated territory of the City.

3.22.020. GENERALLY; OPERATIVE DATE.

A. This Chapter establishes a transactions and use tax in addition to that set forth in Chapter 3.20, in accordance with the specific authority under State law. The tax rate limit is established by the voters, but in all other respects this ordinance is established and may be amended from time to time by the City Council.

B. This Chapter, however, only becomes effective when the voters have approved a tax rate hereunder. Accordingly, the "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of the tax rate Measure, the date of such adoption being as set forth below.

3.22.030. PURPOSE. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transaction and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.22.040. CONTRACT WITH STATE. Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.22.050. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of up to three quarters of a cent per dollar (0.75%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance. If this rate of tax is approved by the voters, the City Council may by resolution set the rate of tax at such amount it deems appropriate not exceeding the rate of tax established herein.

3.22.060. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.22.070. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of up to three quarters of a cent per dollar (0.75%) of the sales price of the property. If this rate of tax is approved by the voters, the City Council may by resolution set the rate of tax at such amount it deems appropriate not exceeding the rate of tax established herein. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.22.080. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.22.090. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. “A retailer engaged in business in the District” shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.22.100. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.22.110. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.22.120. AMENDMENTS.

A. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

B. Consistent with Section 3.22.080 interpreting the provisions of State law and Subsection A of this Section providing for automatic amendment, the City Council retains full authority to modify and amend all administrative provisions of this Ordinance, except as to Sections 3.22.50 and 3.22.070 setting the rate of tax, without a vote of the people.

3.22.130. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.22.140. ABILITY TO LOWER RATE. The tax rate in this Chapter may only be increased by a vote of the people of the City of Bell; provided, however, that the City Council may amend this Chapter to reduce the amount of the tax authorized herein or to otherwise implement or advance the purpose and intent of this Chapter.

3.22.150 ANNUAL AUDIT. The proceeds resulting from the Transactions and Use Tax established in this Chapter shall be deposited into the City's General Fund and become subject to the same independent annual audit requirements as other General Fund revenues.

3.22.160 PENALTIES. Without limiting any remedies available at law or equity, any person violating any of the provisions of this Chapter shall be deemed guilty of a misdemeanor.

3.22.170 CHANGES IN LAW; COUNTY TAX LIMITS. All amendments subsequent to the effective date of this Chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

In the event that Los Angeles County voters approve a future measure after the effective date of this Chapter or otherwise enacts a new transactions and use tax that, when aggregated with the City's transactions and use taxes under this Chapter, causes the combined rate limit set forth in Revenue and Taxation Code Section 7152.1 to be exceeded, such future County measure shall not have any effect on the City's ability to levy and collect transactions and use taxes at the rates set forth herein. Unless State law is amended to increase the combined rate limit under Revenue and Taxation Code section 7251.1 or this ordinance is later repealed or amended to reduce its tax rates, Los Angeles County shall not levy nor collect any transactions and use taxes within the territory of Bell which were approved by Los Angeles County voters after the effective date of this Chapter.

3.22.180. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.22.190. EFFECTIVE DATE. This Chapter levying the tax described herein shall be effective ten (10) days after the date on which the City Council has declared that the voters of the City of Bell have approved the ordinance by a vote of no less than a majority of the votes cast by the electors voting on the tax measure set forth in this Chapter at that general municipal election to be held on Tuesday, March 3, 2020.

3.22.200. TERMINATION DATE. The authority to levy the tax imposed by this ordinance shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law."

Section 3. **CEQA Exemption**. The adoption of this ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.). CEQA Guideline 15378(b)(4) provides that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA.

Section 4. **Severability**. If any section, subsection, sentence, clause or phrase of this ordinance or the application thereof to any person or circumstance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The People of the City of Bell hereby declared that they would have passed each subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more subsection, subdivision, paragraph, sentence, clause, or phrase be declared unconstitutional.

Section 5. **Appropriations Limit**. Pursuant to Article XIIIB of the California Constitution, the appropriations limit for the City of Bell is increased to the maximum extent over the maximum period of time allowed under the law consistent with the revenues generated by this tax.

Section 6. **Passage and Execution**. After adoption of this Ordinance, the Mayor shall sign this Ordinance and the City Clerk shall attest and certify to the approval thereof and cause same to be published at least once in a weekly newspaper of general circulation, published in the City of Bell, which newspaper is hereby designated for that purpose (GC § 40806). This Ordinance shall only be in effect following the approval of the Sales Tax Measure by a majority of the voters at an election on March 5, 2024, as certified by the election official.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Bell, California this 14 th day of November 2023.

CITY OF BELL

____
Fidencio J. Gallardo, Mayor

ATTEST:

____
Angela Bustamante, City Clerk

APPROVED AS TO FORM

____
David J. Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, do hereby certify that Ordinance No. XXXX was duly introduced at a regular meeting of the City Council of the City of Bell, held on the November 8, 2023 at a special meeting of the City Council and on November 14, 2023 at a Special City Council meeting this ordinance was duly introduced and a first reading conducted by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

AGENDA ITEM 3

City of Bell
Agenda Report

DATE: November 14, 2023

TO: Mayor and Members of the City Council

FROM: Carlos Islas, Police Chief

APPROVED BY: Michael L. Antwine II (e-signature)

____

Michael L. Antwine II, City Manager

SUBJECT: Authorize the Police Chief to accept and administer the Office of Traffic Safety (OTS), Selective Traffic Enforcement Program (STEP) Grant to reduce the number of traffic fatalities and injuries.

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Resolution No. 2023-85 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING AN INTER-FUND ADANCEMENT, IN THE AMOUNT OF $90,000 FROM THE GENERAL FUND UNRESTRICTED FUND BALANCE TO THE POLICE DEPARTMENT'S OFFICE OF TRAFFIC SAFETY FUND ACCOUNT FOR THE PURPOSE OF PROVIDING OVERTIME TO REDUCE TRAFFIC COLLISIONS YEAR 2023-2024 BUDGET AMENDMENT

DISCUSSION:

The City has seen a rise in traffic collision injuries over the past few years attributed to three specific collision factors of, Driving Under the Influence (DUI), Distracted Driving (Cell Phone Use while driving), and Unsafe speed. Over the last few years, these collision factors have been the cause of many traffic collision injuries and fatalities within the City.

This grant will provide $90,000 in funding to target these primary specific driver collision factors to help reduce the number of collisions and related injuries within the City. The fund will also provide some funding for equipment to support traffic related enforcement operations. The traffic enforcement through a combination of high visibility enforcement, education and targeted enforcement of common vehicle code violations will help reduce the number of serious traffic injuries and fatalities.

The Department will use "best practice" strategies of DUI Checkpoints, DUI saturation patrols, and concentrated traffic enforcement at problem locations. The focus will include Driving Under the Influence (DUI), Impaired Driving, Distracted Driving, and Unsafe speed violations.

In addition, traffic safety educational presentations will be made at neighborhood watch meetings and school parent meetings. There will also be additional traffic related training provided to Bell Police Officers.

If approved, it is further requested that the City Council authorize an inter-fund advancement, in the amount of $90,000.00 from the general fund to the police department's 20239/2024 OTS fund account for the purpose of providing overtime and training funding, pending the quarterly reimbursement by the OTS grant as the goals of the grant are met. The grant will reimburse the City's General Fund at the end of the project.

FISCAL IMPACT:

There is no additional fiscal impact to the City's General Fund. The grant will reimburse the City's General Fund with $90,000 in funding for police overtime to conduct traffic safety education and enforcement operations.

ATTACHMENTS

1. Resolution 2023-85

RESOLUTION NO. 2023-85

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING AN INTER-FUND ADANCEMENT, IN THE AMOUNT OF $90,000 FROM THE GENERAL FUND UNRESTRICTED FUND BALANCE TO THE POLICE DEPARTMENT'S OFFICE OF TRAFFIC SAFETY FUND ACCOUNT FOR THE PURPOSE OF PROVIDING OVERTIME TO REDUCE TRAFFIC COLLISIONS YEAR 2023-2024 BUDGET AMENDMENT

WHEREAS, on November 14, 2023, the Bell City Council approved the acceptance of the Office of Traffic Safety (OTS) Grant in the amount of $90,000; and

WHEREAS, the OTS Grant will fund overtime for officers to conduct DUI checkpoints, saturation patrols and enforcement of other Primary Collision Factors aimed at reducing traffic collisions and injuries; and

WHEREAS, a 2023-2024 budget amendment would be authorized to establish one additional account in the OTS fund 810-80-80-XXXX-000-XXXX in the Police Department's budget; and

WHEREAS, the funds from OTS Grant will reimburse the City's General Fund after every quarter as the goals of the grant are met and reported to the OTS.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY:

SECTION 1. Approve the transfer of General Fund Unrestricted Fund Balance to the Police Department's Office of Traffic Safety fund to pay for overtime traffic enforcement.

SECTION 2. Budget Amendment. The City Council hereby approves amending the Fiscal Year 2023-2024 budget by appropriating an amount of $90,000 from the General Fund Unrestricted Fund Balance to the Police Department's Office of Traffic Safety fund 810-80-80-XXXX-000-XXXX.

PASSED, APPROVED AND ADOPTED this 14th day of November 2023.

____
Fidencio J. Gallardo, Mayor

APPROVED AS TO FORM

____
David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at a special meeting held on the 14th day of November 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
Angela Bustamante, City Clerk

AGENDA ITEM 4

City of Bell
Agenda Report

DATE: November 14, 2023

TO: Mayor and Members of the City Council

FROM: Michael L. Antwine II, City Manager
John Oskoui, Interim Public Works Director

APPROVED BY: Michael L. Antwine II (e-signature)
____
Michael L. Antwine II, City Manager

SUBJECT: Approve the City of Bell Vehicle Replacement and Maintenance Program, Authorize the City Manager to Execute a Master Equity Agreement and Vehicle Maintenance Agreement between the City of Bell and Enterprise Fleet Management Inc., Issuance of a Purchase Order to Enterprise in the amount of $400,000 and Issuance of Purchase Order to Folsom Ford in the amount of $128,866.98.

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the Vehicle Replacement and Maintenance Program for the City of Bell.
2. Authorize the City Manager to execute a Master Equity Agreement and Vehicle Maintenance Agreement between the City of Bell and Enterprise Fleet Management Inc.
3. Authorize the designated surplus vehicles and authorize the Director of Finance to liquidate the designated surplus vehicles.
4. Authorize issuance of a purchase order not to exceed $400,000 to Enterprise Fleet Maintenance inc.
5. Authorize the Purchase of two (2) Ford Interceptors and issuance of a Purchase Order to Folson Ford in the amount of $128,866.98.

BACKGROUND:

The City of Bell's fleet includes vehicles assigned to various city departments that range from regular sedans to specialty heavy duty trucks. The City's fleet has aged significantly over the years with some exception to the Bell Police Department vehicles, which have been replaced.

Staff estimates the annual cost of maintaining the City's aging fleet can exceed the value of some the vehicles in the fleet. The average age of the City's fleet is 8 years, with the oldest vehicles in the fleet between 15-18 years old. Some vehicles have over 120,000 miles, which drastically reduces the resale value of the vehicle.
Additionally, the city spends approximately $80,000 annually on fleet maintenance for normal wear tear and replacement costs. The fleet maintenance costs limit the City's ability to adequately fund a reasonable Equipment Replacement Program. This is not a fiscally sustainable mode of fleet maintenance operation nor replacement. As part of the FY 2022-2023 Budget process, the

Council created a Vehicle Replacement Fund, for which the City will allocate funds to during the annual budget process.

Over the past several months ago, staff researched various options to improve the current condition of the City's fleet through implementing a viable "Vehicle Replacement and Maintenance Program". Staff's research and analysis concludes that fully funding a maintenance program as well as supporting a structured and methodical vehicle replacement program could be best achieved through a Leasing Model versus Purchase Model and creating a maintenance program.

Staff research indicates that there is a trend for cities and other governmental agencies to move towards a vehicle lease and maintenance program instead of a traditional ownership model for fleet. Government agencies are experiencing budget savings in maintenance costs and salaries for staff responsible for performing fleet maintenance services on city-owned vehicles.

DISCUSSION:

The Government Fleet Leasing and Maintenance industry has grown significantly over the past years and Enterprise Fleet Management Inc. has been a trusted partner in successful planning and implementation of these types of programs for numerous Government agencies. For example, Enterprise Fleet Management Inc. has partnered with the cities of Corona, Westminster, San Marcos, Downey and Gardena to successfully implement these programs with tangible positive results for those agencies.

To evaluate feasibility of implementing a similar program in the City of Bell, over the course of the last three (3) months, staff has met with representatives of Enterprise Fleet Management Inc. to put together a viable, efficient and suitable plan of action. Based on current condition of the City' fleet and the number of vehicles in need of replacement and the opportunity to liquidates some of the vehicles with less mileage to realize higher resale values, it appears that a four (4) year cycle vehicle replacement program would be the best operating model for the City. Details of this program will be finalized in the next few weeks.

Certain parameters of the program will include:

1. Establishment of a list of the vehicles earmarked for replacement.
2. Identifying the required specifications and types of replacement vehicles.
3. Reducing net operating costs through leasing new vehicles would significantly reduce maintenance expenses and the cost of fuel.

This City's Fleet Program could be ad through an "open-ended" lease structure which would allow the city to replace more vehicles with less upfront capital.

Below are highlights of this program:

- No mileage restrictions, no abnormal wear and tear, and no early termination penalties.
- The City has all rights of ownership and can equip some of the vehicles with aftermarket parts (utility bodies, toolboxes, etc.).
- Leasing would provide the opportunity to minimize the amount of large capital outlays necessary for purchasing vehicles.
- The City would establish a proactive fleet replacement plan to acquire vehicles on a more consistent basis.

The City's Fleet Replacement and Maintenance Program includes replacement of City vehicles with Enterprise over the course of the next four (4) years.

The various identified city vehicles will be replaced according to the following schedule based on costs, Enterprise recommendation and the City Manager direction:

Year 1 (2024): vehicles replacement costs approximately (leasing and maintenance) $400,000.
Year 2 (2025): vehicles replacement costs approximately (leasing and maintenance) $200,000.
Year 3 (2026): vehicles replacement costs approximately (leasing and maintenance) $150,000.
Year 4 (2027): vehicles will be replaced. Cost (leasing and maintenance) will be determined during the annual budget process.

With regards to the City's fleet maintenance needs, it is proposed that the new leased vehicles be maintained through a maintenance program offered by Enterprise Fleet Management, Inc.

During the term of the Agreement, Enterprise would pay for, or reimburse the City for its payment of all costs and expenses incurred in connection with the maintenance or repair of the covered vehicle. Expenses, such as fuel costs, oil and fluid changes between designated (factory recommended) service intervals, tire repair and replacement, washing and cost of repair because of lack of maintenance by the city between scheduled services would not be covered as part of the Agreement.

Therefore, during the first year, of the vehicles designated for replacement would be maintained through the Agreement with Enterprise. The balance of the vehicles would be handled by the city directly. In the subsequent years of the program, as the vehicles are replaced through the vehicle leasing mechanism, those vehicles would be included in the Maintenance Agreement with Enterprise.

All necessary leased vehicle service and repairs would be completed by a participating and authorized (by Enterprise) repair and service centers in the City of Bell or nearby city. The Enterprise Fleet Maintenance Program includes a fully automated record keeping tool by supplying a robust client website which provides visibility and tracking of vehicle data, customized dashboards with easy reporting, real-time alerts, self-service features including driver changes, vehicles descriptors, mileage information and more.

Implementation of the program will provide Finance and Public Works staff with more accurate costs budgeting and fleet maintenance during the annual budgeting process. Replacing the aged fleet will have a positive impact on fuel expenses. With new standards and technology increasing the MPGs of newer vehicles, the city can increase the miles per gallon of its fleet.

Enterprise will provide a local Account Team to assist the city with implementing and executing the Vehicle Leasing and Replacement program at no additional cost to the city.
The following is a list of services provided by Enterprise Fleet Management Inc.

- Make recommendations on the most cost-effective vehicles in each class
- Review the best time to order or sell vehicles
- Monitor the fleet to ensure efficiency with maintenance and fuel
- Compile analysis on the best alternative fuel vehicles
- Review mileage patterns and fuel miles per gallon
- Establish a proactive replacement plan

As the City replaces vehicles under this program, the old vehicles will be set aside as surplus vehicles and equipment and sold through a government auction process. All proceeds from the sale of the surplus vehicles will be deposited into the city's vehicle replacement fund to provide additional funding for the program.

An agreement with Enterprise Fleet Maintenance Inc., can be executed without going through the traditional bidding process by piggybacking off the existing Fleet Leasing and Management Services contract on The Interlocal Purchasing System (TIPS). TIPS is a national cooperative purchasing program whose membership include government and other entities in various states, including California. This cooperative purchasing system enables member entities to purchase on an "as -needed" basis from competitively awarded contracts with high performance vendors. The city can enter into an agreement with Enterprise pursuant to the TIPS RFP.

Staff respectfully recommends that the City Council approve the implementation of the City's Vehicle Leasing and Replacement Program, authorize the City Manager to execute the Master Equity Lease and Vehicle Maintenance Agreements and any necessary documents with Enterprise Fleet Maintenance Inc., and authorize the issuance of a purchase order in the amount of $400,000 to Enterprise Fleet Maintenance Inc.

It is further recommended that the City Council authorize the purchase of two (2) police interceptor vehicles from Folsom Ford and issue a purchase order in the amount of $128,866.98. Which will be part of the City's Vehicle Replacement program; however, these two (2) vehicles are not under the Enterprise Fleet Lease program.

It Is further recommended that the city council approve the attached list of designated surplus vehicles and authorize the Director of Finance to liquidate these vehicles.

FISCAL IMPACT:

There is no impact to the City's General Fund over the first three (3) years of the program. Thereafter, the City must annually budget revenues to the Vehicle Replacement Fund to continue implementation of the program.
The first three (3) years of the program will be paid with the City's ARPA fund allocation in the amount of $600,000 and $150,000 from the General Fund - Vehicle Replacement Fund.

ATTACHMENTS:

1. Enterprise Credit Application
2. Enterprise Master Equity Lease Agreement
3. Enterprise Maintenance Agreement
4. Enterprise Full Maintenance Agreement
5. Enterprise Maintenance Management Vehicle Service Agreement
6. Enterprise Consignment Auction Agreement
7. Enterprise Presentation to City of Bell
8. City of Bell – Vehicle Replacement Program Schedule

enterprise
FLEET MANAGEMENT

GOVERNMENT CREDIT APPLICATION

Please complete all applicable items.

Company Name City of Bell Credit Applicant ______ Year Business Started ______

Street Address 6330 Pine Ave City Bell State CA Zip 90201

E-mail mantwine@CITYOFBELL.ORG Phone # ______ Fax # ______

Government Entity Type: ☐ State ☐ County ☐ City ☐ Other: ______

Type of Business ______ Duns Number ______

Parent Company or Affiliates(Name & Address): ______

PRIMARY CONTACT INFORMATION

Name ______ E-mail ______ Phone # ______

Fleet Manager Address ______

FINANCIAL INFORMATION

Are your books prepared by an outside Accountant? ☐ Yes ☐ No

Accountant Name ______ Email Address ______ Phone # ______

ENCLOSING WITH APPLICATION

Three years of Financial Statements (with footnotes) ☐ Audited ☐ Opinioned ☐ Internal

Published Annual Reports ☐ Yes ☐ No

Income Tax Returns (3 years) ☐ Yes ☐ No

Other Items Included: ______

Federal ID Number: ______

Fiscal Year End (Month): ______

CURRENT VEHICLE SUPPLIER

Principle Suppliers	Phone #	E-Mail Address	Acct #	# of Vehicles
Current Vehicle Suppliers	**Phone #**	**E-Mail Address**	**Acct #**	**# of Vehicles**
☐ Purchasing ☐ Leasing ☐ Finance				

INSURANCE

Company ______ Agent ______ Policy # ______ Exp. Date ______

Street Address ______ City ______ State ______ Zip ______

Phone # ______ Fax # ______

ACH AUTHORIZATION AGREEMENT

LESSEE INFORMATION

Company Name ______________________________ FEIN ______________________

Street Address ______________________ City ______________________ State ________ Zip ________

Contact Name ______________________ Phone # ______________________ Fax # ______________________

Email Address ____

BANK INFORMATION

Bank Name ______________________________ Checking Account Only ______________________

Street Address ______________________ City ______________________ State ________ Zip ________

Bank Contact Name ______________________ Phone # ______________________ Fax # ______________________

ABA / Routing Number: ______________________ Account Number: ______________________

****PLEASE ATTACH A VOIDED CHECK FOR THE ACCOUNT LISTED ABOVE****

Upon approval of this Credit Application, I (we) hereby authorize Enterprise Fleet Management, Inc., hereinafter called "EFM", to initiate, if necessary, credit entries and adjustments for any debit entries in error, to my/our checking account indicated above and to further authorize the depository named above, hereinafter called "DEPOSITORY", to debit and/or credit the same to such account. I (we) covenant and agree to instruct any and all banks or other financial institution specified in this Credit Application and ACH authorization to process debits using the Automated Clearing House funds-transfer system.

This transaction will be completed in accordance with the following provisions:

1. The withdrawal will occur on the 20th of each month. If the 20th of each month falls on a weekend, amounts will be withdrawn on the next business day.
2. An electronic copy of the invoice and/or statement will be available on EFM's website (http://efmfleetaccess.efleets.com) by the 5th business day of each month. The Lessee will be expected to review the invoice/statement prior to the 15th of each month. The Lessee reserves the right to call EFM and dispute a charge by the 15th of the month. EFM will withdraw the entire invoice amount each month if no charges have been disputed by the 15th of each month. Upon request to EFM, a hard copy of an invoice or statement will be mailed to the lessee each month via the United States Postal Service.
3. For any amount owed by the Lessee to EFM that is not paid due to insufficient funds on the date the debit should occur, a $25 non-sufficient funds transaction fee will be assessed. The transaction fee shall be paid by the Lessee to EFM on demand.
4. This authorization is to remain in full force and effect until EFM has received written notification from the Lessee of its termination in such time and in such manner as to afford EFM and DEPOSITORY a reasonable opportunity to act on it. Cancellation will also occur if EFM has sent the Lessee a ten day written notice for EFM's termination of the agreement. Cancellation requests for this agreement should be forwarded to:

ARBilling@efleets.com

STATEMENT OF POLICY AND PROCEDURES

Enterprise Fleet Management, Inc. and affiliates will use the information provided in this for the purpose of fleet and rental related services/programs.

Enterprise Fleet Management, Inc. reserves the right to return this application if all sections are not completed or determined misleading.

Enterprise Fleet Management, Inc. will conduct future inquiries on an annual basis as part of the annual credit review process or as fleet size increases, and reserves the right to ask for additional or updated financial information as the need warrants as part of the credit underwriting process.

AUTHORIZED SIGNERS FOR MOTOR VEHICLE LEASE(S)

RESOLVED, The undersigned hereby certifies (i) that he/she is the duly appointed ______________________________ (Title) for ______________________________ (Entity legal name) hereafter known as "The Entity", (ii) that he/she is authorized by The Entity to execute and deliver on behalf of The Entity to Enterprise Fleet Management, hereafter known as "Enterprise" ("Lessor") and the Master Lease Agreement between Enterprise and the Entity) the ("Lessee"), and (iii) that the following individuals are authorized and empowered on behalf of and in the name of The Entity to execute and deliver to Enterprise Schedules to the Lease for individual motor vehicles, together with any other necessary documents in connection with those Schedules:

RESOLVED FURTHER, that:

Print Name	Title
Print Name	Title
Print Name	Title
Print Name	Title
Print Name	Title
Print Name	Title

Bond Rating: ______________ Rating Agency: ______________ Federal ID#: ______________

RESOLVED FURTHER, that EFM is authorized to act upon this authorization until written notice of its revocation is received by EFM.

I do hereby certify that the information contained in this Credit Application is accurate in all material aspects as required by law. Further, I do hereby certify that I am an authorized representative of this Company and have been given the authority to sign this agreement on behalf of the Company.

Print Name	Title
Signature	Company Name

Date

For the purpose of seeking to secure credit from Enterprise Fleet Management, Inc. (together with its affiliates, successors, assigns and third party service providers, "EFM"), Credit Applicant (a) authorizes (i) EFM to run a credit report, investigate and verify the information in this Credit Agreement, and/or obtain financial and/or credit information from any person or entity with which Credit Applicant has or had financial dealings, including banks, lending institutions and trade or credit references, whether or not such person or entity is identified in this Credit Application, which information may include financial statements, tax returns, and banking records, (ii) EFM to contact any of Credit Applicant's current or former employers or creditors to verify any information contained herein or received in connection with this Credit Application if Credit Applicant is a sole proprietor, and (iii) any third party who may have relevant information to provide such information to EFM, (b) will notify EFM if there is any change in name, address, or any material adverse change (i) in any of the information contained in this Credit Application, (ii) in Credit Applicant's financial condition, or (iii) in Credit Applicant's ability to perform their respective obligations to EFM, and (c) represents and warrants that any and all information provided to EFM by Credit Applicant is true, correct and complete as of the date hereof. The lack of any notice of change in the representations and warranties included in this Credit Application shall be considered a continuing statement that the information provided in this Credit Application remains true, correct and complete.

As permitted by law, EFM may also release information about EFM's credit experience with Credit Applicant. Credit Applicant understands and agrees that all reports and records developed by EFM or any third party agent in connection with the foregoing investigations are the sole property of EFM and will not be provided to Credit Applicant unless otherwise required by applicable law or agreed to by EFM in writing.

The Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that Credit Applicant has the capacity to enter into a binding contract); because all or part of Credit Applicant's income derives from any public assistance program; or because Credit Applicant has in good faith exercised any right under the Consumer Credit Protection Act. If this credit application is denied, Credit Applicant may have the right to a written statement of the specific reason(s) for the denial. To request to obtain the statement, Credit Applicant may contact EFM at: 600 Corporate Park Drive, ATTN: EFM Credit Department, St. Louis, MO 63105, within 60 days from the date Credit Applicant is notified of the denial. If applicable, within 30 days of EFM's receipt of the request, EFM will send Credit Applicant a written statement specifying the reason(s) for the denial.

The person signing below personally represents and warrants to EFM that he/she is authorized to make this application for credit on behalf of Credit Applicant.

Please note that this Credit Application is an application and does not commit or require EFM to extend any credit whatsoever to Credit Applicant.

enterprise

FLEET MANAGEMENT

MASTER EQUITY LEASE AGREEMENT

This Master Equity Lease Agreement is entered into this 27 day of September, 2023, by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee").

1. LEASE OF VEHICLES: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms and conditions set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement, each of which are incorporated herein as part of a single, unitary Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

2. TERM: The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

3. RENT AND OTHER CHARGES:

(a) Lessee agrees to pay Lessor monthly rental and other payments according to the Schedules, Open-End (Equity) Lease Rate Quotes, and this Agreement. The monthly payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule (with any portion of such amount identified as a charge for maintenance services under Section 4 of the applicable Schedule being payable to Lessor as agent for Enterprise Fleet Management, Inc.) and will be due and payable in advance on the first day of each month. Lessee agrees to pay Lessor interest charges, in connection with the acquisition of a Vehicle, for the period between the date Lessor issues payment to acquire such Vehicle and the date the Vehicle is delivered to Lessee. Such interest charges shall be included in each Schedule. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c). Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date.

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule. If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment after the end of the applicable Term (subject to Lessor's right to recoup any amounts Lessor would owe to Lessee under this Section 3(c) against any obligations of Lessee to Lessor under this Agreement). Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i.e., if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence. The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule minus (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle plus (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle.

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to and recouped against any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").

(f) If Lessee fails to pay any amount due under this Agreement or to comply with any of the covenants contained in this Agreement, Lessor, Servicer or any other agent of Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

(g) Lessee's obligations to make all payments of rent and other amounts under this Agreement are absolute and unconditional and such payments shall be made in immediately available funds without setoff, counterclaim or deduction of any kind. Lessee acknowledges and agrees that neither any Casualty Occurrence to any Vehicle nor any defect, unfitness or lack of governmental approval in, of, or with respect to, any Vehicle regardless of the cause or consequence nor any breach by Enterprise Fleet Management, Inc. of any maintenance agreement between Enterprise Fleet Management, Inc. and Lessee covering any Vehicle regardless of the cause or consequence will relieve Lessee from the performance of any of its obligations under this Agreement, including, without limitation, the payment of rent and other amounts under this Agreement.

(h) In the event Lessor, Servicer or any other agent of Lessor arranges for rental vehicle(s) with a subsidiary or affiliate of Enterprise Holdings, Inc., Lessee shall be fully responsible for all obligations under any applicable rental agreement.

4. USE AND SURRENDER OF VEHICLES: Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances (including without limitation such federal, state and local laws, statutes, rules, regulations and ordinances governing autonomous vehicles and automated driving systems and any parts, components and products related thereto) and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. In connection with autonomous vehicles and automated driving systems and the parts, components and products related thereto, Lessee agrees to comply with all applicable guidance and professional standards issued, released or published by governmental and quasi-governmental agencies, including without limitation the federal guidance for automated vehicles published by the Department of Transportation and the Federal Automated Vehicle Policy issued by the U.S. Department of Transportation and the National Highway Traffic Safety Administration. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no Vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

5. COSTS, EXPENSES, FEES AND CHARGES: Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, licensing, registration, delivery, purchase, sale, rental, and Lessee's use or operation of the Vehicles. If Lessor, Servicer or any other agent of Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

6. LICENSE AND CHARGES: Each Vehicle will be titled, registered and licensed in the name designated by Lessor at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

7. REGISTRATION PLATES, ETC.: Lessee agrees, at its expense, to obtain in the name designated by Lessor all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling, licensing and/or registration laws of such other state.

8. MAINTENANCE OF AND IMPROVEMENTS TO VEHICLES:

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Lessee will not make (or cause to be made) any alterations, upgrades, upfitting, additions or improvements (collectively, "Alterations") to any Vehicle which (i) could impact or impair the "motor vehicle safety" (as defined by the Motor Vehicle Safety Act) of the Vehicle, or (ii) could impact, impair, void or render unenforceable the manufacturer's warranty. Without the prior written consent of Lessor, Lessee will not make (or cause to be made) any Alterations to any Vehicle which (i) detracts, impairs, damages or alters the Vehicle's nature, purpose, economic value, remaining useful life, functionality, utility, software or controls, or (ii) subjects the Vehicle or any part or component of such Vehicle to any lien, charge or encumbrance. Any Alterations of any nature to a Vehicle are made at Lessee's sole cost, risk and liability, including without limitation, any such Alterations approved by, or made with the assistance or at the direction of Lessor. Any replacement parts added to any Vehicle shall be in at least as good an operating condition as the prior part before the replacement (assuming such part was, at the time of the replacement, in the condition required by the terms of this Agreement). Any Alterations to a Vehicle will become and remain the property of Lessor and will be returned with such Vehicle upon such Vehicle's return pursuant to Section 4 and shall be free of any liens, charges or encumbrances; provided, however, Lessor shall have the right at any time to require Lessee to remove any such Alteration at Lessee's sole cost, expense and liability. In no event or instance shall the value of any Alterations be regarded as rent. Lessee and Lessor acknowledges and agrees that Lessor will not be required to make any repairs, replacements or Alterations of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or to make any expenditure whatsoever in connection with any such Vehicle(s) or this Agreement.

(b) Lessor and Lessee acknowledge and agree that if Section 4 of a Schedule includes a charge for maintenance, (i) the Vehicle(s) covered by such Schedule are subject to a separate maintenance agreement between Enterprise Fleet Management, Inc. and Lessee and (ii) Lessor shall have no liability or responsibility for any failure of Enterprise Fleet Management, Inc. to perform any of its obligations thereunder or to pay or reimburse Lessee for its payment of any costs and expenses incurred in connection with the maintenance or repair of any such Vehicle(s).

9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle.

(c) None of Lessor, Servicer or any other agent of Lessor will be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, none of Lessor, Servicer or any other agent of Lessor will have any liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

(d) In no event shall Lessor, Servicer or any other agent of Lessor or their respective affiliates be liable for consequential, indirect, incidental, special, exemplary, punitive or enhanced damages, lost profits or revenues or diminution in value, arising out of or relating to this Agreement, including, without limitation, any breach or performance of this Agreement, regardless of (i) whether such damages were foreseeable, (ii) whether or not Lessor, Servicer or any other agent of Lessor or their respective affiliates were advised of the possibility of such damages and/or (iii) the legal or equitable theory (contract, tort or otherwise) upon which a claim, action, cause of action, demand, lawsuit, arbitration, inquiry, proceeding or litigation is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

10. RISK OF LOSS: Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). In the event of a Casualty Occurrence to a Vehicle, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

11. INSURANCE:

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability, and that Lessor will suffer immediate and irreparable harm if Lessee fails to comply with such obligations:

(i) Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below (Note - $2,000,000 Combined Single Limit Bodily Injury and Property Damage per accident with No Deductible is required for each Vehicle capable of transporting more than 8 passengers):

State of Vehicle Registration	Coverage
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	$1,000,000 Combined Single Limit Bodily Injury and Property Damage per accident - No Deductible
Florida	$500,000 Combined Single Limit Bodily Injury and Property Damage per accident or $100,000 Bodily Injury Per Person Per Accident, $300,000 Per Accident and $50,000 Property Damage per accident (100/300/50) - No Deductible
All Other States	$300,000 Combined Single Limit Bodily Injury and Property Damage Per Accident or $100,000 Bodily Injury Per Person Per Accident, $300,000 Per Accident and $50,000 Property Damage Per Accident (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive): Actual cash value of the applicable Vehicle. Maximum deductible of $1,000 per accident - Collision and $1,000 per accident - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher insurance requirements. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor and any other person or entity designated by Lessor as additional insureds and loss payees, as their respective interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor, Servicer and any other person or entity designated by Lessor at least thirty (30) days prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person or entity shall affect the right of Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee, Lessor, Servicer, any other agent of Lessor and their respective successors and assigns notwithstanding any other coverage carried by Lessee, Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns protecting against similar risks. Original certificates evidencing such coverage and naming Lessor, Servicer, any other agent of Lessor and any other person or entity designated by Lessor as additional insureds and loss payees shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor, Servicer and any other agent of Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor, Servicer or any other agent of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor, Servicer, any other agent of Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage waiver, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage waiver shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement; and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee, by adding Lessee as an additional insured under a commercial automobile liability insurance policy issued by an insurance company selected by Lessor, commercial automobile liability insurance satisfying the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage waiver and/or commercial automobile liability enrollment and cancel such physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least ten (10) days prior written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect any such change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least thirty (30) days prior written notice.

12. INDEMNITY: To the extent permitted by state law, Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement. Nothing herein shall be deemed to affect the rights, privileges, and immunities of Lessee and the foregoing indemnity provision is not intended to be a waiver of any sovereign immunity afforded to Lessee pursuant to the law.

13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS: Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor, Servicer, any other agent of Lessor and any of their respective successors or assigns will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

14. DEFAULT; REMEDIES: The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement and any such failure shall remain unremedied for ten (10) days; (b) if Lessee fails to perform, keep or observe any term, provision or covenant contained in Section 11 of this Agreement; (c) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement and any such failure shall remain unremedied for thirty (30) days after written notice thereof is given by Lessor, Servicer or any other agent of Lessor to Lessee; (d) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (e) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (f) the occurrence of a material adverse change in the financial condition, a going concern audit comment of Lessee or any guarantor, or if Lessee admits that it cannot pay its debts as they become due, makes an assignment for the benefit of creditors, is the subject of a voluntary or involuntary petition for bankruptcy, is adjudged insolvent or bankrupt, or a receiver or trustee is appointed for any portion of Lessee's assets or property; (g) if more than one (1) payment by Lessee to Lessor is returned by Lessee's bank for any reason within a twelve (12) month period; or (h) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, Servicer of Lessor, or any direct or indirect subsidiary of Servicer of Lessor, Enterprise Holdings, Inc. or a subsidiary or affiliate of Enterprise Holdings, Inc.. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor, Servicer, any other agent of Lessor and any of Lessor's independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns in attempting or effecting enforcement of Lessor's rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be $0.00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence); and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

15. ASSIGNMENTS: Lessor may from time to time assign, pledge or transfer this Agreement and/or any or all of its rights and obligations under this Agreement to any person or entity. Lessee agrees, upon notice of any such assignment, pledge or transfer of any amounts due or to become due to Lessor under this Agreement to pay all such amounts to such assignee, pledgee or transferee. Any such assignee, pledgee or transferee of any rights or obligations of Lessor under this Agreement will have all of the rights and obligations that have been assigned to it. Lessee's rights and interest in and to the Vehicles are and will continue at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing. Lessee acknowledges and agrees that the rights of any assignee, pledgee or transferee in and to any amounts payable by the Lessee under any provisions of this Agreement shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, setoff, counterclaim or recoupment whatsoever, whether by reason of any damage to or loss or destruction of any Vehicle or by reason of any defect in or failure of title of the Lessor or interruption from whatsoever cause in the use, operation or possession of any Vehicle, or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor or any of its affiliates to the Lessee or to any other person or entity, or for any other reason.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

16. MISCELLANEOUS: This Agreement contains the entire understanding of the parties. This Agreement may only be amended or modified by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Without Lessor's prior written consent, Lessee shall not use or include Lessor's, Servicer's, any other agent of Lessor's names or trademarks orally or in writing in any media, customer lists or marketing materials. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including facsimile and pdf counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

17. SUCCESSORS AND ASSIGNS; GOVERNING LAW: Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

18. NON-PETITION: Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after payment in full of all indebtedness of Lessor, it shall not institute against, or join any other person in instituting against, Lessor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States. The provisions of this Section 18 shall survive termination of this Master Equity Lease Agreement.

19. NON-APPROPRIATION: Lessee's funding of this Agreement shall be on a Fiscal Year basis and is subject to annual appropriations. Lessor acknowledges that Lessee is a municipal corporation, is precluded by the County or State Constitution and other laws from entering into obligations that financially bind future governing bodies, and that, therefore, nothing in this Agreement shall constitute an obligation of future legislative bodies of the County or State to appropriate funds for purposes of this Agreement. Accordingly, the parties agree that the lease terms within this Agreement or any Schedules relating hereto are contingent upon appropriation of funds. The parties further agree that should the County or State fail to appropriate such funds, the Lessor shall be paid all rentals due and owing hereunder up until the actual day of termination. In addition, Lessor reserves the right to be paid for any reasonable damages. These reasonable damages will be limited to the losses incurred by the Lessor for having to sell the vehicles on the open used car market prior to the end of the scheduled term (as determined in Section 3 and Section 14 of this Agreement).

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written.

LESSEE: City of Bell

Signature: ______________________

By: Michael Antwine

Title: City Manager

Address: 6330 Pine Ave
Bell, CA 90201

Date Signed: ______________________, __________

LESSOR: Enterprise FM Trust
By: Enterprise Fleet Management, Inc. its attorney in fact

Signature: ______________________

By: Gregory Hackett

Title: Regional Manager

Address: 1515 W 190th st
Gardena, CA 90248

Date Signed: ______________________, __________

Initials: EFM________ Customer________

enterprise

FLEET MANAGEMENT

MAINTENANCE MANAGEMENT AND FLEET RENTAL AGREEMENT

This Agreement is entered into as of the 27 day of September 2023, by and between Enterprise Fleet Management, Inc., a Missouri corporation, doing business as "Enterprise Fleet Management" ("EFM"), and City of Bell (the "Company").

1. ENTERPRISE CARDS: EFM will provide the Company with an EFM Card for each vehicle, which EFM Card is an electronic card and is located on the Efleets mobile app and the efleets.com client website, for use in authorizing the payment of charges incurred in connection with the vehicle maintenance program (the "Program") for a vehicle. The Company agrees to be and shall be liable to EFM for all charges made by or for the account of the Company with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM will invoice the Company for all such charges, and the Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Maintenance Management and Fleet Rental Agreement (Agreement). EFM reserves the right, and the Company agrees and acknowledges that EFM shall have the right, to change the terms and conditions as set forth in this Agreement for the use of the EFM Card at any time. The EFM Card is and shall remain at all times the property of EFM, and EFM may revoke the Company's right to possess, access, or use the EFM Card at any time and for any reason. The EFM Card is non-transferable. EFM will provide a driver information packet (the "Packet") outlining the Maintenance Management Program. The Parties agree that the Maintenance Management Program is subject to the terms and conditions of the Packet.

2. VEHICLE REPAIRS AND SERVICE: EFM will provide purchase order control by telephone, electronic mail, or in writing authorizing charges for service, maintenance, or repairs exceeding $125.00, which may change from time to time based on market conditions, or such other amount as may be established by EFM, in its sole discretion, from time to time under the Program. All charges for service, maintenance or repairs will be invoiced to EFM. Invoices will be reviewed by EFM for accuracy, proper application of any applicable manufacturer's warranty, application of potential discounts and unnecessary, unauthorized repairs.

Notwithstanding the above, in the event the repairs and service are the result of damage from an accident or other non-maintenance related cause (including glass claims), these matters will be referred to the Company's Fleet Manager. If the Company prefers that EFM handle the damage repair, the Company agrees to assign the administration of the matter to EFM. EFM will administer such claims in its discretion. The fees for this service will be up to $125.00 per claim and the Company agrees to reimburse for repairs as outlined in this agreement. If the Company desires the assistance of EFM in recovering damage amounts from at fault third parties, a Vehicle Risk Management Agreement must be on file for the Company.

3. BILLING AND PAYMENT: All audited invoices paid by EFM on behalf of the Company will be consolidated and submitted to the Company on a single monthly invoice for the entire Company fleet covered under this Agreement. The Company is liable for, and will pay EFM within twenty (20) days after receipt of an invoice or statement for, all purchases invoiced to the Company by EFM, which were paid by EFM for or on behalf of the Company. EFM will be entitled to retain for its own account, and treat as being paid by EFM for purposes of this Agreement, any discounts it receives from a supplier with respect to such purchases which are based on the overall volume of business EFM provides to such supplier and not solely the Company's business.

4. RENTAL VEHICLES: The EFM Card allows the Company the option to arrange for a rental vehicle at a discounted rate with a subsidiary or affiliate of Enterprise Holdings, Inc. ("EHI") for a maximum of two (2) days without prior authorization from EFM. Extensions beyond two (2) days must be approved by EFM. The Company shall be fully responsible for all obligations under any rental agreement with a subsidiary or affiliate of EHI pursuant to this Agreement. All drivers of a rental vehicle must be at least twenty one (21) years of age unless otherwise required by law, hold a valid driver's license, be an employee of the Company and authorized by the Company through established reservation procedures and meet all other applicable requirements of the applicable subsidiary or affiliate of EHI. The Company will be provided a specific telephone number for use in arranging a rental vehicle described in this Section.

5. NO WARRANTY: The Company acknowledges that EFM does not perform maintenance or repair services on the Company's vehicles or any rental vehicles and any maintenance or repair services are to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER OF ANY KIND, EXPRESS OR IMPLIED, WHETHER ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO PRODUCTS, REPAIRS OR SERVICES PROVIDED IN CONNECTION WITH THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE, QUALITY OR FITNESS FOR USE. Any defect in the performance of any product, repair or service will not relieve the Company from its obligations under this Agreement, including without limitation the payment to EFM of monthly invoices.

6. CANCELLATION: Either party may cancel any Card under this Agreement or this Agreement in its entirety at any time by giving thirty (30) days written notice to the other party. The cancellation of any Card or termination of this Agreement will not affect any rights or obligations under this Agreement, which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to such cancellation or termination. Upon such cancellation or termination, the Company shall immediately cease using or accessing the EFM Card. Notice to EFM regarding the cancellation of any Card shall specify the Card number and identify the Company's representative. EFM will exercise due care to prevent additional charges from being incurred once the Company has notified EFM of its desire to cancel any outstanding Card under this Agreement.

Initials: EFM________ Company________

7. **NOTICES:** Any notice or other communication under this Agreement shall be in writing and delivered in person, electronic mail or mailed postage prepaid by registered or certified mail or sent by express overnight delivery service with a nationally recognized carrier, to the applicable party at its address set forth on the signature page of this Agreement, or at such other address as any party hereto may designate as its address for communications under this Agreement by notice so given. Any such notice or communication sent by mail will be effective and deemed received three (3) days after deposit in the United States mail, duly addressed to the address for the Party set forth below, with registered or certified mail postage prepaid. Any such notice or communication sent by express overnight delivery service with a nationally recognized carrier will be effective and deemed received one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Company shall promptly notify EFM of any change in the Company's address.

8. **FEES:** EFM will charge the Company for the service under this Agreement $6_____ per month per Card.

9. **MISCELLANEOUS:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Company may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement is governed by the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and the Company have executed this Maintenance Management and Fleet Rental Agreement as of the day and year first above written.

COMPANY:	City of Bell	EFM:	Enterprise Fleet Management, Inc.
Signature:		Signature:	
By:	Michael Antwine	By:	Gregory Hackett
Title:	City Manager	Title:	Regional Manager
Address:	6330 Pine Ave Bell, CA 90201	Address:	1515 W 190th st Gardena, CA 90248
Date Signed:	____________, ______	Date Signed:	____________, ______

Initials: EFM________ Company________

enterprise

FLEET MANAGEMENT

FULL MAINTENANCE AGREEMENT

This Full Maintenance Agreement (this "Agreement") is made and entered into this 27 day of September, by Enterprise Fleet Management, Inc., a Missouri corporation ("EFM"), and City of Bell ("Lessee").

WITNESSETH

1. LEASE. Reference is hereby made to that certain Master Lease Agreement dated as of the 27 day of September, 2023, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor ("Lessor"), and Lessee, as lessee (as the same may from time to time be amended, modified, extended, renewed, supplemented or restated, the "Lease"). All capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Lease.

2. COVERED VEHICLES. This Agreement shall only apply to those vehicles leased by Lessor to Lessee pursuant to the Lease to the extent Section 4 of the Schedule for such vehicle includes a charge for maintenance (the "Covered Vehicle(s)").

3. TERM AND TERMINATION. The term of this Agreement ("Term") for each Covered Vehicle shall begin on the Delivery Date of such Covered Vehicle and shall continue until the last day of the "Term" (as defined in the Lease) for such Covered Vehicle unless earlier terminated as set forth below. Each of EFM and Lessee shall each have the right to terminate this Agreement effective as of the last day of any calendar month with respect to any or all of the Covered Vehicles upon not less than sixty (60) days prior written notice to the other party. The termination of this Agreement with respect to any or all of the Covered Vehicles shall not affect any rights or obligations under this Agreement which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to termination, and such rights and obligations shall continue to be governed by the terms of this Agreement.

4. VEHICLE REPAIRS AND SERVICE. EFM agrees that, during the Term for the applicable Covered Vehicle and subject to the terms and conditions of this Agreement, it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of a Covered Vehicle. This Agreement does not cover, and Lessee will remain responsible for and pay for, (a) fuel, (b) oil and other fluids between changes, (c) tire or brake repair and replacement beyond what is allocated within the Lease Schedule, (d) washing, (e) repair of damage due to lack of maintenance or neglect by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (f) maintenance or repair of, or damage caused by, any alterations, upgrades, upfitting, additions, improvements (collectively, "Alterations") or unauthorized replacement parts added to a Covered Vehicle or of any after-market components (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans), software or other equipment (including, without limitation, lift gates, autonomous or automated vehicle equipment, components, parts or products, and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (g) any service and/or damage resulting from, related to or arising out of (1) an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or (2) Lessee's failure to maintain or use the Covered Vehicle as required by and in compliance with, (A) the Lease, (B) all laws, statutes, rules, regulations and ordinances (including without limitation such applicable federal, state and local laws, statutes, rules, regulations, ordinances, guidance and professional standards governing autonomous vehicles and automated driving systems and any parts, components and products related thereto) and (C) the provisions of all insurance policies affecting or covering the Covered Vehicles or their use or operation, (h) roadside assistance or towing for routine vehicle maintenance purposes unless the vehicle is inoperable, (i) mobile services, (j) the cost of loaner or rental vehicles beyond what is allocated within the Lease Schedule or (k) if the Covered Vehicle is a Vehicle with a manual transmission, such manual transmission clutch adjustment or replacement. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to EFM. In every case, if the cost of such service will exceed $125.00, which may change from time to time based on market conditions, Lessee or service provider must notify EFM and obtain EFM's authorization for such service and EFM's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM will not be obligated to pay for any unauthorized charges or those exceeding $125.00, which may change from time to time based on market conditions, for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. EFM will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by EFM. Notwithstanding any other provision of this Agreement to the contrary, (a) all service performed within one hundred twenty (120) days prior to the last day of the scheduled "Term" (as defined in the Lease) for the applicable Covered Vehicle must be authorized by and have the prior consent and approval of EFM and any service not so authorized will be the responsibility of and be paid for by Lessee and (b) EFM is not required to provide or pay for any service to any Covered Vehicle beyond the contract mileage not to exceed 120,000 miles.

5. ENTERPRISE CARDS: EFM may, at its option, provide Lessee with an authorization card (the "EFM Card"), which is an electronic card located on the Efleets mobile app and the efleets.com client website, for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to EFM for, and upon receipt of a monthly or other statement from EFM, Lessee agrees to promptly pay to EFM, all charges made by or for the account of Lessee with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM reserves the right to change the terms and conditions for the use of the EFM Card at any time. The EFM Card remains the property of EFM and EFM may revoke Lessee's right to possess or use the EFM Card at any time. Upon the termination of this Agreement or upon the demand of EFM, Lessee shall immediately cease using or accessing the EFM Card. The EFM Card is non-transferable.

6. PAYMENT TERMS. The amount of the monthly maintenance fee will be listed on the applicable Schedule and will be due and payable in advance on the first day of each month. If the first day of the Term for a Covered Vehicle is other than the first day of a calendar month, Lessee will pay EFM, on the first day of the Term for such Covered Vehicle, a pro-rated maintenance fee for the number of days that the Delivery Date precedes the first monthly maintenance fee payment date. Any monthly maintenance fee or other amount owed by Lessee to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate allowed by applicable law. The monthly maintenance fee set forth on each applicable Schedule allows the number of miles per month as set forth in such Schedule. Lessee agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule. EFM may, at its option, permit Lessor, as an agent for EFM, to bill and collect amounts due to EFM under this Agreement from Lessee on behalf of EFM.

7. NO WARRANTIES. Lessee acknowledges that EFM does not perform maintenance or repair services on the Covered Vehicles but rather EFM arranges for maintenance and/or repair services on the Covered Vehicles to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER OF ANY KIND, EXPRESS OR IMPLIED, WHETHER ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO ANY EQUIPMENT, PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE OR QUALITY. ANY DEFECT IN THE PERFORMANCE OF ANY PRODUCT, REPAIR OR SERVICE WILL NOT RELIEVE LESSEE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THE PAYMENT TO EFM OF THE MONTHLY MAINTENANCE FEES AND OTHER CHARGES DUE UNDER THIS AGREEMENT.

In no event shall EFM or its agents or their respective affiliates be liable for consequential, indirect, incidental, special, exemplary, punitive or enhanced damages, lost profits or revenues or diminution in value, arising out of or relating to this agreement, including, without limitation, any breach or performance of this agreement, regardless of (i) whether such damages were foreseeable, (ii) whether or not EFM or its agents or their respective affiliates were advised of the possibility of such damages and/or (iii) the legal or equitable theory (contract, tort or otherwise) upon which a claim, action, cause of action, demand, lawsuit, arbitration, inquiry, proceeding or litigation is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

8. LESSOR NOT A PARTY. Lessor is not a party to, and shall have no rights, obligations or duties under or in respect of, this Agreement.

9. NOTICES. Any notice or other communication under this Agreement shall be in writing and delivered in person, electronic mail or mailed postage prepaid by registered or certified mail or sent by express overnight delivery service with a nationally recognized carrier, to the applicable party at its address set forth on the signature page of this Agreement, or at such other address as any party hereto may designate as its address for communications under this Agreement by notice so given. Any such notice or communication sent by mail will be effective and deemed received three (3) days after deposit in the United States mail, duly addressed to the address for the Party set forth below, with registered or certified mail postage prepaid. Any such notice or communication sent by express overnight delivery service with a nationally recognized carrier will be effective and deemed received one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Lessee shall promptly notify EFM of any change in the Lessee's address.

10. MISCELLANEOUS. This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and Lessee have executed this Full Maintenance Agreement as of the day and year first above written.

LESSEE:	City of Bell	EFM:	Enterprise Fleet Management, Inc.
Signature:		Signature:	
By:	Michael Antwine	By:	Gregory Hackett
Title:	City Manager	Title:	Regional Manager
Address:	6330 Pine Ave	Address:	1515 W 190th st
	Bell, CA 90201		Gardena, CA 90248
Date Signed:	______________, ______	Date Signed:	______________, ______

Initials: EFM________ Lessee________

enterprise

FLEET MANAGEMENT

COMPANY OWNED VEHICLE SERVICE AGREEMENT

THIS COMPANY OWNED VEHICLE SERVICE AGREEMENT (this "Agreement") is made and entered into as of the 27 day of September, 2023, by and between Enterprise Fleet Management, Inc. ("EFM"), a Missouri corporation, d/b/a Enterprise Fleet Management, and the company whose name and address is set forth on the signature page below ("Company"). Each of EFM and the Company is a "Party," and collectively, the "Parties."

WITNESSETH:

WHEREAS, EFM desires to offer to the Company certain services, including the Maintenance Program (as defined herein), the Maintenance Management Program (as defined herein), and/or the License Administration Program (as defined herein, together with the Maintenance Program and the Maintenance Management Program, collectively, the "Services," with each of the Services sometimes being individually referred to herein as a "Service") for the Covered Vehicles (as defined herein), and enter into this Agreement regarding same; and

WHEREAS, the Company desires to obtain certain services from EFM, including the Maintenance Program, the Maintenance Management Program, and/or the License Administration Program, for the Covered Vehicles, and enter into this Agreement regarding same.

NOW, THEREFORE, in consideration of the premises, the mutual covenants, promises, and conditions set forth herein, the Parties agree as follows:

1. **COVERED VEHICLES:** Upon request from the Company to EFM, and in exchange for consideration as set forth in this Agreement, EFM will provide all or certain of the Services to the Company for certain vehicles owned by the Company (individually each is a "Covered Vehicle," and collectively the "Covered Vehicles"), which Covered Vehicles shall only be operated and/or used by an authorized representative of the Company or the Company's subsidiaries or affiliates. Each Service requested to be provided by EFM to the Company shall be set forth on a schedule (individually each is a "Schedule," and collectively the "Schedules") to this Agreement which shall identify the applicable Covered Vehicle and each requested Service for the Covered Vehicle. Each Covered Vehicle will have an individual Schedule. EFM will send the Company a Schedule for each Covered Vehicle, which Schedule will include, but not necessarily be limited to, a description of the Covered Vehicle, the Service or Services requested for the Covered Vehicle, and the recurring charges due from the Company to EFM with respect to each Service requested by the Company. Should a Service being provided for a Covered Vehicle be terminated, EFM will provide to the Company a revised Schedule for the Covered Vehicle which shall supersede the original Schedule for the Covered Vehicle. The Parties agree and acknowledge that each Schedule shall be subject to the terms and conditions of this Agreement, expressly made a part of this Agreement, and deemed completely integrated herein. References to this Agreement shall include all Schedules and exhibits to this Agreement, including, without limitation, the Packet (as defined herein) if applicable.

2. **TERM AND TERMINATION:** The term of this Agreement (the "Term") for each Covered Vehicle shall begin on the first day of the month listed on the applicable Schedule and shall continue for month to month thereafter until terminated as set forth in this Agreement. EFM and the Company shall each have the right to terminate this Agreement with respect to any Covered Vehicle effective as of the last day of any month upon not less than sixty (60) days prior written notice to the other Party. The termination of this Agreement, with respect to any Covered Vehicle or the entirety of this Agreement, shall not affect any rights or obligations under this Agreement which previously arose and were accrued or thereafter arise and accrue, and such rights and obligations shall continue to be governed by the terms of this Agreement. In the event that the Term for each Covered Vehicle has been terminated, either Party may terminate this Agreement in its entirety upon written notice to the other Party.

3. **ADDITIONAL DOCUMENTATION:** Whether at the request of EFM or another, the Company shall execute and deliver any and all additional documents and instruments as well as do such further acts and things as may be necessary or required to carry out the intent and purpose of this Agreement, including executing or delivering any document or instrument required and/or necessary to comply with any applicable federal, state or local law, rule, regulation or ordinance and/ or effect the provision of any Service, including any document or instrument necessary to appoint EFM as the Company's agent and provide EFM with power of attorney on behalf of the Company as contemplated by this Agreement.

4. **COVERED VEHICLE FEE:** EFM will charge the Company, and the Company will pay EFM in accordance with the terms of this Agreement, a monthly fee, plus a one time set-up fee per Covered Vehicle.

5. **PAYMENT TERMS:** Any amount owed by the Company to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, at a rate per annum equal to the lesser of (a) Eighteen Percent (18%) per annum, or (b) the highest rate allowed by applicable law, from the due date until paid in full.

6. **BILLING:** All fees, costs, expenses, fees, charges, fines, tickets, penalties, taxes, or any other amounts paid by EFM and for which the Company is responsible and liable for under this Agreement will be submitted to the Company on an invoice. The Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Agreement. EFM is entitled to retain for its own account, without any benefit being provided to the Company, and treat as being paid by EFM for purposes of this Agreement, any discounts that EFM receives from a third party which are based on the overall volume of business EFM provides to such third party and not solely based upon the Company's business.

7. **VARIOUS COSTS, EXPENSES, FEES, AND CHARGES.** The Company agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties, taxes (other than federal and state income taxes on the income of EFM), or any other amounts incurred by EFM during the Term in connection with the Services and/or the titling, licensing, registration, maintenance, delivery, purchase, sale, rental, use or operation of any Covered Vehicle. If EFM incurs any such costs, expenses, fees, charges, fines, tickets, penalties, taxes, or other amounts, EFM will invoice the Company, and the Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Agreement.

Initials: EFM________ Customer________

8. LICENSE ADMINISTRATION PROGRAM:

(a) EFM agrees to obtain all initial and renewal registration stickers and registration plates required by any state in which a Covered Vehicle is registered where the presence of the Covered Vehicle is not required for issuance of initial and/or renewal registration stickers and registration plates. The Company agrees that it shall not permit a Covered Vehicle to be located in a location, whether a state or country, other than the state in which the Covered Vehicle is then titled and/ or registered for any continuous period of time that would result in the Covered Vehicle being subject to the titling and/or registration laws, rules, regulations, or ordinances of such other state or country without providing at least thirty (30) days advance written notice of same to EFM. The Company shall be responsible and liable for any fees, costs, expenses, fees, charges, fines, tickets, penalties, taxes, or any other amounts which are incurred as a result of the Company's failure to provide the advance written notice as set forth in this Section.

(b) Each Covered Vehicle shall be titled and licensed in the Company's name at the Company's expense. If necessary, EFM will assist the Company with such titling and licensing. The Company shall be liable and responsible for any fees, costs, expenses, fees, charges, fines, tickets, penalties, taxes, or any other amounts related to the titling and licensing of a Covered Vehicle.

(c) The services described in this Section are collectively referred to as the "License Administration Program."

9. MAINTENANCE PROGRAM: If the Maintenance Program is requested by the Company and provided by EFM, the following terms shall apply:

(a) EFM will provide the Company with an authorization card (the "EFM Card") for each Covered Vehicle, which EFM Card may or may not be a physical card, for use in authorizing the payment of charges incurred in connection with the Maintenance Program for a Covered Vehicle. The Company agrees to be and shall be liable to EFM for all charges made by or for the account of the Company with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM will invoice the Company for all such charges, and the Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Agreement. EFM reserves the right, and the Company agrees and acknowledges that EFM shall have the right, to change the terms and conditions as set forth in this Agreement for the use of the EFM Card at any time without providing advance notice to the Company. The EFM Card is and shall remain at all times the property of EFM, and EFM may revoke the Company's right to possess, access, or use the EFM Card at any time and for any reason. Upon the termination of this Agreement or upon the demand of EFM, the Company shall immediately cease using or accessing and/or return the EFM Card to EFM. The EFM Card is non-transferable.

(b) EFM agrees that, during the Term for a Covered Vehicle and subject to the terms and conditions of this Agreement, EFM will pay for, or reimburse the Company for its payment of, all reasonable and documented costs and expenses incurred in connection with the service, maintenance, or repair of the Covered Vehicle to the extent same is included on the applicable Schedule for a Covered Vehicle. Unless otherwise agreed to in writing by the Parties and set forth on the Schedule for a Covered Vehicle, neither this Agreement nor the Maintenance Program cover and the Company shall remain solely liable and responsible for and pay for (a) fuel, (b) oil and other fluids between changes, (c) tire repair and replacement, (d) washing, (e) maintenance or repair of, or damage caused by, any alteration, upgrade, upfitting, addition, improvement, or unauthorized replacement part added to a Covered Vehicle or by and of any after-market component (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitations, step vans), software, or other equipment (including, without limitation, lift gates, autonomous or automated vehicle equipment, components, parts or products, and PTO controls) which is installed or modified by the Company, a dealer, a body shop, an upfitter, or anyone else other than the manufacturer of the Covered Vehicle), (f) any service, maintenance, repair, and/or damage resulting from, due to, related to, or arising out of (i) an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other acts of god, an object striking or colliding with a Covered Vehicle, improper use or abuse of a Covered Vehicle (including, without limitation, driving over curbs, overloading, and racing or other competition), (ii) lack of maintenance, service, or repair by the Company between scheduled services (including, without limitation, failure to maintain manufacturer recommended fluid levels); or (iii) the Company's failure to maintain a Covered Vehicle as recommended by the manufacturer, or as required by and in compliance with (1) all laws, statutes, rules, regulations and ordinances (including without limitation such applicable federal, state and local laws, statutes, rules, regulations, ordinances, guidance and professional standards governing autonomous vehicles and automated driving systems and any parts, components and products related thereto), and (2) the provisions of all insurance policies affecting or covering the Covered Vehicle or its use or operation, (g) roadside assistance or towing for vehicle service, maintenance, or repair purposes, (h) mobile services, (i) the cost of a loaner or rental vehicle, or (j) if the Covered Vehicle is a vehicle with a 1 ton classification or greater, any (i) manual transmission clutch adjustment or replacement, (ii) brake adjustment or replacement or (iii) front axle alignment. Whenever it is necessary to have a Covered Vehicle serviced, maintained or repaired, the Company agrees to have the necessary work performed by a service, maintenance, or repair facility authorized in advance in writing by EFM. In every case, if the cost of any such service, maintenance, or repair is estimated to or does exceed fifty dollars ($50.00), the Company shall notify EFM in advance of such service, maintenance, or repair being performed and obtain EFM's authorization and approval for such service, maintenance, or repair and abide by EFM's instructions as to where such service, maintenance, or repair shall be made and the extent of service, maintenance, or repair to be obtained. The Company agrees to furnish EFM with an invoice for all service, maintenance, or repair to a Covered Vehicle, which invoice shall be accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM shall not be, and is not, obligated to pay for any unauthorized charges or those exceeding fifty dollars ($50.00) for any one service, maintenance, or repair on any Covered Vehicle unless the Company has complied with the terms and conditions of this Agreement and followed all of EFM's instructions. EFM shall not, and does not, have any responsibility to pay for any service, maintenance, or repair in excess of the service, maintenance, or repair recommended by the manufacturer, unless otherwise agreed to in writing by EFM. Notwithstanding any other provision of this Agreement to the contrary, EFM shall not be, and is not, required to provide or pay for any service, maintenance, or repair to any Covered Vehicle after the odometer mileage reaches one hundred thousand (100,000) miles. The Maintenance Program for a Covered Vehicle shall be automatically terminated and no longer provided by EFM to the Company after the odometer mileage for a Covered Vehicle reaches one hundred thousand (100,000) miles.

(c) EFM will charge the Company, and the Company agrees to pay to EFM, a monthly maintenance fee for the Maintenance Program for each Covered Vehicle. The monthly maintenance fee for each Covered Vehicle will be listed on the Schedule for the Covered Vehicle and will be due and payable by the Company to EFM in advance on the first day of each month. The Company agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule.

(d) The services described in this Section are collectively referred to as the "Maintenance Program."

10. MAINTENANCE MANAGEMENT PROGRAM: If the Maintenance Management Program is requested by the Company and provided by EFM, the following terms shall apply:

(a) EFM will provide the Company with an EFM Card for each Covered Vehicle, which EFM Card may or may not be a physical card, for use in authorizing the payment of charges incurred in connection with the Maintenance Management Program for a Covered Vehicle. The Company agrees to be and shall be liable to EFM for all charges made by or for the account of the Company with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM will invoice the Company for all such charges, and the Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Agreement. EFM reserves the right, and the Company agrees and acknowledges that EFM shall have the right, to change the terms and conditions as set forth in this Agreement for the use of the EFM Card at any time without providing advance notice to the Company. The EFM Card is and shall remain at all times the property of EFM, and EFM may revoke the Company's right to possess, access, or use the EFM Card at any time and for any reason. Upon the termination of this Agreement or upon the demand of EFM, the Company shall immediately cease using or accessing and/or return the EFM Card to EFM. The EFM Card is non-transferable.

(b) EFM will provide a driver information packet (the "Packet") outlining the Maintenance Management Program. The Parties agree that the Maintenance Management Program is subject to the terms and conditions of the Packet.

(c) EFM will provide purchase order control by telephone, electronic mail, or in writing authorizing charges for service, maintenance, or repairs for a Covered Vehicle which are estimated to or do exceed seventy five dollars ($75.00), or such other amount as may be established by EFM, in its sole discretion. from time to time under the Maintenance Management Program. All charges for service, maintenance, or repair for a Covered Vehicle under the Maintenance Management Program will be invoiced to EFM. Invoices will be reviewed by EFM for accuracy, proper application of any applicable manufacturer's warranty, application of potential discounts, and unnecessary, unauthorized repairs. After the invoices are audited, EFM shall pay for the amount of the audited invoice. EFM will provide to the Company the audited invoices (the "Audited Invoices").

(d) Notwithstanding the above, in the event the service, maintenance, or repair are the result of or are related to damage from an accident or other non-maintenance related cause (including glass claims), these matters will be referred to EFM. If the Company prefers that EFM handle the damage service, maintenance, or repair, the Company agrees to assign the administration of the matter to EFM. EFM will administer such claims in its discretion. The fees for this administration service will be up to one hundred twenty five dollars ($125.00) per claim, and the Company agrees to pay EFM for those fees and reimburse EFM for the damage service, maintenance, and repair as set forth in this Agreement (the "Administrative and Repair Fees"). If the Company desires the assistance of EFM in recovering damage amounts from at fault third parties, a vehicle risk management agreement must be on file with EFM for the Company.

(e) The Company shall pay to EFM the amounts paid for by EFM under this Section and in conjunction with the Maintenance Management Program, including, without limitation, as set forth on the Audited Invoices as well as for the Administrative and Repair Fees in accordance with the terms of this Agreement.

(f) If the Maintenance Management Program is requested by the Company and provided by EFM, the EFM Card will authorize the Company to arrange for a rental vehicle at a discounted rate with a subsidiary or affiliate of Enterprise Holdings, Inc. ("EHI") for a maximum of two (2) days without prior authorization from EFM. Extensions beyond two (2) days must be approved by EFM. The Company shall be fully responsible for all obligations under any rental agreement with a subsidiary or affiliate of EHI pursuant to this Agreement. All drivers of a rental vehicle must be at least twenty one (21) years of age unless otherwise required by law, hold a valid driver's license, be an employee of the Company and authorized by the Company through established reservation procedures and meet all other applicable requirements of the applicable subsidiary or affiliate of EHI. The Company will be provided a specific telephone number for use in arranging a rental vehicle described in this Section.

The services described in this Section are collectively referred to as the "Maintenance Management Program."

11. ODOMETER: Neither EFM nor EHI or any of its subsidiaries or affiliates assume responsibility for or shall be responsible or liable for the correctness of the odometer reading on any Covered Vehicle unless that inaccuracy is caused by the action of EFM or EHI or any of its subsidiaries or affiliates.

12. INSURANCE: During the term of this Agreement, the Company shall pay for and maintain in full force and effect the insurance outlined herein for coverages at not less than the prescribed minimum limits of liability, covering the Company, its authorized representatives, agents, employees, subsidiaries, affiliates, and all subcontractors, or anyone directly or indirectly employed by any of them, or any for whose acts any of them may be liable: Automobile Liability Insurance covering liability arising out of maintenance, use or operation by the Company, or its employee, authorized representative, or agent of any auto (owned, hired and non-owned) with limits of not less than One Million Dollars ($1,000,000) per occurrence for bodily injury and property damage. EFM and its subsidiaries and affiliates are to be named as Additional Insureds. All insurance shall be written through companies having an A.M. Best's rating of at least A VII or with such other companies as may reasonably be approved by EFM. All such liability insurance maintained by the Company shall include the condition that it is primary and that any such insurance maintained by EFM or any other additional insured is excess and non-contributory. Certificates of Insurance evidencing such coverages shall be furnished to EFM prior to commencement of this Agreement and at each subsequent policy renewal date. The Certificates shall provide for not less than thirty (30) days written notice to EFM prior to policy cancellation, non-renewal or material change.

13. NO WARRANTY: The Company acknowledges that EFM does not perform maintenance, service, or repairs on any Covered Vehicle or any rental vehicle and any maintenance, service, or repair is to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER OF ANY KIND, EXPRESS OR IMPLIED, WHETHER ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO PRODUCTS, MAINTENANCE, REPAIRS, OR SERVICES PROVIDED IN CONNECTION WITH THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE, QUALITY OR FITNESS FOR USE. Any defect in the performance of any product, service, maintenance, or repair will not relieve the Company from its obligations under this Agreement, including, without limitation, the payment to EFM of all amounts for which the Company is responsible and liable for under this Agreement.

14. NOTICES: All notices of cancellation or termination or other communications under this Agreement shall be mailed postage prepaid by registered or certified mail or sent by express overnight delivery service with a nationally recognized carrier, to the other Party at its address set forth on the signature page of this

Agreement or at such other address as such party may provide in writing from time to time. Any such notice or communication sent by mail will be effective and deemed received three (3) days after deposit in the United States mail, duly addressed to the address for the Party set forth below, with registered or certified mail postage prepaid. Any such notice or communication sent by express overnight delivery service with a nationally recognized carrier will be effective and deemed received one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Company shall promptly notify EFM of any change in the Company's address.

15. MISCELLANEOUS:

(a) Other than as specifically set forth in this Agreement, this Agreement may be amended only by an agreement in writing signed by EFM and the Company.

(b) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction.

(c) This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, except that the Company may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM.

(d) This Agreement is governed by the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

(e) The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

(f) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument. This instrument shall be a valid and binding agreement when each Party has executed a counterpart. This Agreement may be signed and transmitted electronically or by facsimile machine or telecopier; the signature of any person on an electronically or facsimile transmitted copy hereof shall be considered an original signature and shall have the same binding effect as an original signature on an original document. The Parties agree that the electronic signature of any Party is intended to authenticate this Agreement, shall be considered an original signature, and have the same force and effect as a manual signature.

(g) Whenever the context of this Agreement requires, references to the singular shall include the plural, and the plural shall include the singular, where appropriate; and words denoting gender shall be construed to include the masculine and feminine, where appropriate.

(h) The Parties agree that all agreements and understandings between the Parties related to this Agreement are expressed and embodied herein; and in entering into this Agreement the Parties have not relied upon any statement or representation other than those expressly set forth herein.

(i) Except as specifically set forth in this Agreement, the Company does not have any express or implied right or authority to assume or create any obligations on behalf of or in the name of EFM or to bind EFM to any contract, agreement or undertaking with any third party.

(j) No waiver by any Party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

(k) All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available hereunder, at law, in equity, by statute, in any other agreement between the Parties or otherwise.

16. LIMITATION OF LIABILITY:

(a) NONE OF EFM, ITS AGENTS, OR EFM'S OR ITS AGENT'S RESPECTIVE AFFILIATES OR SUBSIDIARIES WILL BE LIABLE TO THE COMPANY FOR ANY LIABILITY, OBLIGATION, CLAIM, LOSS, PENALTY, FINE, COST, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, CAUSED DIRECTLY OR INDIRECTLY, BY ANY COVERED VEHICLE OR RENTAL VEHICLE, OR ANY INADEQUACY OF ANY COVERED VEHICLE OR RENTAL VEHICLE FOR ANY PURPOSE OR ANY DEFECT (LATENT OR PATENT) IN ANY COVERED VEHICLE OR RENTAL VEHICLE, OR THE USE OR MAINTENANCE OF ANY COVERED VEHICLE OR RENTAL VEHICLE, OR ANY REPAIR, SERVICING OR ADJUSTMENT OF OR TO ANY COVERED VEHICLE OR RENTAL VEHICLE, OR ANY PROVISION OF ANY OF THE SERVICES FOR OR TO ANY COVERED VEHICLE, OR ANY DELAY IN SCHEDULING, ARRANGING, REIMBURSING OR PAYING FOR SERVICING, MAINTENANCE OR REPAIR OF OR TO ANY COVERED VEHICLE OR RENTAL VEHICLE, OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE OF ANY COVERED VEHICLE OR RENTAL VEHICLE, OR ANY LOSS OF BUSINESS OR ANY DAMAGE WHATSOEVER AND HOWEVER CAUSED, OR ANY ACTION TAKEN BY EFM UNDER A POWER OF ATTORNEY PURSUANT TO THIS AGREEMENT.

(b) IN NO EVENT SHALL EFM, ITS AGENTS OR EFM'S OR ITS AGENT'S RESPECTIVE AFFILIATES OR SUBSIDIARIES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY BREACH OR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF (I) WHETHER SUCH DAMAGES WERE FORESEEABLE, (II) WHETHER OR NOT EFM, ITS AGENTS OR EFM'S OR ITS AGENT'SRESPECTIVE AFFILIATES WERE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND/OR (III) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH A CLAIM, ACTION, CAUSE OF ACTION, DEMAND, LAWSUIT, ARBIRATION, INQUIRY, PROCEEDING OR LITIGATION IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

17. INDEMNITY:

(a) The Company agrees to defend, indemnify and hold harmless EFM, its agents, and EFM's or its Agent's respective affiliates, subsidiaries, successors and assigns (collectively, the "Indemnified Parties" with each being an "Indemnified Party") from and against any and all losses, damages, liabilities, actions, suits, claims, demands, penalties, fines, costs (including, without limitation, litigation costs) and expenses (including, without limitation, reasonable fees of counsel and experts) the Indemnified Parties may incur arising out of or resulting from any claim of a third party relating to: (a) the Company's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, (b) any loss, bodily injury, death of any person, theft or destruction of or damage to real or tangible personal property related to or arising out of the acts or omissions of the Company and its agents, employees, representatives, or drivers, including without limitation, the use, operation or condition of any Covered Vehicle or rental vehicle, (c) negligence or more culpable act or omission of the Company or any of its agents, employees, representatives, or drivers (including any recklessness or willful misconduct) in connection with the Company's performance under this Agreement, (d) the Company's failure to comply with, and failure to cause its agents, employees, representatives, or drivers to comply with, all laws, statutes, rules, regulations and ordinances (including without limitation such applicable federal, state and local laws, statutes, rules, regulations, ordinances, guidance and professional standards governing autonomous vehicles and automated driving systems and any parts, components and products related thereto) and the provisions of all insurance policies affecting or covering any Covered Vehicle or rental vehicle or their use or operation, (e) any repair, maintenance, alteration, upgrade, upfit, addition, replacement, or improvement to a Covered Vehicle, (f) any assertion of the infringement of patent, trade secret, trademark, copyright, or other intellectual property rights of third parties, (g) the inaccuracy of the odometer reading on any Covered Vehicle or any odometer statement for any Covered Vehicle, or (h) actions taken by any of the Indemnified Parties while acting as an agent of the Company or under a power of attorney given by the Company.

(b) In the event of a third party claim, suit, action or proceeding giving rise to the indemnification rights and obligations set forth in this Section, the Indemnified Parties (or its designee) shall be entitled to control the defense of such claim, suit, action or proceeding and the Company shall indemnify the Indemnified Parties from and against any fees, costs and expenses (including, without limitation, reasonable fees of counsel and experts) incurred by any of the Indemnified Parties in defending such third party claim; provided that the Company shall have the right to participate in the defense of any third party claim with counsel selected by it at the Company's expense. The indemnifying party shall not enter into a settlement of any such claim, suit, action, or proceeding without the applicable Indemnified Party's prior consent, which consent shall not be unreasonably withheld.

(c) The provisions of this Section shall survive any expiration or termination of this Agreement.

18. SIGNATORY WARRANTY: Each Party represents and warrants that it has read and fully understands all of the terms of this Agreement, that it has consulted with its legal counsel and understands the legal ramifications of this Agreement, that it intends the respective Party on whose behalf he or she are is affixing his or her signature to be legally bound, and he or she is fully and duly authorized to enter into and execute this Agreement on behalf of the respective Party on whose behalf he or she is affixing his or her signature.

19. SCHEDULES, ADDENDA, AND EXHIBITS: All Schedules and exhibits referenced in and/or attached to this Agreement, including, without limitation, the Packet if applicable, are hereby expressly made a part ofthis Agreement and deemed completely integrated herein.

20. POWER OF ATTORNEY: The Company does hereby constitute and appoint EFM as its agent and true and lawful attorney-in-fact (a) to execute, acknowledge, and deliver on behalf of the Company all instruments, documents, agreements, or assurances as may be required for EFM to the provide to the Company the License Administration Program, (b) to take any and all actions EFM deems necessary to effectuate the License Administration Program, and (c) do and perform any and every act required, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the Company might or could do if personally present, with full power ofsubstitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The Company ratifies and confirms all actions that the attorneys-in-fact or any of them, lawfully do or cause to be done by virtue of this power of attorney. This power of attorney, unless earlier revoked by the Company, shall remain in effect until this Agreement is terminated in its entirety.

21. REPRESENTATIONS AND WARRANTIES:

(a) The Company is duly organized, validly existing and in good standing in the jurisdiction of its incorporation, organization or formation, as applicable.

(b) The Company is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required for purposes of

this Agreement.

(c) This Agreement, when executed by the Company (assuming due authorization, execution and delivery by EFM) will be a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms and conditions, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally.

(d) The execution and delivery of this Agreement by the Company and the performance by the Company of its obligations hereunder do not and will not violate or cause a breach of any other agreements or obligations to which the Company is a party or by which it is bound.

(e) The Company shall comply with all applicable laws and regulations in connection with the exercise of its rights and performance of its obligations hereunder.

22. SURVIVAL: Subject to the limitations and other provisions of this Agreement, Section 2 (Term and Termination), Section 3 (Additional Documentation), Section 5 (Payment Terms), Section 6 (Billing), Section 7 (Various Costs, Expenses, Fees, and Charges), Section 11 (Odometer), Section 13 (No Warranty), Section 15 (Miscellaneous), Section 16 (Limitation of Liability), Section 17 (Indemnity), Section 20 (Power of Attorney), Section 21 (Representations and Warranties), and Section 22 (Survival) shall survive the expiration or termination of this Agreement, as well as any other Section or provision that, in order to give proper effect to its intent should survive such expiration or termination, shall survive the expiration or earlier termination of this Agreement.

Initials: EFM________ Customer________

IN WITNESS WHEREOF, EFM and the Company have executed this Agreement as of the day and year first above written.

COMPANY:	City of Bell	EFM:	Enterprise Fleet Management, Inc.
By:		By:	
Name:	Michael Antwine	Name:	Gregory Hackett
Title:	City Manager	Title:	Regional Manager
Address:	6330 Pine Ave Bell, CA 90201	Address:	1515 W 190th st Gardena, CA 90248

enterprise

FLEET MANAGEMENT

CONSIGNMENT AUCTION AGREEMENT

THIS AGREEMENT is entered into by and between Enterprise Fleet Management, Inc. a Missouri Corporation (hereinafter referred to as "Enterprise") and City of Bell (hereinafter referred to as "CUSTOMER") on this 27 day of September, 2023 (hereinafter referred to as the "Execution Date").

RECITALS

A. Enterprise is in the business of selling previous leased and rental vehicles at wholelsale auctions; and

B. The CUSTOMER is in the business of Government.

C. The CUSTOMER and Enterprise wish to enter into an agreement whereby Enterprise will sell at wholesale auction, CUSTOMER's vehicles set forth on Exhibit A, attached hereto and incorporated herein, as supplemented from time to time (collectively, the "Vehicles").

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

TERMS AND CONDITIONS

1. Right to Sell: Enterprise shall have the non-exclusive right to sell any Vehicles consigned to Enterprise by a CUSTOMER within the Geographic Territory.

2. Power of Attorney: CUSTOMER appoints Enterprise as its true and lawful attorney-in-fact to sign Vehicle titles on behalf of CUSTOMER for transfer of same and hereby grant it power in any and all matters pertaining to the transfer of Vehicle titles and any papers necessary thereto on behalf of CUSTOMER. The rights, powers and authorities of said attorney-in-fact granted in this instrument shall commence and be in full force and effect on the Execution Date, and such rights, powers and authority shall remain in full force and effect thereafter until terminated as set forth herein.

3. Assignments: Vehicle assignments may be issued to Enterprise by phone, fax, or electronically.

4. Service Fee: For each Vehicle sold, the CUSTOMER shall pay Enterprise a fee of $400 ("Service Fee") plus towing at prevailing rates.

5. Sales Process: Enterprise shall use reasonable efforts sell each Vehicle. CUSTOMER may, at its discretion, place a Minimum Bid or Bid to be Approved (BTBA) on any Vehicle by providing prior written notification to Enterprise.

6. Time for Payment:

(a) No later than ten (10) business days after the collection of funds for the sale of a Vehicle, Enterprise will remit to the CUSTOMER an amount equal to the Vehicle sale price minus any seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by Enterprise while selling Vehicle, regardless of whether the purchaser pays for the Vehicle.

(b) Enterprise's obligations pursuant to Section 6(a) shall not apply to Vehicle sales involving mistakes or inadvertences in the sales process where Enterprise reasonably believes that fairness to the buyer or seller justifies the cancellation or reversal of the sale. If Enterprise has already remitted payment to CUSTOMER pursuant to Section 6(a) prior to the sale being reversed or cancelled, CUSTOMER agrees to reimburse Enterprise said payment in full. Enterprise will then re-list the Vehicle and pay CUSTOMER in accordance with this Section 6. Examples of mistakes or inadvertences include, but are not limited, to Vehicles sold using inaccurate or incomplete vehicle or title descriptions and bids entered erroneously.

7. Indemnification and Hold Harmless: Enterprise and CUSTOMER agree to indemnify, defend and hold each other and its parent, employees and agents harmless to the extent any loss, damage, or liability arises from the negligence or willful misconduct of the other, its agents or employees, and for its breach of any term of this Agreement. The parties' obligations under this section shall survive termination of this Agreement.

8. Liens, Judgments, Titles and Defects: CUSTOMER shall defend, indemnify and hold Enterprise its parent, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon, or resulting from any judgments, liens or citations that were placed on the Vehicle, defects in the Vehicle's title, or mechanical or design defects in the Vehicle.

9. Odometer: Enterprise assumes no responsibility for the correctness of the odometer reading on any Vehicle and the CUSTOMER shall defend, indemnify and hold Enterprise its parent, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon or resulting from inaccuracy of the odometer reading on any Vehicle or any odometer statement prepared in connection with the sale of any Vehicle, unless such inaccuracy is caused by an employee, Enterprise, or officer of Enterprise.

10. Bankruptcy: Subject to applicable law, in the event of the filing by CUSTOMER of a petition in bankruptcy or an involuntary assignment of its assets for the benefit of creditors, Enterprise may accumulate sales proceeds from the sale ofall Vehicles and deduct seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by Enterprise while selling Vehicle from said funds. Enterprise will thereafter remit to CUSTOMER the net proceeds of said accumulated sales proceeds, if any.

11. Compliance with Laws: Enterprise shall comply with all federal, state, and local laws, regulations, ordinances, and statutes, including those of any state motor vehicle departments, department of insurance, and the Federal Odometer Act.

12. Insurance: CUSTOMER shall obtain and maintain in force at all times during the term of this Agreement and keep in place until each Vehicle is sold and title is transferred on each Vehicle, automobile third party liability of $1,000,000 per occurrence and physical damage coverage on all Vehicles. This insurance shall be written as a primary policy and not contributing with any insurance coverage or self-insurance applicable to Enterprise.

13. Term: This agreement is effective on the Execution Date and shall continue until such time as either party shall notify the other party with thirty (30) days prior written notice to terminate the Agreement with or without cause.

14. Modification: No modification, amendment or waiver of this Agreement or any of its provisions shall be binding unless in writing and duly signed by the parties hereto.

15. Entire Agreement: This Agreement constitutes the entire Agreement between the parties and supersedes all previous agreements, promises, representations, understandings, and negotiations, whether written or oral, with respect to the subject matter hereto.

16. Liability Limit: In the event Enterprise is responsible for any damage to a Vehicle, Enterprise's liability for damage to a Vehicle in its possession shall be limited to the lesser of: (1) the actual cost to repair the damage to such vehicle suffered while in Enterprise's possession; or (2) the negative impact to the salvage value of such vehicle. Enterprise shall not be liable for any other damages to a Vehicle of any kind, including but not limited to special, incidental, consequential or other damages.

17. Attorney's Fees: In the event that a party hereto institutes any action or proceeding to enforce the provisions of this Agreement, the prevailing party shall be entitled to receive from the losing party reasonable attorney's fees and costs for legal services rendered to the prevailing party.

18. Authorization: Each party represents and warrants to the other party that the person signing this Agreement on behalf of such party is duly authorized to bind such party.

"ENTERPRISE"		"CUSTOMER"	
Signature:	______________	Signature:	______________
Printed Name:	Michael Antwine	Printed Name:	Gregory Hackett
Title:	City Manager	Title:	Regional Manager
Date Signed:	______________, ______	Date Signed:	______________, ______


City of Bell
enterprise
FLEET MANAGEMENT

WHO DOES ENTERPRISE FLEET MANAGEMENT WORK WITH?

CITY OF CHICAGO - INCORPORATED 4th MARCH 1837 -

PARAMOUNT The City

CITY OF GARDENA INCORPORATED 1930

CITY OF LYNWOOD CALIFORNIA

CITY OF SOUTH PASADENA CALIFORNIA • 1888 •

SOUTH PASADENA

CITY OF NORWALK
A Connected Community

DISTRICT ATTORNEY COUNTY of RIVERSIDE

CITY OF INGLEWOOD INC. CALIFORNIA 1908

CITY OF MURRIETA JULY 1, 1991

CITY OF DOWNEY CALIFORNIA

DEPUTY SHERIFFS' ASSN. SANTA BARBARA COUNTY
UNITY · STRENGTH · COMMITMENT

CITY OF DUARTE Incorporated Aug. 22, 1957

INDUSTRY UPDATE

enterprise
FLEET MANAGEMENT

AUTOMOTIVE INDUSTRY DISRUPTION

SUPPLY CHAIN
- Raw materials
- Chip shortage
- Labor

MANUFACTURERS
~26% PRODUCTION DOWN
- Vehicle allocation
- Shortened model year
- Order cancellations

FINANCIAL IMPACT
59% DECREASE IN INVENTORY LEVELS
- Orders > production
- Rising prices
- Lower incentives
- Record resale values

FLEETS
- Extended lead times
- Cycling limitations
- Upfitting delays

FLEET OWNERS
- Extended vehicle service life
- Higher service cost
- Longer service & repair times

TOTAL COST OF OWNERSHIP

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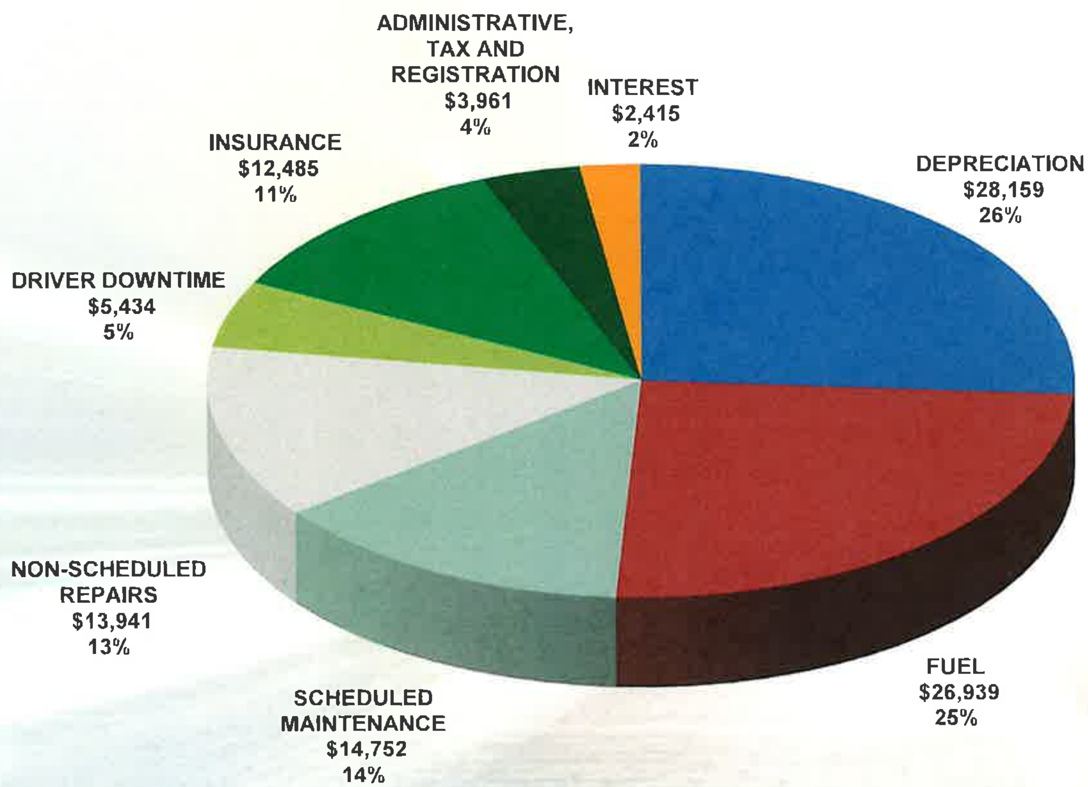

TOTAL COST OF BUY & HOLD FOR A ½ TON PICKUP

$110,298

Assumes 8 year holding period at 25,000 miles per year

DELIVERING SOLUTIONS. DRIVING RESULTS.

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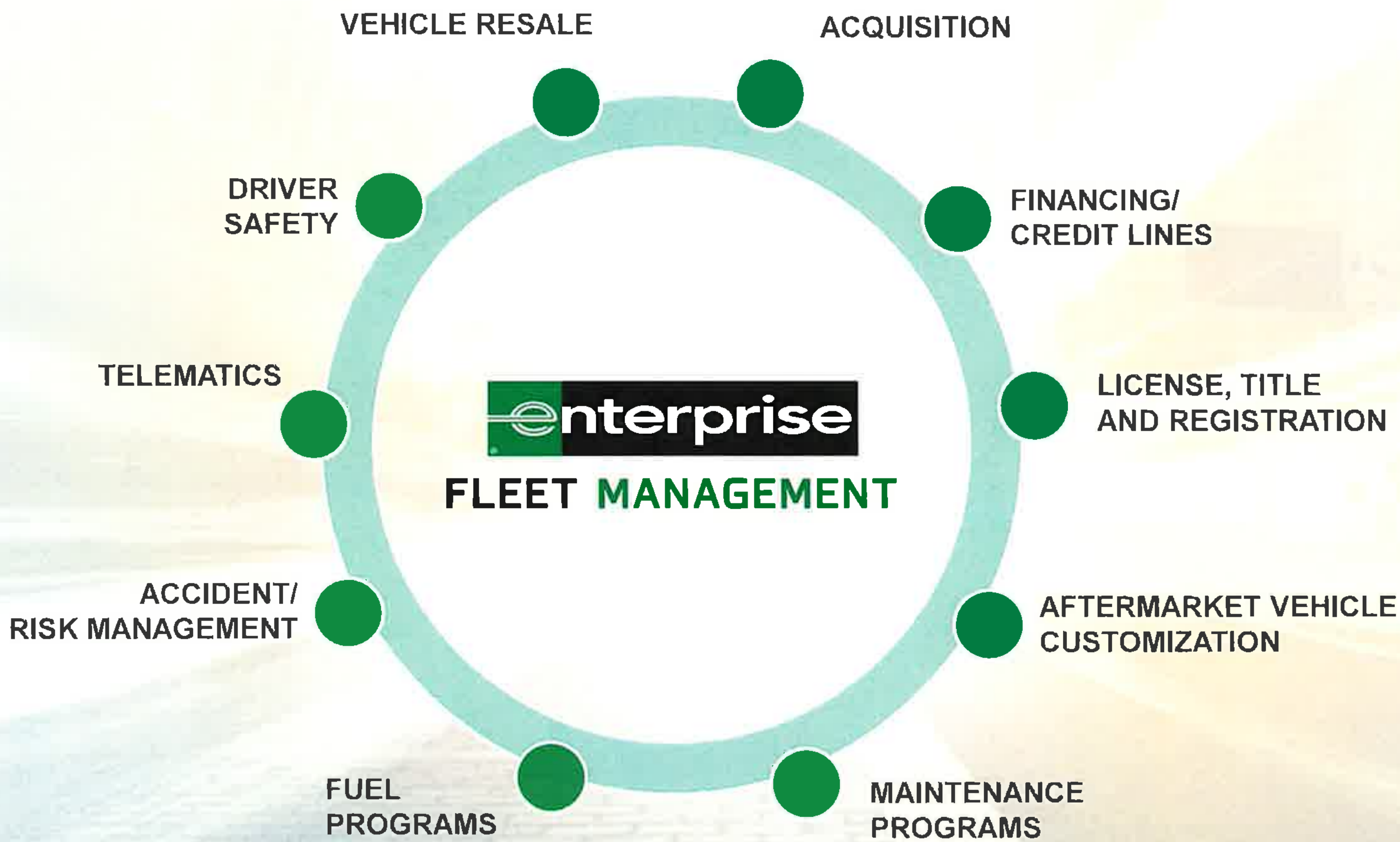


City of Bell - Fleet Profile

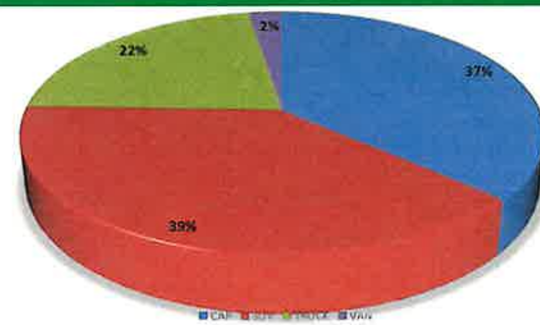
Fleet Profile / Fleet Replacement Schedule

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2024	2025	2026	2027	2028	Under-Utilized
Full-size Sedan	9	8.6	5,000	8	0	0	0	1	0
Full-size Sedan-ERV	3	12.8	5,000	3	0	0	0	0	0
Hybrid Sedan	3	12.1	5,000	1	0	1	0	0	1
1/2 Ton Van Cargo	1	4.7	5,000	0	0	1	0	0	0
Full Size SUV 4x4	3	11.4	5,000	2	1	0	0	0	0
Full Size SUV 4x4-ERV	13	6.5	5,000	2	6	0	1	4	0
1/2 Ton Pickup Reg 4x4	9	6.7	5,000	2	1	2	4	0	0
Totals/Averages	**41**	**8.2**	**5,000**	**18**	**8**	**4**	**5**	**5**	**1**

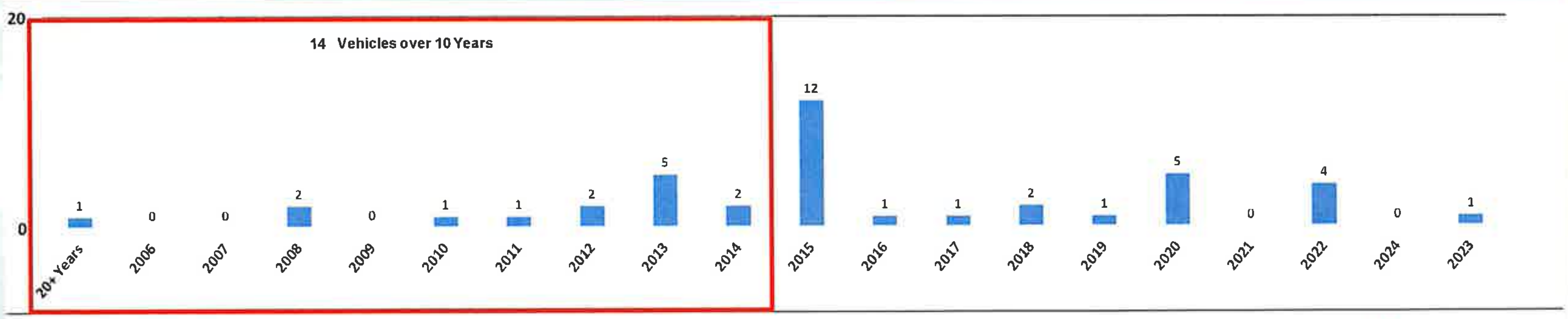
Replacement Criteria

- Fiscal Year 2024 = 10 years old and older, or odometer over 100,000
- Fiscal Year 2025 = 8 years old and older, or odometer over 80,000
- Fiscal Year 2026 = 5 years old and older, or odometer over 60,000
- Fiscal Year 2027 = 4 years old and older, or odometer over 40,000
- Fiscal Year 2028 = Remaining Vehicles
- Underutilized = 20 years old and older

Vehicle Types



Model Year Analysis



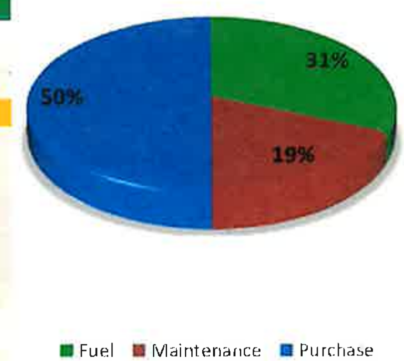
City of Bell - Fleet Planning Analysis

Current Fleet	41	Fleet Growth	-0.56%	Proposed Fleet	40
Current Cycle	10.25	Annual Miles	5,100	Proposed Cycle	3.55
Current Maint.	$136.00			Proposed Maint.	$64.95
Maint. Cents Per Mile	$0.32	Current MPG	9	Price/Gallon	$5.00

Fleet Mix					Fleet Cost							Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease* Incl. Tax	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
Average	41	4.0	41	0	180,687	0			66,912	113,889	361,488	0
'24	40	18	22	18	0	172,371	-43,600		49,932	103,639	282,343	79,145
'25	40	8	14	26	0	283,367	-31,000	-67,081	43,111	99,083	327,481	34,007
'26	40	13	10	30	0	326,734	-60,000	-62,903	39,701	96,806	340,337	21,151
'27	40	9	5	35	0	380,501	-124,500	-107,135	35,437	93,958	278,262	83,226
'28	40	17	0	40	0	440,031	-42,500	-135,758	31,174	91,111	384,059	-22,571
'29	40	7	0	40	0	440,031		-346,508	31,174	91,111	215,809	145,679
'30	40	26	0	40	0	440,031		-31,452	31,174	91,111	530,865	-169,377
'31	40	2	0	40	0	440,031		-132,528	31,174	91,111	429,788	-68,300
'32	40	14	0	40	0	440,031		-205,084	31,174	91,111	357,232	4,256
'33	40	12	0	40	0	440,031		-237,542	31,174	91,111	324,774	36,713

10 Year Savings	$143,929

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2024	2025	2026	2027	2028	Under-Utilized
QTY	18	8	4	5	5	1
Est $	$2,311	$3,875	$15,000	$24,900	$8,500	$2,000
TOTAL	$41,600	$31,000	$60,000	$124,500	$42,500	$2,000
Estimated Current Fleet Equity**					$301,600	

* Lease Rates are conservative estimates

**Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

Lease Maintenance costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet

34% of the current light and medium duty fleet is over 10 years old

Resale of the aging fleet is significantly reduced

Reduce operating costs

Newer vehicles have a significantly lower maintenance expense

Newer vehicles have increased fuel efficiency with new technology implementations

Maintain a manageable vehicle budget

Challenged by inconsistent yearly budgets

Currently vehicle budget is underfunded

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Overview: Advanced Clean Fleets (ACF) Rule

WHO

- Private, Drayage, and Government Fleets
- Brokerages
- Companies that contract with third-party fleets

WHAT

- Transition to 100% zero-emission operations
    - All on-road vehicles 8,501+ lbs. GVWR, plus off-road yard tractors and light-duty package delivery vehicles
- Verification of third-party carrier/provider compliance

WHEN

- Approval April 2023
- Implementation from 2024 – 2042

APPROACH

- Differing implementation schedules and schemes based on fleet type

Applicability

Any private entity with $50 million or more in annual revenue as reported to the IRS

Any federal, state, or local agency

Any private entity that owns or controls* 50 or more vehicles over 8,500 lbs. GVWR with at least one vehicle in California

*Common ownership and control includes vehicles that share the same operating authority (DOT#, MC#, etc.) or same branding (company names, logos, etc.)

Public Fleet Overview

Applicability

- Cities, counties, special districts, and state agencies (i.e., entities with exempt plates from th

Compliance Pathways

- ZEV purchased required when replacing vehicles or adding vehicles to the fleet
  - 50% of vehicle purchases from 2024 – 2026 must be ZEVs
  - 100% of vehicle purchases from 2027 and beyond must be ZEVs
- ZEV Milestone Option
  - Public Fleets may utilize the ZEV Milestone Option until January 1, 2030

Additional Details

- Verification of compliance for all contracted or third-party fleets
- No requirement to retire vehicles to maintain compliance
- Reporting – Annually by March 31, starting in 2024

RESOURCES *Fleet Technology*

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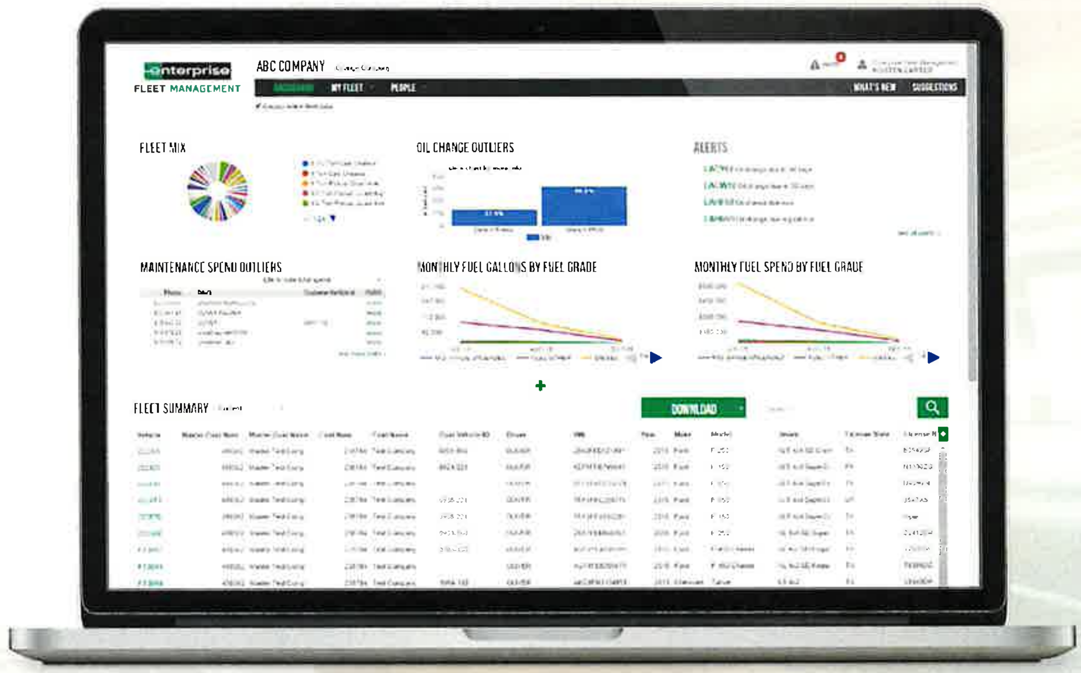
FLEET MANAGEMENT

Client Website

- Visibility and tracking of vehicle data
- Customized dashboards with easy reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors
- Self-service features including *driver changes, vehicle descriptors, mileage information and more*
- Assign unlimited unique identifiers to each vehicle to simplify routine tasks and vehicle categorization



RESOURCES *Fleet Technology*

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FLEET MANAGEMENT

Annual Client Review

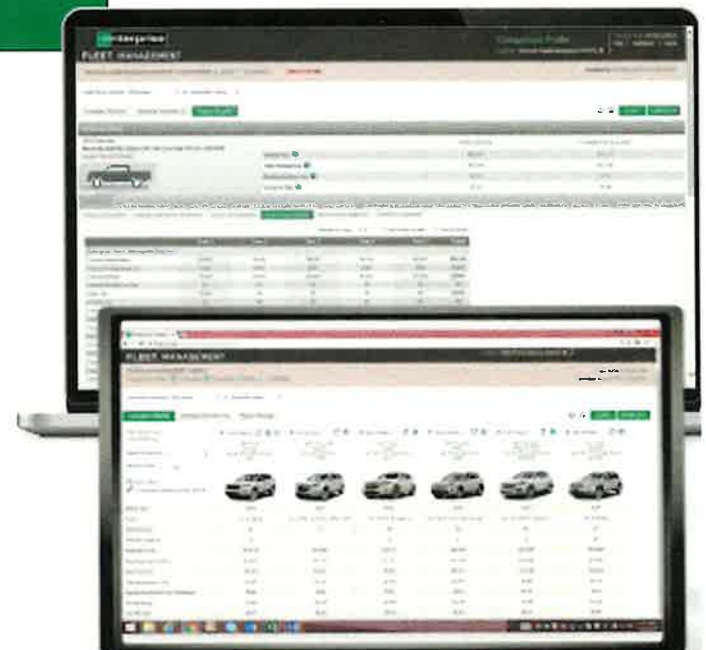
If we don't measure it, you can't improve it:

- Web based solution for the EFM team to evaluate the prior year's fleet performance
- Analyze all fleet costs including *maintenance, fuel, insurance, depreciation, etc.*
- Document future goals to develop the best possible fleet cycling plan for the future of the fleet

Fleet Planning Tool Kit

Purchase the right vehicle at the right cost:

- Online vehicle selector allowing Enterprise to compare up to 6 vehicles side-by-side
- Integrate all costs for a total cost analysis: *monthly vehicle costs, replacement schedules, maintenance, taxes, fuel, etc .*
- Determine the best time to replace your vehicles



City of Bell Replacement Worksheet

Vehicle #	VIN	Department	Year	Make	Model	Current Odometer	Estimated Value from FSM	Assigned Category	Recommended Replacement Year	New Replacement Category	Preferred Replacement Type
123	1GCNCPEH4EZ174161	Public Works	2014	Chevrolet	Silverado 1500	58,108	$10,000.00	1/2 Ton Pickup Reg 4x4	2024	1/2 Ton Utility Pickup Reg 4x4	1/2 Ton Utility Pickup Reg 4x4
123	2GCFC135491125549	Public Works	2009	Chevrolet	Silverado	68,897	$8,000.00	1/2 Ton Pickup Reg 4x4	2024	Mid-size Truck	Mid-size Truck (Ford Ranger)
123	1FADP5AU3DL532154	Community Development	2013	Ford	C-Max	17,571	$4,300.00	Hybrid Sedan	2024	Hybrid Sedan	EV
123	1FMCU49H88KC13436	Community Services	2008	Ford	Escape HEV	112,422	$1,600.00	Full Size SUV 4x4	2024	Full Size SUV 4x4	Vehicle Non-op. Replace w/ Flatbed
123	1FADP5AU7DL532156	Community Services	2013	Ford	C-Max Hybrid	20,343	$4,300.00	Hybrid Sedan	2024	Hybrid Sedan	EV
123	1FDAF56PX6EA85652	Public Works	2008	Ford	F-550 Aerial Lift	135,703	$8,000.00	Heavy Duty Utility Truck	2024	Heavy Duty Utility Truck	Heavy Duty Utility Aerial Lift Truck
123	0	Police Department	2010	Ford	Crown Victoria	101,035	$0.00	Full-size Sedan-ERV	2024	Full-size Sedan-ERV	
123	0	Police Department	2011	Ford	Crown Victoria	81,545	$0.00	Full-size Sedan-ERV	2024	Full-size Sedan-ERV	
123	0	Police Department	2012	Chevrolet	Tahoe	90,044	$0.00	Full Size SUV 4x4-ERV	2024	Full Size SUV 4x4-ERV	
123	0	Police Department	2012	Dodge	Charger	68,284	$0.00	Full-size Sedan-ERV	2024	Full-size Sedan-ERV	
123	0	Police Department	2013	Ford	Explorer	93,491	$0.00	Full Size SUV 4x4	2024	Full Size SUV 4x4	
123	0	Police Department	2013	Ford	C-Max	85,017	$0.00	Full-size Sedan	2024	Hybrid Sedan	EV
123	0	Police Department	2013	Ford	C-Max	29,198	$0.00	Full-size Sedan	2024	Hybrid Sedan	EV
123	0	Police Department	2014	Chevrolet	Tahoe	37,398	$0.00	Full Size SUV 4x4-ERV	2024	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Taurus	124,372	$0.00	Full-size Sedan	2024	Full-size Sedan	
123	0	Police Department	2015	Ford	Taurus	124,372	$0.00	Full-size Sedan	2024	Full-size Sedan	
123	0	Police Department	2015	Ford	Taurus	124,372	$0.00	Full-size Sedan	2024	Full-size Sedan	
123	0	Police Department	2015	Ford	Taurus	116,320	$0.00	Full-size Sedan	2024	Full-size Sedan	
123	0	Police Department	2015	Ford	Taurus	124,372	$0.00	Full-size Sedan	2024	Full-size Sedan	
123	2GCEC13J981105336	Code Enforcement	2008	Chevrolet	Silverado	116,603	$9,000.00	1/2 Ton Pickup Reg 4x2	2024	1/2 Ton Pickup Reg 4x2	
123	2GCFC135391126367	Code Enforcement	2009	Chevrolet	Silverado	79,790	$4,000.00	1/2 Ton Pickup Reg 4x2	2024	1/2 Ton Pickup Reg 4x2	
123	1GC2CUEB0FZ500133	Community Services	2015	Chevrolet	Silverado 2500HD	30,157	$17,000.00	1/2 Ton Pickup Reg 4x2	2025	1/2 Ton Pickup Reg 4x2	1/2 Ton Pickup Reg 4x2
123	0	Police Department	2015	Ford	Explorer	92,088	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Explorer	82,394	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Explorer	98,174	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Explorer	89,749	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Explorer	87,115	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2015	Ford	Explorer	55,958	$1,000.00	Full Size SUV 4x4-ERV	2025	Full Size SUV 4x4-ERV	
123	0	Police Department	2016	Nissan	Frontier	63,962	$1,000.00	Full Size SUV 4x4	2025	Full Size SUV 4x4	
123	1GC2CUEB6FZ500492	Code Enforcement	2015	Chevrolet	Silverado	6,500	$23,000.00	1/2 Ton Pickup Reg 4x2	2026	1/2 Ton Pickup Reg 4x2	
123	1GCNCNEC9JZ907145	Housing (BCHA)	2018	Chevrolet	Silverado	35,405	$18,000.00	1/2 Ton Pickup Reg 4x2	2026	1/2 Ton Pickup Reg 4x2	1/2 Ton Pickup Reg 4x2
123	1FADP5AUHL113253	Public Works	2017	Ford	C-Max Hybrid	32,912	$3,500.00	Hybrid Sedan	2026	Hybrid Sedan	EV
123	1FT8W3A64KEC90092	Public Works	2018	Ford	F-350 XL	14,486	$35,000.00	1 Ton Flatbed CNG 4x2	2026	Heavy Duty Dump Truck Reg 4x4	Heavy Duty Dump Truck Reg 4x4 (Ford F-350)
123	0	Police Department	2019	Ford	Transit 350	3,591	$1,000.00	1 Ton Van Cargo	2026	1/2 Ton Van Cargo	
123	3GNAXSEV9LS513364	City Manager's Office	2020	Chevrolet	Equinox	4,015	$19,000.00	Full Size SUV 4x2	2027	Hybrid SUV	EV
123	1FTRF3A67LED39503	Public Works	2020	Ford	F-350 XL	15,214	$33,000.00	1 Ton Pickup Reg 4x4	2027	1 Ton Utility Pickup Reg 4x4	1 Ton Utility Pickup Reg 4x4
123	1FTRF3A65LED39502	Public Works	2020	Ford	F-350 XL	13,254	$33,000.00	1 Ton Pickup Reg 4x4	2027	1 Ton Utility Pickup Reg 4x4	1 Ton Utility Pickup Reg 4x4
123	1FTRF3A69LED39504	Public Works	2020	Ford	F-350 XL	12,381	$33,000.00	1 Ton Pickup Reg 4x4	2027	1 Ton Utility Pickup Reg 4x4	1 Ton Utility Pickup Reg 4x4
123	0	Police Department	2020	Ford	Explorer	12,570	$1,000.00	Full Size SUV 4x4-ERV	2027	Full Size SUV 4x4-ERV	
123	0	Police Department	2022	Ford	Explorer	5,700	$1,000.00	Full Size SUV 4x4-ERV	2028	Full Size SUV 4x4-ERV	
123	0	Police Department	2022	Ford	Explorer	5,655	$1,000.00	Full Size SUV 4x4-ERV	2028	Full Size SUV 4x4-ERV	
123	0	Police Department	2022	Ford	Explorer	5,116	$1,000.00	Full Size SUV 4x4-ERV	2028	Full Size SUV 4x4-ERV	
123	0	Police Department	2022	Ford	Explorer	3,302	$1,000.00	Full Size SUV 4x4-ERV	2028	Full Size SUV 4x4-ERV	
123	0	Police Department	2023	Dodge	Charger	333	$1,000.00	Full-size Sedan	2028	Full-size Sedan	
123	3GNKBCR49NS112717	Community Services	2022	Chevrolet	Blazer 2LT	4,000	$26,000.00	Full Size SUV 4x2	2028	Hybrid SUV	EV
123	JHMES96605S011266	Community Services	2005	Honda	Civic Hybrid	40,322	$2,000.00	Hybrid Sedan	Under-utilized	Mid-size Truck	Mid-size Truck (Ford Ranger)