

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	37720	Agenda Number	57.
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Meeting Date:	11/20/2014	Department:	Austin Police Department
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## Subject

Approve an ordinance amending Ordinance No. 20140908-003 relating to non-consent towing fees for vehicles weighing 10,000 pounds or less.

## Amount and Source of Funding

These fees are charged and collected by the towing operators doing business in the City of Austin and do not require any City funding.

## Fiscal Note

Purchasing Language:

Prior Council Action:

The City Council last amended the non-consent tow fees in June 2006.

For More Information:

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Boards and  
Commission Action:

MBE / WBE:

Related Items:

## Additional Backup Information

Based on the information submitted by the Austin Towing Association and the results of the APD fee study, staff recommends an increase to the non-consent tow fee for vehicles weighing 10,000 pounds or less from the current \$150.00 to \$185.00. The City Council established the current non-consent tow fee maximum for vehicles weighing 10,000 pounds or less in June 2006. The rate increased from \$95.00 set in 2001 to the current \$150.00.

Austin City Code 13-6-141 TOWING FEE STUDY states:

(A) In this section, a "towing fee study" is a study to determine the fair market value of a non-consent tow originating in the City, considering financial information provided to the City by the towing company requesting the study.

(I) Based on results of the towing fee study, the city council may change the non-consent towing fees. The maximum fees must represent the fair market value of the services of a towing company performing non-consent tows originating in the City.

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. CPI-U (Consumer Price Index for All Urban Consumers) for all items has increased 18.05% since January 2006. The January 2006 CPI-U was 199.0 and January 2014 was 234.933 which is an increase of 35.933 or 18.05%. If the current tow fee is increased based solely on the CPI increase since 2006, the current fee would be \$177.08.

On August 13, 2012, the Travis County Commissioner's Court discussed and mutually agreed with the Austin Towing Association on a new tow fee increases from the previous \$130 to a new fee of \$175 for a non-consent tow in Travis County.

In June of 2013, the Williamson County Commissioner's Court accepted a request from the Williamson County Towing Association to increase the non-consent tow rate from the previous rate of \$110.00 (Set in October of 2006) to a new rate of \$195.00 in Williamson County.

APD surveyed cities and counties in our metropolitan area looking at their non-consent tow rates. Of those cities and counties the City of Kyle, City of Georgetown and Williamson County were the highest at \$195.00. The City of Round Rock was the lowest at \$95.00, making the average non-consent tow fee for the Austin Metropolitan area \$156.36.

APD also surveyed ten large Texas cities looking at their non-consent tow rates. Of those cities the City of San Antonio was the highest at \$177.00. The city of Waco was the lowest at \$50.00, making the average non-consent tow for Texas large cities \$125.33

The Traffic Incident Management program, which is used to clear disabled vehicles from high speed roadways during rush hour traffic, is unique to the City of Austin. The Austin Police Department Towing Rules State:

- A towing company must participate in the T.I.M Program if it is on a non-consent rotation list.
- This program requires tow truck companies to stage tow trucks in a zone and clear high speed roadways at no charge.

On average, Austin Tow companies remove three to four disabled vehicles, free of charge, from roadways per six hour shift.

APD met with the Austin Towing Association on July 14, 2014 and reviewed the information previously provided. As a result of this meeting the Austin Towing Association provided supplemental information which was included in the tow fee study. The financial statements listed in the proposal were unaudited and unrelated to a specific company. These scenarios were based on a lesser portion of income for a company and shown against total expenses for that company. The Austin Towing Association originally requested an increase to \$225.00.

In the final assessment, APD considered a 2 year CPI increase, projected forward, from 2014 using the average rate of increase since 2006 to arrive at the recommendation of \$185.00