

TOWING SERVICE CONTRACT

This Towing Service Contract ("Contract") is made this 4th day of January, 2022, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation, 801 Washington St., Northfield, MN 55057 ("CITY"), and Raider Automotive, LLC, d/b/a Valley Autohaus, a limited liability company under the laws of the State of Minnesota, 1235 Highway 3 South, Northfield, MN 55057 ("CONTRACTOR"); (collectively the "PARTIES").

WHEREAS, CITY requires certain towing services in conjunction with traffic safety (the "Project"); and

WHEREAS, CONTRACTOR agrees to furnish the various towing services required by CITY.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

SECTION I – CONTRACTOR'S SERVICES AND RESPONSIBILITIES

- A. **Scope of Services.** CONTRACTOR agrees to perform various Project services (the "services") as detailed in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference.
- B. **Changes to Scope of Services/Additional Services.** Upon mutual agreement of the PARTIES hereto pursuant to Section VI, Paragraph H, of this Contract, a change to the scope of services detailed in Exhibit 1, attached hereto, may be authorized. In the event that such a change to the scope of services detailed in Exhibit 1, attached hereto, requires additional services by CONTRACTOR, CONTRACTOR shall be entitled to additional compensation consistent with Section III of this Contract. CONTRACTOR shall give notice to CITY of any additional services prior to furnishing such additional services. CITY may request an estimate of additional cost from CONTRACTOR, and upon receipt of the request, CONTRACTOR shall furnish such cost estimate, prior to CITY's authorization of the changed scope of services.
- C. **Changed Conditions.** If CONTRACTOR determines that any services it has been directed or requested to perform by CITY are beyond the scope of services detailed in Exhibit 1, attached hereto, or that, due to changed conditions or changes in the method or manner of administration of the Project, CONTRACTOR's effort required to perform its services under this Contract exceeds the estimate which formed the basis for CONTRACTOR's compensation, CONTRACTOR shall promptly notify CITY of that fact. Upon mutual agreement of the PARTIES hereto pursuant to Section VI, Paragraph H, of this Contract, additional compensation for such services, and/or an extension of time for completion thereof, may be authorized. In the absence of such a mutual agreement, amounts of compensation and time for completion shall be equitably adjusted, provided that CONTRACTOR first provides notice to CITY as required by this

Paragraph and CITY has not terminated this Contract pursuant to Section IV, Paragraph B.

- D. **Standard of Care.** Services provided by CONTRACTOR or its subcontractors under this Contract will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of CONTRACTOR's profession or industry. CONTRACTOR shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by CONTRACTOR's breach of this standard of care. CONTRACTOR shall put forth reasonable efforts to complete its duties in a timely manner. CONTRACTOR shall not be responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Contract. CONTRACTOR shall be responsible for costs or damages arising from the performance of its duties.
- E. **Inspection.** CONTRACTOR shall allow CITY full access to the storage location for all vehicles CITY has towed by the CONTRACTOR. CITY shall be allowed to inspect the vehicles and storage location to ensure conditions set forth in this Contract are followed, and that the inventory of towed and stored vehicles can be verified.
- F. **Insurance.** CONTRACTOR shall not commence work under this Contract until CONTRACTOR has obtained all insurance required herein and such insurance has been approved by CITY, nor shall CONTRACTOR allow any subcontractor to commence work on a subcontract until such subcontractor has obtained like insurance covering as to worker's compensation, liability, and automobile insurance. All this insurance coverage shall be maintained throughout the life of this Contract.
1. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, statutory Workers' Compensation coverage. Except as provided below, CONTRACTOR must provide Workers' Compensation insurance for all its employees. If Minnesota Statutes, section 176.041 exempts CONTRACTOR from Workers' Compensation insurance or if CONTRACTOR has no employees in the CITY, CONTRACTOR must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes CONTRACTOR from the Minnesota Workers' Compensation requirements. If during the course of the Contract CONTRACTOR becomes eligible for Workers' Compensation, CONTRACTOR must comply with the Workers' Compensation insurance requirements herein and provide CITY with a certificate of insurance.
 2. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, Commercial General Liability ("CGL") and business automobile liability insurance coverages insuring CONTRACTOR against claims for bodily injury or death, or for damage to property, including loss of use, which may arise out of operations by CONTRACTOR or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable (including automobile use). The following coverages shall, at a minimum, be included in the CGL insurance: Premises and Operations Bodily Injury and Property Damage,

Personal and Advertising Injury, Blanket Contractual Liability, and Products and Ongoing and Completed Operations Liability. The required automobile liability coverage must include coverage for “any auto” which extends coverage to owned autos, non-owned autos, and hired autos. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or required by law. CITY shall have additional insured status and be listed by name on an endorsement attached to such policy(ies) for the services provided under this Contract and shall provide that CONTRACTOR’s coverage shall be primary and noncontributory in the event of a loss.

3. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, the following insurance policies, including the minimum coverages and limits of liability specified below, or as specified in the applicable insurance certificate(s), or as required by law, whichever is greater.

Worker’s Compensation	Statutory Limits
Employer’s Liability	\$500,000 bodily injury by accident \$500,000 bodily injury by disease aggregate \$500,000 bodily injury by disease per employee
Commercial General Liability	\$1,000,000 property damage and bodily injury per occurrence \$2,000,000 annual aggregate \$2,000,000 annual aggregate Products – Completed Operations
Automobile Liability	\$1,000,000 per occurrence combined single limit for Bodily Injury and Property Damage (shall include coverage for all owned, hired and non-owned vehicles
Umbrella or Excess Liability	\$1,000,000 (the above required CGL coverage may be met through combination with umbrella or excess liability coverage, and umbrella or excess liability is not required if the above required CGL limits are met)

4. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to CITY by CONTRACTOR and are attached hereto as Exhibit 2.

5. Any insurance limits in excess of the minimum limits specified herein above shall be available to CITY.
6. CONTRACTOR's insurance policies and certificate(s) shall not be cancelled without at least thirty (30) days' advance written notice to CITY, or Ten (10) days' prior written notice to CITY for nonpayment of premium.
7. CONTRACTOR's policies shall be primary insurance and noncontributory to any other valid and collectible insurance available to CITY with respect to any claim arising out of CONTRACTOR's performance under this Contract.
8. CONTRACTOR is responsible for payment of Contract related insurance premiums and deductibles. If CONTRACTOR is self-insured, a Certificate of Self-Insurance must be attached.
9. CONTRACTOR shall ensure that all subcontractors comply with the insurance provisions contained in this Contract and such insurance is maintained as specified.
10. CONTRACTOR's policies shall include legal defense fees in addition to its liability policy limits, with the exception of the professional liability insurance and technology errors and omissions insurance, if applicable.
11. All policies listed above, except professional liability insurance (or other coverage not reasonably available on an occurrence basis), shall be written on a per "occurrence" basis ("claims made" and "modified occurrence" forms are not acceptable) and shall apply on a "per project" basis.
12. CONTRACTOR shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota, or as approved by CITY.
13. Effect of Failure to Provide Insurance. If CONTRACTOR fails to provide the specified insurance, then CONTRACTOR will defend, indemnify and hold harmless CITY and CITY's officials, agents and employees from any loss, claim, liability and expense (including reasonable attorney's fees and expenses of litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to CITY (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of CONTRACTOR, its subcontractors, agents, employees or delegates.

CONTRACTOR agrees that this indemnity shall be construed and applied in favor of indemnification. CONTRACTOR also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run.

If a claim arises within the scope of the stated indemnity, CITY may require CONTRACTOR to:

- a. Furnish and pay for a surety bond, satisfactory to CITY, guaranteeing performance of the indemnity obligation; or
- b. Furnish a written acceptance of tender of defense and indemnity from CONTRACTOR's insurance company.

CONTRACTOR will take the action required by CITY within Fifteen (15) days of receiving notice from CITY.

14. Notwithstanding the foregoing, CITY reserves the right to immediately terminate this Contract if CONTRACTOR is not in compliance with the insurance requirements contained herein and retains all rights to pursue any legal remedies against CONTRACTOR.

SECTION II – CITY'S RESPONSIBILITIES

- A. CITY shall promptly compensate CONTRACTOR as services are performed to the satisfaction of the CITY's Police Chief, in accordance with Section III of this Contract.
- B. CITY shall provide access to any and all previously acquired information relevant to the scope of services detailed in Exhibit 1, attached hereto, in its custody to CONTRACTOR for its use, at CONTRACTOR's request.
- C. CITY will, to the fullest extent possible, grant access to and make all provisions for entry upon both public and private property as necessary for CONTRACTOR's performance of the services detailed in Exhibit 1, attached hereto.
- D. Mark Elliott, CITY's Police Chief, shall serve as the liaison person to act as CITY's representative with respect to services to be rendered under this Contract. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define CITY's policies with respect to the Project and CONTRACTOR's services. Such person shall be the primary contact person between CITY and CONTRACTOR with respect to the services from CONTRACTOR under this Contract. CITY reserves the right to substitute the authorized contact person at any time and shall notify CONTRACTOR thereof.

SECTION III – CONSIDERATION

- A. **Fees.** CITY will compensate CONTRACTOR as detailed in Exhibit 3, Compensation, which is attached hereto and incorporated herein by reference, for CONTRACTOR's performance of services under this Contract.
- B. If CITY fails to make any payment due CONTRACTOR for services performed to the satisfaction of the CITY's Police Chief and expenses within thirty days after the date of CONTRACTOR's invoice, CONTRACTOR may, after giving seven days written notice to CITY, and without waiving any claim or right against CITY and without incurring liability whatsoever to CITY, suspend services and withhold project deliverables due under this Contract until CONTRACTOR has been paid in full all amounts due for services, expenses and charges.

SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall be in effect commencing January 4, 2022 until December 31, 2024, or as otherwise provided in this Contract, whichever comes first.
- B. **Termination.** This Contract may be terminated by either PARTY for any reason or for convenience by either PARTY upon 60 days written notice. In the event of termination, CITY shall be obligated to CONTRACTOR for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section III of this Contract.
- C. **Default.** If CONTRACTOR fails to satisfy any of the provisions of this Contract, or so fails to perform and/or administer the services detailed in Exhibit 1, attached hereto, pursuant to the requirements of Section I of this Contract, in such a manner as to endanger the performance of the Contract or the services provided hereunder, this shall constitute default. Unless CONTRACTOR's default is excused by CITY, CITY may, upon written notice, immediately cancel this Contract or exercise any other rights or remedies available to CITY under this Contract or law. In the event of CONTRACTOR's default, CONTRACTOR shall be liable to CITY for any and all costs, disbursements, attorneys and CONTRACTOR fees reasonably incurred by CITY in enforcing this Contract.
- D. **Suspension of Work.** If any work performed by CONTRACTOR is abandoned or suspended in whole or in part by CITY, CONTRACTOR shall be paid for any services performed to the satisfaction of the CITY's Police Chief prior to CONTRACTOR's receipt of written notice from CITY of such abandonment or suspension, but in no event shall the total of CITY's payments to CONTRACTOR under this Contract be required to exceed a percentage of the total contract price (calculated by either the Contract price or the maximum price set forth in Exhibit 3, attached hereto) equivalent to the percentage of the scope of services completed by CONTRACTOR to the satisfaction of the CITY's Police Chief as determined by CITY.

SECTION V – INDEMNIFICATION

- A. CONTRACTOR shall indemnify, protect, save, and hold harmless CITY, and its respective officers, directors, employees and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney's fees, to the extent attributable to or caused by the negligent or otherwise wrongful acts or omissions, including breach of a specific contractual duty, of CONTRACTOR or CONTRACTOR's independent contractors, subcontractors, agents, employees, vendors or delegates with respect to this Contract or the Project. CONTRACTOR shall defend CITY against the foregoing, or litigation in connection with the foregoing, at CONTRACTOR's expense, with counsel reasonably acceptable to CITY, except that for professional liability claims, CONTRACTOR shall have no upfront duty to defend CITY, but shall reimburse defense costs to CITY to the same extent of CONTRACTOR's indemnity obligation herein. CITY, at its expense, shall have the right to participate in the defense of any claims or litigation and shall have the right to approve any settlement, which approval shall not be unreasonably withheld. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. CONTRACTOR agrees, that in order to protect itself and CITY under the indemnity provisions set forth above, it will at all times during the term of this Contract keep in force policies of insurances required in the Paragraph entitled, "Insurance." Nothing in this Contract shall be construed to waive any immunities or limitations to which CITY is entitled under Minn. Stat. Chapter 466 or otherwise.
- B. CITY shall indemnify protect, save, and hold harmless CONTRACTOR, and its respective officers, directors, employees and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney's fees, to the extent attributable to or caused by the negligent or otherwise wrongful acts or omissions of CITY or its agents, employees, contractors or subcontractors with respect to CITY's performance of its obligations under this Contract. CITY shall defend CONTRACTOR against the foregoing, or litigation in connection with the foregoing, at CITY's expense. CONTRACTOR, at its expense, shall have the right to participate in the defense of any Claims or litigation. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CONTRACTOR. All indemnification obligations shall survive termination, expiration or cancellation of this Contract.
- C. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against CITY or CONTRACTOR. CONTRACTOR's services under this Contract are being performed solely for CITY's benefit, and no other entity shall have any claim against CONTRACTOR because of this Contract or the performance or nonperformance of services provided hereunder.

SECTION VI – GENERAL TERMS

- A. **Voluntary and Knowing Action.** The PARTIES, by executing this Contract, state that they have carefully read this Contract and understand fully the contents hereof; that in executing this Contract they voluntarily accept all terms described in this Contract without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound hereby.
- B. **Authorized Signatories.** The PARTIES each represent and warrant to the other that (1) the persons signing this Contract are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Contract against it; each PARTY indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- C. **Notices.** All notices and other communications required or permitted under this Contract shall be in writing, and hand delivered or sent by registered or certified mail, return-receipt requested, postage prepaid, or by overnight delivery service and shall be effective upon receipt at the following addresses or as either PARTY shall have notified the other PARTY. The PARTIES' representatives for notification for all purposes are:

CITY:

Mark Elliott, Police Chief
City of Northfield
801 Washington Street South
Northfield, MN 55057
Phone: 507-663-9301
Email: mark.elliott@ci.northfield.mn.us

CONTRACTOR:

Bill Kelly, Owner
Raider Automotive, LLC
1235 Highway 3 South
Northfield, MN 55057
Phone: 507-663-1217
Email: bill@valleyautohouse.net

- D. **Dispute Resolution.** CITY and CONTRACTOR agree to negotiate all disputes between them in good faith for a period of Thirty (30) days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law.
- E. **Independent CONTRACTOR Status.** CONTRACTOR, at all times and for all purposes hereunder, shall be an independent CONTRACTOR and is not an employee of CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONTRACTOR to be an employee of CITY, and CONTRACTOR shall not be entitled to any of the rights, privileges, or benefits of employees of CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims. CONTRACTOR acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or

otherwise, will be made from the payments due CONTRACTOR, and that it is CONTRACTOR's sole obligation to comply with the applicable provisions of all Federal and State tax laws. CONTRACTOR shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein. CONTRACTOR is responsible for hiring sufficient workers to perform the services/duties required by this Contract, withholding their taxes and paying all other employment tax obligations on their behalf.

- F. **Subcontracting.** CONTRACTOR shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of CITY. CONTRACTOR shall be responsible for the performance of all subcontractors and/or sub-contractors. As required by Minn. Stat. § 471.425, CONTRACTOR must pay all subcontractors, less any retainage, within Ten (10) calendar days of CONTRACTOR's receipt of payment from CITY for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).
- G. **Assignment.** This Contract may not be assigned by either PARTY without the written consent of the other PARTY.
- H. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, and signed by authorized representative of CITY and CONTRACTOR.
- I. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONTRACTOR agrees that CITY, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of CONTRACTOR and involve transactions relating to this Contract. CONTRACTOR agrees to maintain these records for a period of six years from the date of termination of this Contract.
- J. **Force Majeure.** The PARTIES shall each be excused from performance under this Contract while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either PARTY is rendered unable wholly or in part by force majeure to carry out its obligations under this Contract then the PARTY affected by force majeure shall give written notice with explanation to the other PARTY immediately.
- K. **Compliance with Laws.** CONTRACTOR shall abide by all Federal, State and local

laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Contract or to the facilities, programs and staff for which CONTRACTOR is responsible.

- L. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Contract as if fully set forth herein.
- M. **Interest by CITY Officials.** No elected official, officer, or employee of CITY shall during his or her tenure or employment and for one year thereafter, have any interest, direct or indirect, in this Contract or the proceeds thereof.
- N. **Governing Law.** This Contract shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Contract without regard to its choice of law or conflict of laws principles.
- O. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act (Act), Minnesota Statutes, Section 13.01 *et seq.* CONTRACTOR agrees to abide by the applicable provisions of the Act, HIPAA requirements and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality. CONTRACTOR understands that all of the data created, collected, received, stored, used, maintained or disseminated by CONTRACTOR in performing those functions that the CITY would perform is subject to the requirements of the Act, and CONTRACTOR must comply with those requirements as if it were a government entity. This does not create a duty on the part of CONTRACTOR to provide the public with access to public data if the public data is available from the CITY, except as required by the terms of this Contract.
- P. **No Waiver.** Any PARTY's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Contract or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that PARTY's right to assert or rely upon the terms and conditions of this Contract. Any express waiver of a term of this Contract shall not be binding and effective unless made in writing and properly executed by the waiving PARTY.
- Q. **Data Disclosure.** Under Minn. Stat. § 270C.65, Subd. 3 and other applicable law, CONTRACTOR consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to CITY, to federal and state agencies and state personnel involved in the payment of CITY obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring CONTRACTOR to file state tax returns, pay delinquent state tax liabilities, if any, or pay other CITY liabilities.
- R. **Severability.** The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision. Any invalid or

unenforceable provision shall be deemed severed from this Contract to the extent of its invalidity or unenforceability, and this Contract shall be construed and enforced as if the Contract did not contain that particular provision to the extent of its invalidity or unenforceability.


- S. **Entire Contract.** These terms and conditions constitute the entire Contract between the PARTIES regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Contract.
- T. **Headings and Captions.** Headings and captions contained in this Contract are for convenience only and are not intended to alter any of the provisions of this Contract and shall not be used for the interpretation of the validity of the Contract or any provision hereof.
- U. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any PARTY or PARTIES, and any undischarged obligations of CITY and CONTRACTOR arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
- V. **Execution.** This Contract may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any PARTY to the counterpart shall be deemed a signature to the Contract, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing PARTY.

Remainder of page intentionally left blank.

SECTION VII –SIGNATURES

IN WITNESS WHEREOF, the PARTIES have hereunto executed this document the day and year first above written.


CONTRACTOR: RAIDER AUTOMOTIVE, LLC, d/b/a VALLEY AUTOHAUS

By:  _____
(Signature)

Date: 12/20/2021

Title: OWNER

Print Name: WILLIAM KELLY

By:  _____
(Signature)

Date: 12/20/2021

Title: OWNER

Print Name: CHRIS SACHSO

CITY OF NORTHFIELD:

By: _____
Rhonda Pownell, Its Mayor

Date: _____

By: _____
Lynette Peterson, Its City Clerk

Date: _____

EXHIBIT 1

SCOPE OF SERVICES

Subject to the terms of this Contract, CONTRACTOR shall perform the following services:

1. 24-hour motor vehicle towing, impounding and storage services on a CITY as needed and CITY directed basis. Such requests for and direction of services shall be by the City Administrator, Chief of Police, Fire Chief, Director of Public Works, and Director of Community Development of the CITY of Northfield or their authorized designees.
2. Impounded vehicles shall be towed directly to the CONTRACTOR's storage facility, unless otherwise directed by the CITY. All designated vehicles at an accident site shall be towed and removed before the CONTRACTOR leaves the scene to respond to any other service call. If an involved private owner/operator makes a timely request for a tow by other than the CITY's CONTRACTOR, such a request shall be honored by the CITY and CONTRACTOR. In either instance, the owner/operator is solely responsible for all associated charges.
3. Vehicles will not be driven at any time during the towing procedure, except as incidental to the impound process. In the event that the vehicle is without tires or has flat tires, the CONTRACTOR is to tow the vehicle without damaging the wheels or rims. CONTRACTOR will be responsible for any/all damages that may arise out of the performance of towing or storage services.
4. In addition to providing towing and storage services, CONTRACTOR shall be responsible for cleaning up all debris associated with the towed vehicle(s) at the site. This may include but is not limited to items such as vehicle parts, broken glass, metal or other debris, excluding commercial cargo, resulting from an accident. The required clean up shall be completed prior to CONTRACTOR leaving the site, as per instructions from the CITY Police Officer in charge at the site or other CITY designee. Costs associated with the cleanup are to be considered incidental to the towing services and shall be completed without any additional compensation, absent extraordinary circumstances in which case such charges must be approved by the CITY Police Chief in writing. In such cases following required written approval, the extraordinary costs may be charged to the appropriate vehicle owner.
5. The CONTRACTOR shall be responsible for maintaining proper records of all vehicles towed and stored as well as performing the necessary notification and release procedures for impounded vehicles in compliance with applicable law.
6. CONTRACTOR shall provide upon request from CITY roadside service and minor repairs, such as changing flat tires on Police squad cars and other CITY vehicles.
7. RESPONSE TIME:

- a. Upon receipt of request for towing service by CITY, CONTRACTOR shall dispatch the necessary trucks and equipment so as to arrive at the site so designated, which shall not be more than twenty (20) minutes.
- b. Should CONTRACTOR fail to appear at a designated tow point within the specified time after receiving a call for service from CITY, CITY reserves the right to call another towing service to perform the work without compensation to CONTRACTOR even if CONTRACTOR subsequently arrives late to the CITY designated site.
- c. If CONTRACTOR is called and is unable to respond due to conditions beyond his/her control, the authorized CITY official shall be immediately informed of the delay, and the right is hereby reserved to call another towing service to perform the work.
- d. Notwithstanding any provision herein, CITY reserves the right to call the closest available towing company in the event of an emergency as determined by the CITY without compensation to CONTRACTOR.
- e. At the sole discretion of CITY, response time for a designated site may be altered in the event of adverse road, traffic or weather conditions.

8. STORAGE FACILITIES:

- a. CONTRACTOR's storage and parking lot facilities must at all times meet all of the applicable State law and CITY Code, including but not limited to building code standards and municipal license and zoning requirements, including those relating to screening and landscaping of the CITY in which the facility is located. Storage and parking lot facilities that are located within the Northfield CITY limits must be in accordance with the Northfield CITY Code.
- b. The facilities to be utilized under this Contract must have the capability of storing a minimum of five (5) vehicles inside and a further capability of providing storage for a minimum of twenty (20) vehicles outside. Inside storage will be necessary only when so requested or directed by an authorized official of the CITY of Northfield. When a direction is given to store a unit inside, such directions may be accompanied by instructions for certain security measures to be employed. Vehicle security becomes the responsibility of the CONTRACTOR while the unit is in his/her keeping.
- c. CONTRACTOR will be solely responsible for loss or damage to any vehicle, including all equipment and contents, from the time direction is given by the authorized CITY representative turning the vehicle over to the CONTRACTOR or his Agent and until such time as the vehicle is legally released to the registered or actual owner or legal agent thereof.

9. FINANCIAL CONSIDERATION:

- a. Charges for services related to non-City-owned vehicles provided by the CONTRACTOR under this Contract shall be paid directly to the CONTRACTOR by the vehicle owner receiving the services or their authorized representative. CONTRACTOR understands and agrees that the CITY will not be responsible for non-payment of invoices tendered to individual vehicle owners receiving the CONTRACTOR's services under this Contract. CONTRACTOR shall look solely to its possessory lien in the vehicle and to the owner of the vehicle towed for compensation for all services rendered to a non-CITY-owned vehicle. In cases where a vehicle title vests to the CITY by Forfeiture or other legal means, the CONTRACTOR's claim shall be limited to its possessory lien in the vehicle.
- b. CONTRACTOR shall be entitled to charge for towing and storage services for CITY-owned vehicles pursuant to the fee schedule in Exhibit 3. No other charges or compensation directly from CITY to CONTRACTOR shall be made, except as provided in Exhibit 3.
- c. CONTRACTOR agrees that neither the CITY nor any Department thereof is responsible for any charges incurred as a result of towing and/or storage of a non-CITY-owned vehicle, and that the CONTRACTOR assumes all liability for any and all unpaid charges. NOTE: This Provision and these Specifications are in no way a law or regulation relating to "price, route, or service of any motor carrier ... with respect to the transportation of property" under 49 U.S.C. Sec. 14501(c)(1)(1997).

10. AVAILABILITY:

- a. While performing under this Contract and under these service specifications, CONTRACTOR shall have a designated representative present at the storage facility six (6) days a week, Monday through Friday, between the hours of 8:00 a.m. and 4:00 p.m. (excluding legal holidays); and at least one (1) hour on Saturday or Sunday, and all legal holidays, for the purpose of releasing vehicles to authorized claimants. The CONTRACTOR may charge additional fees for vehicle releases after regular business hours.
- b. CONTRACTOR shall provide towing services twenty-four (24) hours per day, every day of the year.
- c. Access to the storage facility shall be available to the City Administrator, Chief of Police, the Fire Chief, Director of Public Works, Director of Community Development, or their authorized designees, at all times and without cost.

11. LICENSING:

- a. CONTRACTOR shall obtain and maintain in effect throughout this Contract, all licenses and certificates as required by the State of Minnesota, Rice County, and the CITY for the operation of the services required to be performed by the CONTRACTOR under this Contract.
- b. CONTRACTOR while performing services pursuant to this Contract shall operate and maintain its parking and storage facility in compliance with the terms of this Contract and all State and CITY applicable laws, ordinances, rules and regulations that are presently in effect or which may hereafter be adopted.
- c. All of the towing, impounding and storage of motor vehicles under this Contract shall be in accordance with the Northfield CITY Code.

12. INSPECTION:

- a. CITY shall have the right to inspect CONTRACTOR's equipment and storage facility and pertinent records without notice, during normal business hours. Inspections performed by CITY representatives or by other agents or employees of CITY are for the purpose of ensuring the technical competence of the work performed and adherence to the Contract and applicable law and City Code.

13. PERSONNEL: CONTRACTOR shall provide sufficient personnel for the safe and efficient towing/removal of motor vehicles and all services hereunder. CONTRACTOR shall only employ personnel trained in the operation of the equipment necessary to perform the services and the safe and proper methods of towing motor vehicles.

EXHIBIT 2

CERTIFICATES OF REQUIRED INSURANCE COVERAGES

[Certificates of Insurance attached hereto]



CERTIFICATE OF GARAGE INSURANCE

DATE (MM/DD/YYYY)
12/2/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ERIC T KITTLESON (26024) 13969 W PRESERVE BLVD BURNSVILLE, MN 55337-0000	CONTACT NAME: ERIC T KITTLESON
	PHONE (A/C, No, Ext): 651-365-3401 FAX (A/C, No): 952-707-1998
	E-MAIL ADDRESS: ERIC.KITTLESON@COUNTRYFINANCIAL.COM
	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: COUNTRY Mutual Insurance Company 20990
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

INSURED 5600939
JHADEN LLC DBA VALLEY AUTOHAUS
1235 HIGHWAY 3 S
NORTHFIELD, MN 55057

COVERAGES **PROD / CUSTOMER ID:**

CERTIFICATE #:

REVISION #:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GARAGE LIABILITY <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> USED IN GARAGE BUSINESS			AB9282488	9/1/2021	9/1/2022	AUTO ONLY (Ea accident) \$ 1,000,000 OTHER THAN AUTO ONLY EA ACCIDENT \$ 1,000,000 AGGREGATE \$ 3,000,000
A	GARAGE KEEPERS LIABILITY <input type="checkbox"/> LEGAL LIABILITY <input checked="" type="checkbox"/> DIRECT BASIS <input checked="" type="checkbox"/> PRIMARY <input type="checkbox"/> EXCESS			AB9282488	9/1/2021	9/1/2022	<input checked="" type="checkbox"/> COMP / OTC LOC 1 \$ 200,000 <input checked="" type="checkbox"/> SPECIFIED PERILS LOC \$ <input checked="" type="checkbox"/> COLLUSION LOC 1 \$ 200,000 LOC \$
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			AB9282488	9/1/2021	9/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			AU9288607	9/1/2021	9/1/2022	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$ 3,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under REMARKS below		N/A				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

REMARKS (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

REMARKS:

POLICY INCLUDES "ON HOOK" COVERAGE OF \$100,000

CERTIFICATE HOLDER

ALLSTATE ROADSIDE SERVICES
AUTO NETWORK SERVICES
PO BOX 4433
CAROL STREAM, IL 60197

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 2010 ACORD CORPORATION. All rights reserved.

EXHIBIT 3

COMPENSATION

CITY will make periodic payment to CONTRACTOR upon billing at intervals not more often than monthly at the rates specified in the schedule of fees included herein, provided that no bill/invoice submitted to CITY shall exceed a percentage of the Contract price equivalent to the percentage of the scope of services completed by CONTRACTOR to the satisfaction of the Police Chief as determined by CITY.

The following schedule of fees is for CITY snow emergencies and CITY vehicle tows only. All other tows will be charged at the CONTRACTOR's normal private rates and paid by the vehicle owner or another authorized representative of the vehicle owner. Any vehicle towed that is not being towed by the CITY is the responsibility of the owner, or the insurance company involved when coverage applies. The following fee schedule is for all CITY vehicle tows and "snow emergency" vehicles only. All other vehicles will be charged at the CONTRACTOR's then current fee/rate schedule.

Passenger Vehicles up to ½ ton chassis	\$200
¾ ton chassis to 1.5 ton chassis	\$250
Greater than 1.5 ton chassis	\$250
Motorcycles/scooters/snowmobiles	\$150
Use of dolly	no charge
Use of winch	\$100/Hour, billed in ¼ hour increments
Daily Storage	\$50/day
Snow Emergency Tow	\$100
Snow removal/storage	\$50/day (Weekends/Holidays/first 24 hours no charge)
Weekend/After Hours Release Fee	\$50
Forfeiture Storage	\$100 First 30 days, then \$3/day
Police Squad Vehicle Tow	\$100
Police Squad Vehicle Tire Change	\$75

CONTRACTOR will retain all records on Forfeiture vehicles for CITY until CITY takes possession. All other impounds not in Forfeiture status, or Police Hold due to investigation, will be handled and disposed of at CONTRACTOR's discretion in accordance with applicable State Law. If the CITY puts a vehicle in Forfeiture status at a later date, then storage time starts from the original tow date.

CONTRACTOR will not charge mileage or any other fees for CITY police squad vehicles that require a tow other than as specified above. The flat rate of \$100 is the total charge regardless of circumstance. CONTRACTOR is charging at this significantly reduced rate as a courtesy to CITY. If a tow is not required, but a winch out of a CITY vehicle is necessary, there will be no charge. The only time a CITY squad car or other CITY vehicle will be charged is if a tow is needed.