County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

April 4, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

**CONTRACT WITH ALLSTATE INSURANCE COMPANY
FOR USE OF A 2004 CADILLAC ESCALADE
(FIRST DISTRICT) (THREE VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor, County of Los Angeles, to sign an agreement with Allstate Insurance Company for the use of a 2004 Cadillac Escalade, at no cost to the County, effective upon your approval and terminating agreement in 18 months, or when mutually agreed upon.

2. Approve the County to indemnify and defend the agency from all liability arising out of the County's use of the vehicle, other than liability resulting from defects or malfunctions related to acts or omissions of the manufacturer. The County will provide repairs and maintenance service for the vehicle.

3. Instruct the Executive Officer-Clerk of the Board to send a letter of appreciation to Kristin Kieft, Special Investigations Unit Manager, Allstate Insurance Company, Post Office Box 6520, Diamond Bar, California 91765, for the generous loan and use of this vehicle.

PURPOSE OF RECOMMENDED ACTION/JUSTIFICATION

The Allstate Insurance Company wishes to donate the use of a 2004 Cadillac Escalade, Vehicle Identification Number 1GYEK63N74R276844, for exclusive use by personnel assigned to the Taskforce for Regional Autotheft Prevention (TRAP).

Implementation of Strategic Plan Goals

Acceptance of this donation supports the County's Strategic Plan Goals 1 and 2, Service Excellence and Work Force Excellence. The donated vehicle will enhance both the quality and productivity of services provided by TRAP.

FISCAL IMPACT/FINANCING

The County of Los Angeles will hold the title as registered owner only. The Allstate Insurance Company will hold legal title. All liability insurance will be provided and paid for by the Los Angeles County Sheriff's Department (Department). These costs will be absorbed within the existing budget allocation. Maintenance and repairs will be provided by the Department.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The vehicle will be on loan to the Department for a period of 18 months. However, the vehicle will be returned to Allstate Insurance Company when, if in the opinion of the Department, the vehicle is no longer suitable for County service or when the County and Allstate Insurance Company have mutually agreed upon the termination of this bailment contract and five (5) days advance, written notice for the return of the vehicle is given.

CONTRACTING PROCESS

See the attached bailment contract for detailed information.

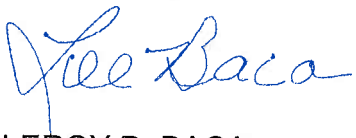
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on current County services.

CONCLUSION

Upon the Board's approval, please return an adopted stamped copy of the letter and the agreement to the Department's Communications and Fleet Management Bureau, Deputy Steve Woolum.

Sincerely,



LEROY D. BACA
SHERIFF

BAILMENT CONTRACT

This Contract of Bailment ("Agreement") is made and entered into this _____ day of 2006, by and between the County of Los Angeles, hereinafter referred to as "COUNTY" and "Allstate Insurance Company" hereinafter called "Allstate Insurance Company."

1. **Bailment of Property:** Allstate Insurance Company hereby bails a 2004 Cadillac Escalade, Vehicle Identification Number 1GYEK63N74R276844 which is hereby referred to as the "Vehicle."

2. **Term of Bailment:** This Bailment shall commence on the day first written above, and shall terminate in eighteen months or when mutually agreed upon by giving the COUNTY five (5) days advance written notice for the return of the Vehicle and the Vehicle has been redelivered to Allstate Insurance Company within five (5) days of such notice.

3. **Safekeeping and Maintenance:** COUNTY shall exercise due care for the safekeeping of the Vehicle. COUNTY will provide all necessary maintenance and repairs at no cost to the Allstate Insurance Company. COUNTY has the right to inspect said Vehicle prior to acceptance. Allstate Insurance Company shall assume responsibility for ensuring that the Vehicle has been inspected or otherwise tested in accordance with the laws of the State of California and the United States. COUNTY shall inspect the Vehicle upon delivery and by acceptance thereof finds the Vehicle is in good working order and condition. COUNTY shall maintain the Vehicle in good working order and condition, ensure proper servicing and shall comply in every respect with any manufacturer's/owner's manual that comes with the Vehicle. COUNTY shall pay for normal service required for the proper operation of the Vehicle. COUNTY shall pay for all washing, parking, garage, highway/road service tolls, and fines incurred in connection with the use of the Vehicle.

4. COUNTY agrees to indemnify and defend Allstate Insurance Company from any and all liability, losses, or damages Allstate Insurance Company may suffer and from any claims, demands, costs, or judgments against Allstate Insurance Company arising out of COUNTY's use or operation of Allstate Insurance Company's Vehicle. This indemnification does not extend to any liability resulting from inherent defects or malfunctions in such Vehicle related to the manufacturer's acts or omissions.

5. **Titles:** Title to the property is, and shall at all times remain, in the name of Allstate Insurance Company. The property shall not be transferred or delivered to any persons other than Allstate Insurance Company without Allstate Insurance Company's prior written consent. Neither shall this Agreement nor the Bailment created hereby be assigned by COUNTY, either by act or by operation of law.

6. **Cost:** Except as otherwise set forth in this Agreement, COUNTY's use of this Vehicle shall be at no cost.

7. **Inspection by County:** COUNTY agrees to allow Allstate Insurance Company to inspect the Vehicle or otherwise observe it such times and locations as mutually agreed upon. COUNTY shall provide Allstate Insurance Company with such mileage, safety, operating, and other information, or copies of any such records maintained by COUNTY with respect to the Vehicle as Allstate Insurance Company or any government agency may require from time to time.

8. **Use of Vehicle:** COUNTY may use the Vehicle for any lawful purpose, including use in connection with investigations and law enforcement activities in all areas under the COUNTY's jurisdiction. COUNTY shall not use or operate the Vehicle in violation of any federal, state, local or provincial law, rule, regulation, or ordinance including those pertaining to the age and licensing of drivers. Under no circumstances shall COUNTY disconnect the odometers or other mileage recording devices. Nor shall the Vehicle be used or operated as follows:

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

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

9. **Risk of Loss:** COUNTY shall assume all risks of loss to the Vehicle:

a) From the time it is delivered by Allstate Insurance Company to the COUNTY and upon inspection and acceptance by COUNTY.

b) Until the Vehicle is returned to Allstate Insurance Company at its place of business.

Upon inspection/acceptance, COUNTY shall be responsible for any and all damages to the equipment except those damages caused by negligence or defects in the original factory design, manufacture, or assembly of said Vehicle. In the event of damages to the Vehicle, COUNTY shall notify Allstate Insurance Company to that effect and follow such instructions that Allstate Insurance Company may provide with respect to repair or disposal of the Vehicle. If the Vehicle is lost, stolen, destroyed, or declared to be a total constructive loss (subject to Allstate Insurance Company's agreement as to such condition), COUNTY shall properly notify the Allstate Insurance Company thereof and hold any wreckage for disposal by Allstate Insurance Company. With respect to any loss, theft or damage to the Vehicle, COUNTY and Allstate Insurance Company shall negotiate the value for a comparably equipped Vehicle in a condition similar to the lost, stolen, or destroyed Vehicle, immediately prior to any such loss.

10. **Assignment:** COUNTY is expressly prohibited from assigning this Agreement or delegating performance of any of its obligations hereunder without prior written consent of Allstate Insurance Company.

11. **Publicity:** Neither party shall identify the other party as a joint venturer or partner or otherwise characterize the arrangement between them as anything other than a Bailment.

12. **Force Majeure or no Consequential Damages:** Allstate Insurance Company shall not be liable for any failure in performing any provision hereof due to fire or other casualty, labor difficulty, government restriction, or any cause beyond Allstate Insurance Company's control. IN NO EVENT SHALL ALLSTATE INSURANCE COMPANY BE LIABLE FOR ANY LOSS OR PROFITS, OTHER CONSEQUENTIAL DAMAGES OR INCONVENIENCE DUE TO ANY THEFT, DAMAGE LOSS, DELAY OR FAILURE OF DELIVERY, OR DEFECT OR FAILURE OF THE VEHICLE, OR THE TIME CONSUMED IN RECOVERING, REPAIRING, SERVICING, OR REPLACING THE SAME.

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

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its authorized officer, effective as of the date approved by such Board.

COUNTY OF LOS ANGELES

By_____
Mayor, Board of Supervisors

Attest: Joanne Sturges
Acting Executive Officer-Clerk
of the Board of Supervisors

By_____
Deputy

Allstate Insurance Company

By_____
Kristin Kieft
Special Investigations Unit Manager

APPROVED AS TO FORM BY
COUNTY COUNSEL:

RAYMOND G. FORTNER, JR.

By_____
Deputy County Counsel