

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Police

AGENDA DATE: April 4, 2017

CONTACT PERSON/PHONE: Assistant Chief Michelle Gardner, 212-4301

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 2: Set the Standard for a Safe and Secure City

SUBJECT:

Discussion and action on the Tow Fee Study recommendation pursuant to Municipal Code Title 12, Chapter 12.54, Section 12.54.050.

BACKGROUND / DISCUSSION:

Pursuant to El Paso Municipal Code Title 12, Chapter 12.54, Section 12.54.050, a towing company may request that a study of the police-ordered and non-consent tow fees established in Chapter 12.54 be conducted by the Chief of Police or designee, and that the Chief of Police or designee report a recommendation to City Council regarding appropriate fees. Such a request was received on February 3, 2017.

SELECTION SUMMARY: N/A

PROTEST

- ☐ Protest Received
- ☐ No Protest Received

COUNCIL REPRESENTATIVE BRIEFING:

Was a briefing provided? Yes
If yes, select the applicable districts.

- ☐ District 1
- ☐ District 2
- ☐ District 3
- ☐ District 4
- ☐ District 5
- ☐ District 6
- ☐ District 7
- ☐ District 8
- ☒ All Districts

PRIOR COUNCIL ACTION:

City Council approved the current tow fees for police-ordered and non-consent tows on March 4, 2014.

AMOUNT AND SOURCE OF FUNDING: N/A

BOARD / COMMISSION ACTION: N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

A/C P. Maloney For Chief Allen



April 4, 2017

Tow Fee Study

Lt Tonya Shields
El Paso Police Department

City Council Strategic Goals

- Goal 1: Create an Environment Conducive to Strong, Sustainable Economic Development
- Goal 2 : Set the Standard for a Safe and Secure City

"Delivering Outstanding Services"



Purpose

Municipal Ordinance 12.54

Upon written request from a Towing Company the Police Department must:

1. gather data regarding towing costs
2. survey Texas cities regarding tow fees
3. make a recommendation to City Council within 30-60 days from receipt of the request





Request for Tow Fee Study

02/03: Mr. Robert Baird (Best Wrecker and Towing)

02/10: Mr. Raul Fernandez (Dependable Towing)

02/23: Mr. Leo Manriquez (Kamel Towing)

Increase maximum fee (light tow)

Compensation for

- Direct operating costs/ overhead

- Canceled calls for service

- Incidents requiring 2 tow trucks

- Issues arising from police related tows



Types of Tows

Consent Tow - Any tow of a motor vehicle in which the tow truck is summoned by the owner or operator of the vehicle, or by a person who has possession, custody, or control of the vehicle.

Private Property tow - Any tow of a vehicle authorized by the owner of a parking facility (for example, an apartment building parking lot, restaurant, paid parking lot) without the consent of the owner or operator of the vehicle.

Incident Management tow - Any tow of a vehicle in which the tow truck is summoned because of a traffic accident or to an incident, or any tow initiated by law enforcement.



Municipal Code Chapter 12.54

Chapter 12.54: Towing Regulations and Fees

1. Sets regulations for incident management (IM) tows
 - police-ordered and non-consent tows
2. Caps IM tow fees - based on weight class of vehicle
 - light, medium, heavy
3. Sets impoundment fees
 - Police ordered tows
 - Released from MVSF
4. Establishes a process and delegates responsibility associated with a tow fee study



History on El Paso Towing Fees

Prior to 2014

1 company
fee capped at \$70

January 2014

Sun City Towing closed
Average quotes from tow companies

February 2014

Ordinance amended to cap fee at \$81



Statutes/Ordinances

Occupations Code

Tx Dept of Licensing and Regulation (TDLR) authority

Title 14. Regulation of motor vehicles and transportation

Subtitle A. Regulations related to motor vehicles

Chapter 2308. Vehicle towing and booting

Transportation Code

Police authority to remove vehicles

Sec 545. Removal of unlawfully stopped vehicles

Towing Administrative Rules

Overseen by TDLR

Chapter 8 (Effective March 15, 2016)

Permits/ Licensing Regulations

Tow Fees

"Delivering Outstanding Services"



Texas Department of Licensing and Regulation

Required conduct a towing fee study every 2 years

Set the maximum towing fees for consent and private property tows

- A study was done by Morningside Research and Consulting Inc. for TDLR in 2012. A maximum was derived from this study.
- TDLR continues to determine the maximum fee through the CPI (Consumer Price Index)



COMPARISON OF EL PASO AND TDLR CAPS

	Light	Medium	Heavy
Non-consent tows City of EL Paso	\$81.00	\$350.00	\$450.00
Private property tows State of Texas	\$255.00	\$357.00	\$459.00/unit or a maximum of \$918.00



BEST, DEPENDABLE, AND KAMEL BREAKDOWN IN COST

	1 st tow truck	2 nd tow truck
Current rate	\$81.00	\$22.50
Driver pay (30%)	-\$24.00	-\$24.00
Driver taxes	-\$1.85	-\$1.85
Fuel Estimate	-\$10.36	-\$10.36
Oil absorbent	-\$6.99	
Clean equipment	-\$15.00	
Balance	\$22.50	-\$14.01



Challenges to Conduct a Tow Fee Study



- Time
- Expertise
- Cost of contracting out



Research

1. Spoke to lead towing compliance officer from TDLR.
2. Contacted other Texas cities/ tow companies.
3. Reviewed the Morningside study.
4. Reached out to other City Departments.
5. Sent a questionnaire to the towing companies
6. Table top discussion with contracted companies



Difference in IM vs Consent Tows

Higher amount of coverage

- Liability of 500,000 and 50,000 cargo (IM)

- Liability of 300,000 and 50,000 cargo (private)

Continuing education

- Initially 8 hours

- Yearly 4 hours more



Texas Cities

City	Light tow fee	When	Who \$	Fee	Time frame	How often
Dallas	\$121	As requested	Tow co.	\$5000 +admin	120 days	None
Ft Worth	\$135	City	City	Admin fees/ truck	None	As needed
Houston	\$151	As requested	Tow co.	City estimate d	None	As needed or yearly w/CPI
San Antonio	\$177	3+ tow co. Request	Tow co.	\$5000	120 days	48 months
Austin	\$150			\$1000	120 days	2 yrs



Local Cities

City	Light tow fee
San Angelo	\$110
Odessa	\$135
Laredo	\$110
Del Rio	\$30-35 (depends on time of day)
Phoenix	\$18-29 (depends on zones)
Las Cruces	\$100
Albuquerque	none



2012 Morningside Study

Challenges of IM towing:

safety, regulations, LE personnel, receiving payment, staffing 24/7

Does not accurately reflect the El Paso Region

Surveyed 1,929 tow companies, 729 responded,
only 5 were from Zone 2, 3 from an urban area in Zone 2

Findings for Zone 2:

Average costs of IM towing: \$75/tow
only 1 city from Zone 2

Ave regulated fee: \$60

included 2 cities from Zone 2- El Paso and Ft Stockton



QUESTIONNAIRE RESULTS

COMPANY	NON POLICE TOWS 2016	AMOUNT CHARGED	2 tow trucks	DIFFICULT TOWS- POLICE	\$	POLICE TOWS 2016
BESTWRECKER	7140	\$60 - \$180	Did not keep stat	Did not keep stat	\$140	1346 (15%)
DEPENDABLE	3500	\$50 - \$180	Did not keep stat	Did not keep stat	\$140	1285 (26%)
EXTREME TOWING	1653	\$75 - \$250	77 \$150-\$250	83	\$175	1408 (45%)
KAMEL TOWING	1406	\$65 - \$250	42 \$130-\$175	76	\$150	1374 (49%)
AD WRECKER	Did not answer	\$50 - \$75	75 \$50-\$75	6	\$85	1302
SOHLE TOWING	4800	\$75-\$250	80 \$225-350	50	\$125	1311 (27%)



Fees Paid to Towing Agencies 2016

	AD Wrecker	Best Wrecker	Dependable Towing	Extreme Towing	Kamel Towing	Sohle Express Towing
January	9,820.00	9,963.00	9,639.00	9,900.00	9,315.00	9,720.00
February	8,300.00	8,910.00	8,748.00	9,075.00	8,910.00	8,181.00
March	9,820.00	9,639.00	9,017.00	9,675.00	10,692.00	10,287.00
April	9,200.00	9,558.00	9,477.00	9,450.00	9,072.00	8,855.00
May	11,920.00	8,667.00	9,234.00	9,075.00	10,125.00	8,910.00
June	10,380.00	9,853.00	9,153.00	9,150.00	9,396.00	8,748.00
July	9,680.00	9,072.00	8,881.00	8,850.00	9,153.00	8,910.00
August	9,260.00	9,963.00	7,290.00	10,425.00	9,584.00	9,072.00
September	9,280.00	9,908.00	9,234.00	8,025.00	9,396.00	10,530.00
October	10,240.00	9,477.00	8,343.00	9,450.00	10,125.00	8,829.00
November	8,720.00	8,343.00	8,855.00	8,700.00	8,262.00	7,614.00
December	8,939.00	9,963.00	8,424.00	8,475.00	9,720.00	8,910.00
Totals	115,559.00	113,316.00	106,295.00	110,250.00	113,750.00	108,566.00



RECOMMENDATIONS

The El Paso Police Department recommends increasing the current light duty tow fee for non-consent tows.

El Paso CPI has increased by 5.5% since 2014.

Recommended fee: \$85.46



Discussion / Questions