

# SECURITY AGREEMENT

*between*

El Dorado County Emergency Services Authority

*and*

The County of El Dorado

This Security Agreement is entered into on \_\_\_\_\_, between the El Dorado County Emergency Services Authority (hereinafter referred to as "JPA"), whose principal place of business is 480 Locust Road, Diamond Springs, CA 95619, and the County of El Dorado (hereinafter referred to as "County") a political subdivision of the State of California.

**WHEREAS**, the JPA is under contract to provide advanced life support services to County (A copy of the **Contract #2298 for Prehospital Advanced Life Support and Dispatch Services between El Dorado County and El Dorado County Emergency Services Authority** is attached hereto as Exhibit A, and referred to hereinafter as "EMS Agreement"); and

**WHEREAS**, the EMS Agreement includes takeover rights for County to assume operations should there be a major breach of contract, which would include use of JPA owned vehicles and equipment with which to provide advanced life support services;

**NOW, THEREFORE**, The JPA agrees as follows:

the JPA grants to County a security interest in the following described property, referred to in this Agreement as the Collateral:

*(A description of all vehicles and equipment to be used as Collateral is to appear here)*

The JPA warrants the Collateral is to be used in the provision of ambulance services under the EMS Agreement dated July 1, 2018. The JPA's chief place of business is 480 Locust Road, Diamond Springs, CA 95619. Records regarding the Collateral and its assigned location will be kept at this address.

## Title

1. Except for the security interest granted to the vendor, and to COUNTY, which is the subject of this Agreement, by this Agreement, the JPA has, or on acquisition will have, full title to the Collateral free from lien, security interest, encumbrance, or claim, and the JPA, at the JPA's cost

and expense, will defend any action that may affect the County's security interest in, or the JPA's title to, the Collateral.

#### **Financing Statement**

2. The parties will execute any Financing Statements that may be required by the Uniform Commercial Code as enacted in California to perfect the security interest in the Collateral retained by the County under this Agreement. The Financing Statements will be on forms approved by the California Secretary of State, will be executed with this Agreement, and will be filed as required by the Uniform Commercial Code as enacted in California.

#### **Sale, Lease, or Disposition of Collateral**

3. The JPA will not sell, contract to sell, lease, encumber, or dispose of the Collateral or any interest in it without the written consent of the County until this Security Agreement is satisfied in accordance with the terms and conditions of the EMS Agreement.

#### **Insurance**

4. Until final termination of this Security Agreement, the JPA, at the JPA's own cost and expense, will insure the Collateral with companies acceptable to the County against the casualties and in the amounts that the County will reasonably require, with a loss payable clause in favor of the JPA and County as their interests may appear. County is authorized to collect sums that may become due under any of the insurance policies and apply them to the obligations secured by this Security Agreement. The JPA must deliver a duplicate copy of each such policy to County.

#### **Protection of Collateral**

5. The JPA will keep the Collateral in good order and repair and will not waste or destroy the Collateral or any part of it. The JPA will not use the Collateral in violation of any statute or ordinance, and County will have the right to examine and inspect the Collateral at any reasonable time.

#### **Taxes and Assessments**

6. The JPA will pay promptly when due all taxes and assessments on the Collateral, or any part of the Collateral, or for its use and operation.

#### **Location and Identification**

7. The JPA will keep the Collateral identifiable, and easily located for as long as this Security Agreement remains in effect.

### **Security Interest in Proceeds and Accessions**

8. The JPA grants to County a security interest in and to all proceeds, increases, substitutions, replacements, additions, and accessions to the Collateral and to any part of the Collateral. This provision shall not be construed to mean that the JPA is authorized to sell, lease, or dispose of the Collateral without the prior written consent of County.

### **Reimbursement of Expenses**

9. At the option of County, County may discharge taxes, liens, interest, or perform or cause to be performed for and on behalf of the JPA any actions and conditions, obligations, or covenants that the JPA has failed or refused to perform. In addition, County may pay for the repair, maintenance, and preservation of the Collateral. County also may enter the premises where the Collateral or any part of it is located and cause to be performed as agent and on the account of the JPA any acts that County deems necessary for the proper repair or maintenance of the Collateral or any part of it. All sums expended by County under this paragraph, including but not limited to, attorneys' fees, court costs, agent's fees, or commissions, or any other costs or expenses, will bear interest from the date of payment at the annual rate equal to the current Federal Funds Rate as set by the Federal Open Market Committee, will be payable at the place designated in the JPA's note, and will be secured by this Security Agreement.

### **Change of Place of Business**

10. The JPA will promptly notify County of any change of the JPA's chief place of business, or place where records concerning the Collateral are kept.

### **Attorney-in-Fact**

11. The JPA appoints County as the JPA's attorney-in-fact to do any act that the JPA is obligated by this Security Agreement to do, to exercise all rights of the JPA in the Collateral, to make collections, to execute all papers and instruments, and to do all other things necessary to preserve and protect the County's security interest in the Collateral.

### **Time of Performance and Waiver**

12. The failure of County to exercise any right or remedy will not constitute a waiver of any obligation of the JPA or right of County and will not constitute a waiver of any other similar default that occurs later.

### **Default**

13. The JPA will be in default under this Security Agreement on the occurrence of any of the following events or conditions:

- (a) Default in the EMS Agreement;

(b) Loss, theft, substantial damage, or destruction of the uninsured Collateral, sale, or additional encumbrance to or of any of the Collateral without compliance with Article 1, B (3) of the JPA Agreement as amended, or the making of any levy, seizure, or attachment of or on the Collateral; or

(c) Death, dissolution, termination of existence, insolvency, business failure, appointment of the JPA, assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency law by or against the JPA.

#### **Remedies**

14. On the occurrence of any event of default, County may exercise its takeover rights in accordance with the terms and conditions of the EMS Agreement.

In the event of a takeover, County may require the JPA to assemble the Collateral and make it available to County at any place to be designated by County that is reasonably convenient to both parties, or County may proceed in accordance with the terms and conditions of the EMS Agreement.

#### **Governing Law**

15. This Security Agreement will be construed in accordance with the laws of the State of California. All obligations of the parties created under this Security Agreement are performable in El Dorado County, California.

#### **Parties Bound**

16. This Security Agreement will be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns as permitted by this Security Agreement.

#### **Attorneys' Fees**

17. If any litigation is begun between the parties to this Security Agreement concerning the Collateral, this Security Agreement, or the rights and duties of either party, the prevailing party will be entitled to a reasonable sum as reimbursement for that party's attorneys' fees and legal expenses.

#### **Validity and Construction**

18. If any one or more of the provisions contained in this Security Agreement is for any reason held to be invalid, illegal, or unenforceable, the invalidity, illegality, or unenforceability of that provision will not effect any other provision of this Security Agreement, and this Security Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.

IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Michael Ranalli, Chair  
Board of Supervisors  
"County"

ATTEST:  
James S. Mitrison  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

Dated: \_\_\_\_\_

-- CONTRACTOR --

El Dorado County Emergency Services Authority

By: Michael Hardy  
Michael Hardy  
Chairperson, JPA Board of Directors  
"JPA"

Dated: May 23, 2018

ATTEST:

By: Sherrie Kelley  
Board Secretary

Dated: 5.23.18