

**City of Culver City, California
Agenda Item Report**

Meeting Date: 06/09/14		Item Number: <u>A-2</u>	
CITY COUNCIL AGENDA ITEM: Approval of a Professional Services Agreement for a Term of Five Years with Goodman's Towing in an Amount Not-To-Exceed \$75,000 for Towing Services for the Culver City Police Department.			
Contact Person/Dept.: Lt. Hattrup/P.D.		Phone Number: (310) 253-6327	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Meetings and Agendas – City Council (06/04/14)			
Department Approval: Scott Bixby (05/28/14)		City Attorney Approval: Carol Schwab (by L. Vidra) (06/03/14)	
Chief Financial Officer Approval: Jeff Muir (06/02/14)		City Manager Approval: John M. Nachbar (06/03/14)	
 <u>RECOMMENDATION:</u> Staff recommends the City Council approve a Professional Services Agreement with Goodman's Towing in an amount not-to-exceed \$75,000. <u>BACKGROUND:</u> As a part of their duties, Culver City Police Department (CCPD) police officers and parking enforcement personnel impound vehicles for California Vehicle Code violations that include (but are not necessarily limited to): driving on a suspended license/revoked license/no license, registration expired over six months, five or more overdue parking tickets, and evidence holds. Tow service must be expeditious and capable of handling vehicles of any size/weight, and storage options must include secure units for evidence preservation. Post impound, registered owners must obtain a release at CCPD upon the presentation of required documents (e.g. identification, paid DMV fees, paid citations, reinstated license, etc.) and payment of applicable administrative fees. Upon release, the vehicle may be claimed at the business location of the tow service provider upon payment for services rendered. CCPD currently impounds around 60 vehicles per month, which includes both commercial and passenger vehicles. CCPD traditionally impounds more heavy duty vehicles than most surrounding agencies with the exception of Santa Monica. These impounds are the result of CCPD's Commercial Enforcement Section.			

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Currently, and as a past practice, CCPD uses Goodman's Towing (Goodman's) for all vehicle tow services.

CCPD has been provided excellent service by Goodman's for many years. All calls for CCPD service are routed through Goodman's, and all resulting tows are stored at their lot located at 9401 Jefferson Boulevard. This location is only 0.6 miles from CCPD, a convenient 2 minute drive, 4 minute bicycle ride, or 13 minute walk. This location also ensures the fastest possible response time for trucks responding to calls for service.

Although they exist as separate tow companies, Goodman's Towing and All City (All City) Tow are commonly owned and operated. All City acts as primary default for CCPD tows. Both tow facilities have ongoing Tow Service Agreements (TSA) with the California Highway Patrol (CHP) and Los Angeles County Sheriffs Department. As a result, Goodman's/All City are continually monitored for compliance with said agreements. Per these agreements, Goodman's/All City facilities/equipment are inspected on an annual basis, drivers are thoroughly screened and enrolled in the Employer Pull Notice (EPN) program, and reasonable rates approved by the CHP are applied to CCPD authorized tows.

Goodman's/All City operators are experienced and specialize in damage-free towing. They also have a 24-hour secure vehicle storage facility including designated space for police evidence holds.

Per the CHP TSA with Goodman's Towing, fees charged "shall be reasonable, valid, and not in excess of those rates charged for similar services provided in response to requests initiated by a public agency or private person...operator shall display in plain view at all cashiers stations, a sign as described in Section 3070(d)(2)(E) CC, disclosing all storage fees and charges in force, including the maximum storage rate." As a result of the aforementioned conditions of the CHP TSA, Goodman's automatically imposes posted CHP approved rates on all CCPD approved tows in an effort to avoid confusion or conflict during vehicle release.

Annual invoices from Goodman's for services such as evidence storage have consistently remained well under \$30,000. Tow related invoices totaled \$5,783 for FY 2010/2011, \$10,298 for FY 2011/2012, \$4,218 for FY 2012/2013, and \$5,313 to date for FY 2013/2014.

Associated administrative costs of the CCPD impound program are currently offset by administrative fees charged by CCPD to vehicle owners upon release of a vehicle. CCPD administrative release fees for FY 2012/2013 are set at:

- \$175 Non-commercial passenger vehicles
- \$225 Commercial vehicles (GVWR in excess of 10,000 lbs.)
- \$200 Investigative impound

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- \$100 Stored vehicles (no charge for GTA victims)

Said charges are in accordance with and by the authority of Section 22850.5(a) of the California Vehicle Code. Administrative impound fees collected for calendar year 2013 totaled \$148,125.00.

The implementation of a franchise fee has been discussed. However, after extensive research, staff does not recommend further consideration. Per California Vehicle Code section 12110(b), a franchise fee for towing vehicles “may not exceed the amount necessary to reimburse the public entity for its actual and reasonable costs incurred in connection with the towing program.” Because CCPD towing program costs are already offset through administrative fees, the addition of a franchise fee would not conform to Vehicle Code demands without the creation of new costs.

DISCUSSION:

CCPD does not currently have a TSA with any tow service provider. A formal TSA has the advantage of ensuring that the City’s motoring public and CCPD continue to receive efficient and quality service for all tow services. It would also provide the City with the safeguard of protective terms set forth in a traditional TSA.

In consideration of the implementation of a formal TSA, criteria for such an agreement must be established. The following basic criteria are set forth as necessary for the success of available Culver City tow service options:

1. Comprehensive tow service that includes light duty, medium duty, heavy duty, and lowboy/super-heavy service.
2. Tow operator is located within the City limits of Culver City to ensure rapid response time.
3. Tow operator storage facilities are located in the City limits of Culver City to meet safety/vehicle access expectations.
4. Secure storage for evidence holds.

Through its research, staff has found that commonly owned and operated Goodman’s /All City are the only tow service providers that meet the above criteria. While there are four tow companies located within the City of Culver City (Redwood Towing, Southside Tow Service, Goodman’s Towing, and All City Tow Service), and two within close proximity of the City (Quicksilver and Bruffy’s), none of these businesses provide heavy duty or lowboy/super heavy duty tow services. Goodman’s is the only tow service known within a ten mile radius of Culver City to provide such services.

A TSA between CCPD and Goodman’s/All City would meet all the criteria set forth as necessary and/or desirable. There are no complaints or ongoing problematic issues with Goodman’s. Goodman’s facilities are located within the City of Culver City, and

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they are the only tow service within several miles of the city that offer heavy duty and super heavy duty tow. Proximity allows for optimal response time. All vehicles are stored on premises (including evidence holds requiring CCPD Forensics Technician access), and convenience is optimal for vehicle owners.

CCPD would have the freedom to conduct inspections as deemed necessary or desired. Goodman's is currently under a TSA with the California Highway Patrol (CHP) and has been so for over a decade. They are monitored by the CHP for compliance with their Tow Service Agreement. Areas of oversight include tow operator qualifications, business regulations, response time, storage facilities, tow truck drivers, tow truck classifications (light – super heavy duty), equipment specifications, regular inspections, rates, insurance, compliance with law, and compliance with TSA.

FISCAL ANALYSIS:

There is no expected fiscal impact. The projected costs associated with the creation and ongoing oversight of a TSA are negligible, and vehicle release fees will continue to offset tow program costs in adherence to the California Vehicle Code.

ATTACHMENTS:

None.

MOTION:

That the City Council:

- 1) Approve a five-year Professional Services Agreement (Tow Services Agreement) with Goodman's Towing/All City Towing in an amount not-to-exceed \$15,000 per year (a total of \$75,000 over the five-year life of the agreement); and,
- 2) Authorize the City Attorney to review/prepare the necessary documents; and,
- 3) Authorize the City Manager to execute such documents on behalf of the City.