

General Auction Company
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AGREEMENT FOR PUBLIC AUCTION SERVICES

This agreement for public auction services ("Agreement") is made this 20th day of June, 2012 ("Effective Date"), by and between General Auction Company ("GAC") and the City of Redlands ("City"). GAC and City are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

1. Auction Services. City hereby engages GAC to conduct a public auction of the personal property of City, as described herein, on June 30, 2012. GAC shall be an independent contractor, and City authorizes and confers upon GAC the power to take all actions on City's behalf necessary to complete the auction, including but not limited to publication and recordation of a "Notice to Creditors of Bulk Sale by Auction" in compliance with the Bulk Sales law, giving any other notice or filing any documents that may be required by law, accepting cash and checks on behalf of City as registered and/or legal owner of any motor vehicle sold to effect a transfer, and satisfying or comprising secured parties who hold or assert a lien in any property sold at auction. City hereby agrees to sell the property to the highest bidder, with no minimum, reservation, buy-backs, or persons bidding for City.

2. Property. The personal property subject to auction is generally described as cars, trucks, vans, trailers, motor homes, camper vehicles of any kind, make or model; equipment; machinery; tools; parts and/or miscellaneous items used, manufactured or distributed by an industry, business, entity or agency. At the option of GAC, vehicles may not be offered at auction unless the Certificate of Ownership and all other documents necessary to effect a transfer of title to such vehicles are submitted to GAC at least five (5) days prior to the sale. City agrees to pay advertising and all other costs as provided below or any property withdrawn from the sale as a result of the failure of City to submit the required title documents. GAC reserves the right to add other personal property not owned by City to the auction inventory.

3. Time and Place. GAC shall use GAC's auction yard located at 7015 Knott Ave, Buena Park, CA 90620, as the auction site. None of the property may be sold before the auction without the written consent of GAC, in which case the sale proceeds shall be treated as part of the gross proceeds of the auction. GAC will accept items on a continuing basis to be included in the next available and regularly scheduled auction subject to GAC's discretion to change such date. In the event of City's breach of this Agreement, City agrees to pay the commission provided below based on current market value of said property plus all of GAC's out of pocket costs.

4. Commissions and Expenses. GAC shall receive a five percent (5%) commission of gross sale proceeds for the sale of cars, trucks, vans motor homes, boats and/or camper vehicles, and a fifteen (15%) commission of gross sale proceeds for the sale of other personal property, office equipment, furniture, construction equipment, trailers, and/or miscellaneous items. GAC makes no representations or warranties to City as to the amount that any property will sell for. In the even GAC satisfies or takes an assignment of the interest of secured properties, all amounts paid to the secured parties in satisfaction of the secured interest or for an assignment of the interest to GAC shall be deemed to be advances by GAC, which advances shall be deducted by GAC out of the sales proceeds of City after payment of commission and expenses.

5. Representations and Warranties of City. To the best of City's knowledge, City represents and warrants as follows:

- A. The property is free from defects.
- B. Each item of property is free of liens, charges or encumbrances.
- C. The property is covered by insurance against normally insurable risks and such insurance shall be maintained by City until delivery of the property to purchasers. GAC shall be named as an additional insured under such policies.
- D. City has no business name or address other than the name and address specified in this Agreement.

6. Indemnity. City agrees to indemnify and hold GAC harmless from any and all losses, liabilities, claims, demands, causes of action, lawsuits or expenses (including GAC's actual attorney fees) which arise against or are incurred by GAC due to any of the representations or warranties of City in this Agreement which are alleged to be false, or because of any breach of City of this Agreement. City agrees that this indemnity shall cover any and all losses of GAC arising out of, or in connection with, death or injury to persons or property damage caused in whole or in part by defects in the condition of the property.

7. Security Interest. City hereby gives GAC a security interest in the property, including any insurance proceeds and in the sale proceeds in order to secure any and all advances which may be made to or on behalf of the City by GAC, and to secure any and all other obligations that City owes GAC. GAC shall have all the rights of a secured creditor under the Uniform Commercial Code and City agrees to execute a financing statement enabling GAC to perfect this security interest.

8. General Provisions.

A. Within twenty-one (21) business days after an auction date, and after the receipt of a signed Confirmation of Consignment, GAC shall present a full accounting of the sales proceeds and expenses to City. With such accounting, GAC shall present City with a check for all monies due from the auction, less any funds delayed by legal proceedings or inability of GAC, through no fault of its own, to notify DMV of Transfer of Ownership (form 138), or to comply with the Uniform Commercial Code or other laws. GAC reserves the right to eliminate from the settlement any property for which payment has not been made, and City agrees to accept responsibility for reclaiming the same wherever located.

B. Attorneys' Fees. In the event any action is commenced to enforce or interpret the terms or provisions of this Agreement, in addition to any costs and other relief, the prevailing party in such action shall be entitled to recover its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

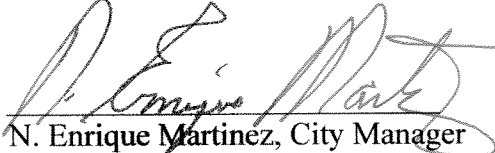
C. GAC is authorized to satisfy or take assignment of the interest or liens of secured parties, but nothing herein shall obligate GAC to acquire the interest of a secured party, unless GAC elects to do so in its sole and absolute discretion.

D. This Agreement represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

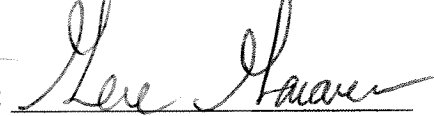
CITY OF REDLANDS

By:


N. Enrique Martinez, City Manager

GENERAL AUCTION COMPANY

By:



ATTEST:


Sam Irwin, City Clerk

DECOMMISSION VEHICLES

VEHICLES BEING DECOMMISSIONED EXCLUDING DEPARTMENT CONTESTED VEHICLES															
UNIT	ASSIGNED TO	YEAR	MAKE	TOTAL VEHICLE MILES	2011/12 MILEAGE/HOURS	M/H	PURCHASE PRICE	LIFETIME REPAIR COSTS	% SPENT ON MAINT & REPAIRS	LIFETIME FUEL COSTS	AGE OF VEHICLE	TOTAL COST PER MILE/HOUR	ESTIMATED ANNUAL SAVINGS	DECOMMISSION RECOMMENDED BY	ESTIMATED VALUE
0001-0037	MUED MTR READ	1996	GO-4 SCOOTER	5,742.00		H	\$17,444.00		0.00%		16	\$3.04	\$0.00	DEPARTMENT	\$3,120.00
0001-0039	MUED MTR READ	1998	GO-4 SCOOTER	2,099.00	2067	H	\$19,027.00	\$37,439.85	196.77%	\$4,711.94	14	\$29.15	\$3,010.84	DEPARTMENT	
0001-0470	QOL SWEEPER	2006	SCHWARZE SWEEPER	2,965.00	0	M	\$208,968.00	\$99,106.20	47.43%	\$17,899.71	6	\$109.94	\$19,500.99	DEPARTMENT	
0001-0472	QOL SWEEPER	1999	ATHEYS/SWEEP	10,350.00	24	H	\$134,674.57	\$231,246.25	171.71%	\$29,747.13	13	\$38.23	\$20,076.41	DEPARTMENT	
0001-0628	MUED WWTP	1980	GMC FLATBED CRANE	3,305.00	0	H	\$52,500.00	\$58,568.02	111.56%	\$1,102.28	32	\$33.94	\$1,864.70	DEPARTMENT	
0001-0917	FIRE	1975	CROWN AERIAL	8,289.00	495	H	\$67,000.00	\$45,876.17	68.47%	\$7,616.93	37	\$14.54	\$1,445.76	DEPARTMENT	
0001-0924	FIRE	1988	BECK/ENGINE	9,148.00	182	H	\$222,000.00	\$125,582.91	56.57%	\$7,616.93	24	\$40.91	\$6,341.73	DEPARTMENT	
0001-0015	QOL CODE ENFORC	1994	FORD CROWN VIC	115,590.00	0	M	\$19,628.19	\$24,635.22	125.51%	\$2,907.51	18	\$0.41	\$1,530.15	DEPARTMENT	\$901.00
0001-0040	FIN STORES	1988	FORD F250 STAKEBED	64,470.00	54	M	\$13,382.97	\$19,671.09	146.99%	\$2,756.49	74	\$0.56	\$934.48	FLEET	\$2,073.00
0001-0050	DOIT	1996	FORD RANGER P-U	92,685.00	278	M	\$18,459.35	\$12,923.40	70.01%	\$2,638.96	16	\$0.37	\$972.65	FLEET	
0001-0124	QOL CEMETERY	1996	FORD RANGER	189,372.00	1076	M	\$15,289.35	\$7,707.65	50.41%	\$4,062.17	16	\$0.14	\$735.61	DEPARTMENT	\$923.00
0001-0303	QOL PARKS	1998	FORD F150	74,463.00	1739	M	\$10,263.00	\$20,513.79	199.88%	\$1,995.32	14	\$0.44	\$1,607.79	DEPARTMENT	
0001-0304	QOL PARKS	1988	CHEVY 1/2 TON PU	154,567.00	2272	M	\$18,000.00	\$8,529.51	47.39%	\$873.60	24	\$0.18	\$391.80	DEPARTMENT	
0001-0313	QOL PARKS	1987	CUSHMAN SCOOTER	3,317.00	0	M	\$8,095.00	\$8,238.41	101.77%	\$243.65	25	\$5.00	\$339.28	DEPARTMENT	
0001-0316	QOL PARKS	1988	GO-4 SCOOTER	5,572.00	0	M	\$19,027.00	\$25,760.54	135.39%	\$4,781.26	24	\$8.90	\$1,272.58	DEPARTMENT	
0001-0318	QOL PARKS	2000	CUSHMAN SCOOTER	2,476.00	0	M	\$3,500.00	\$3,043.61	86.96%	\$1,420.48	12	\$3.22	\$372.01	DEPARTMENT	
0001-0320	QOL PARKS	1996	GO-4 SCOOTER	6,936.00	236	M	\$16,348.00	\$20,691.90	126.57%	\$1,076.43	16	\$5.58	\$1,360.52	DEPARTMENT	
0001-0324	QOL PARKS	1999	CUSHMAN SCOOTER	3,441.00	224	M	\$11,886.00	\$7,060.33	59.40%	\$1,073.95	13	\$5.82	\$625.71	DEPARTMENT	
0001-0326	QOL PARKS	1987	CUSHMAN	5,890.00	516	M	\$8,095.00	\$7,848.56	96.96%	\$219.04	25	\$2.74	\$322.70	DEPARTMENT	
0001-0427	QOL STREETS	1980	CHEVROLET PRESSURE WASHER/SANDBLASTER	110,660.00		O	\$15,500.00	\$19,061.45	122.98%	\$5,091.50	32	\$0.36	\$754.78	DEPARTMENT	
0001-0440	QOL STREETS	1985	CHEVROLET BT DUMP TRUCK	77,480.00	395	M	\$67,000.00	\$36,065.07	53.81%	\$3,913.39	27	\$1.38	\$1,480.68	DEPARTMENT	
0001-0525	PD	2008	FORD CROWN VIC B/W	33,606.00	2023	M	\$23,540.00	\$4,456.28	18.93%	\$6,659.42	4	\$1.03	\$2,778.93	DEPARTMENT	\$2,000.00
0001-0546	PD	1997	HONDA MOTORCYCLE	8,185.00	116	M	\$2,800.00	\$4,315.84	154.14%	\$112.23	15	\$0.89	\$295.20	DEPARTMENT	donated vehicle
0001-0573	PD	1988	CHEVROLET ASTRO VAN	45,361.00	1088	M	\$12,894.00	\$11,877.56	92.12%	\$2,631.18	24	\$0.60	\$604.53	DEPARTMENT	donated needs to be returned to dealer
0001-0577	PD	1995	HONDA ODYSSEY	124,255.00	909	M	\$15,500.00	\$28,553.15	184.21%	4462.86	17	\$0.39	\$1,942.12	DEPARTMENT	
0001-0588	PD	1991	HONDA CRV ATV 250 X	1.00	0	M	\$1,800.00	\$935.64	51.98%	\$0.00	21	\$2,735.64	\$44.55	DEPARTMENT	
0001-0589	PD	1991	HONDA CRV ATV 250 X	1.00	0	M	\$1,800.00	\$992.98	49.61%	\$24.51	21	\$2,717.49	\$43.69	DEPARTMENT	
0001-0665	PD	1994	FORD CROWN VIC GREY	103,192.00	2364	M	\$15,044.66	\$20,602.90	136.94%	\$9,077.07	18	\$0.43	\$1,648.89	DEPARTMENT	\$1,076.00
0001-0686	PD	2000	CHEV BLAZER	82,207.00	839	M	\$12,885.15	\$5,737.88	44.53%	\$8,639.68	12	\$0.33	\$1,198.15	DEPARTMENT	\$2,653.00
AVERAGES															
VEHICLES TRACKED PER MILE				59,254.86	642.23	M	\$15,033.53	\$13,596.49	98.02%	\$2,939.13	249.63	\$249.63	\$966.22		
EQUIPMENT TRACKED PER HOUR				5,985.43	395.43	H	\$103,087.65	\$45,402.77	93.22%	\$12,528.10	20.29	\$38.53	\$7,462.92		
TOTALS															
										VEHICLES TRACKED PER MILE			\$21,256.81		
										EQUIPMENT TRACKED PER HOUR			\$52,240.43		
										TOTAL ESTIMATED SAVINGS			\$73,497.24		
0001-0521	PD	1998	FORD CROWN VIC B/W	347,851.00	2513	M	\$21,577.15	\$28,881.72	133.85%	\$29,934.34	34	\$0.48	\$3,487.14	DEPARTMENT	seized in 2011
0001-0546	PD	1994	FORD ESSO AMBULANCE	280,340.00	2856	M	\$3,000.00	\$37,688.81	1256.29%	\$23,547.70	18	\$0.21	\$2,333.75	DEPARTMENT	seized in 2011
0001-0581	PD	2001	KAWASAKI MOTORCYCLE	46,176.00	44	M	\$9,700.00	\$12,275.26	125.90%	\$1,579.46	11	\$0.51	\$1,259.52	DEPARTMENT	seized in 2011
0001-0582	PD	2009	HARLEY MOTORCYCLE	5,021.00	427	M	\$19,395.00	\$1,544.67	7.96%	\$688.49	9	\$3.59	\$784.39	DEPARTMENT	seized in 2011
0001-0585	PD	1996	KAWASAKI MOTORCYCLE	49,808.00	324	M	\$8,812.00	\$11,126.71	126.25%	\$635.24	16	\$0.41	\$735.25	DEPARTMENT	seized in 2011
0001-0586	PD	2009	HARLEY MOTORCYCLE	13,876.00	96	M	\$19,395.00	\$2,761.35	14.39%	\$1,582.34	9	\$1.69	\$1,351.16	DEPARTMENT	seized in 2011
0001-0596	PD	2008	FORD CROWN VIC B/W	46,526.00	3796	M	\$23,540.00	\$6,712.88	28.53%	\$13,438.64	4	\$0.94	\$5,087.88	DEPARTMENT	seized in 2011