



REPORT TO CITY COUNCIL

Approved by:

Gino Chiaramonte

Dino Lawson, Chief of Police

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: March 18, 2020

Agenda Number: B-4

SUBJECT:

Consideration of a Minute Order of the Madera City Council Authorizing the Lease of National Insurance Crime Bureau Vehicles to the Madera Police Department and Authorizing the Chief of Police to Execute All Documents Necessary to Adopt and Maintain the Lease Program.

RECOMMENDATION:

Staff recommends the City Council (Council) adopt a Minute Order authorizing the Chief of Police to execute all documents necessary to accept and maintain vehicles from the National Insurance Crime Bureau (NICB) vehicle lease program.

SUMMARY:

The NICB periodically leases used vehicles to law enforcement agencies, including the Madera Police Department, to be used in the efforts of investigating insurance-related crime and/or fraud. This program results in a cost savings to the City as management does not have to seek funding from City funds to acquire vehicles for this purpose.

DISCUSSION:

The NICB has a program designed to assist law enforcement agencies by providing them with recovered stolen vehicles. The program leases recovered stolen vehicles to agencies for a period of one year with the option to extend the agreement upon request. The vehicles used in this program were previously stolen and the owners/lending institutions have received compensation from their insurance agency. The insurance agency takes possession of the recovered vehicle and the vehicle is thoroughly inspected, repaired if needed, and certified as sound. The vehicle is then turned over to the NICB who is the nation's leading not-for-profit organization dedicated exclusively to preventing, detecting, and defeating insurance-related crime and fraud. The NICB then offers vehicles for use to law enforcement agencies as long as the agency dedicates some time to the prevention, investigation, and apprehension of insurance-

related crimes or fraud. The Madera Police Department has benefited from this program since 2008. NICB vehicles are used by our Special Investigation Unit.

The NICB currently has a 2008 GMC Acadia that they would like to lease to the Madera Police Department to be used in the efforts of investigating insurance-related crime and/or fraud. In the past the Police Department has sought Council approval prior to signing the Vehicle Use Agreements for each vehicle. Staff requests that Council authorize the Chief of Police to sign Vehicle Use Agreements from the NICB Lease Program to maintain the program in the future. Historically, these vehicles have been leased to the Police Department longer than the initial one-year period and are usually returned at the vehicle's end-of-life. While the City is in possession of the vehicle, it must maintain and insure the vehicle. The City has adequate resources to meet these obligations.

FINANCIAL IMPACT:

Accepting the use of these vehicles through the Lease Program results in an approximate savings of \$25,000 per vehicle to the City.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The requested action is consistent with the following Vision Strategy:
Strategy 115 – Economic resources provision: ensure sufficient economic resources to provide adequate City services and prepare for future growth.

ALTERNATIVES:

Potential Council options include:

1. Adopt the request as outlined above
2. Council may direct staff to bring each Vehicle Use Agreement to Council for adoption.
3. Council may direct staff to review alternative vehicle options to include purchasing utilizing existing budget.

ATTACHMENTS:

1. Vehicle Use Agreement

Attachment 1

Vehicle Use Agreement



VEHICLE USE AGREEMENT

The National Insurance Crime Bureau ("NICB") does hereby lease to the City of Madera (the "Agency") the vehicle described as:

YEAR: 2008
MAKE: GMC
MODEL: ACADIA SLE
VIN: 1GKER13748J170558

This vehicle will be used by the Agency for the purpose of investigation of insurance-related crime and/or fraud.

This Agreement is subject to the following conditions:

1. The Agency leases from the NICB, the above-described vehicle for use in pursuit of its lawful purposes. The Agency shall accept said vehicle "as is" and shall re-title the vehicle in the name of the Agency prior to any use. The NICB shall retain remainder interest in said vehicle and that remainder interest shall take full force and effect on the 1,095th day after the effective date of this Agreement, or longer if the term is extended in writing. For the duration of the agreement, the Agency shall perform all routine and necessary maintenance and repairs on the vehicle.
2. In the event the vehicle is not re-titled in the name of the Agency within 90 days from the date last written below, the Agency shall immediately return said vehicle to the NICB.
3. The Agency warrants that it will not sell, convey, or in any way dispose of said vehicles in a manner which may impair the NICB's remainder interest. However, in the event that the above-described vehicle is stolen or in any way damaged while in the custody of the Agency, its agents or assigns, the Agency shall be liable for any repair or replacement costs.
4. The Agency does hereby release the NICB from all claims for property damage or bodily injury arising from the operation or maintenance of the vehicle described herein by an employee, agent or assign of the Agency during the term of this Agreement.
5. The Agency agrees and warrants that it shall provide insurance coverage (self-insured agency acceptable) for the above-described vehicle in the normal course of its business.
6. The Agency agrees to provide monthly reports to the NICB employee signing this Agreement setting forth statistical accomplishments attributed to the vehicle. These reports must include:
 - a. The number of times the vehicle was deployed,
 - b. The number of arrests, and the crimes charged, made due to the use of the vehicle,
 - c. The number of convictions obtained due to the use of the vehicle,
 - d. The current mileage and condition of the vehicle, and
 - e. The number of vehicle recoveries.

Failure to provide these reports is a material breach of this Agreement and upon written notice to Agency; the NICB may terminate this Agreement and require the return of the vehicle.

7. The effective date of this Agreement shall be the date the vehicle is delivered into the custody of the Agency.

