



Legislation Text

File #: 19-303, **Version:** 1

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SUBJECT: Adoption of Resolution Establishing and Approving the Terms and Conditions of the 2019-2020 Master Tow Service Agreement

REPORT IN BRIEF

Considers the adoption of the 2019-2020 Merced Police Department Tow Service Agreement that will go into effect July 1, 2019 and expire June 30, 2020.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2019-33**, a Resolution of the City Council of the City of Merced, California, establishing and approving the 2019-2020 Master Tow Service Agreement and authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Return to staff for further follow up; or,
3. Deny.

AUTHORITY

Charter of the City of Merced, Section 200, et seq.

CITY COUNCIL PRIORITIES

As provided for in the 2019-20 Adopted Budget

DISCUSSION

The current fiscal year 2018-2019 Tow Service Agreement expires on June 30, 2019. The 2018-2019 Tow Service Agreement has worked out well for both the City of Merced and the rotational tow companies. It was based in large part on the approved Tow Services Agreement utilized by the California Highway Patrol for their tow rotation program.

The 2019-2020 Tow Service Agreement will be effective from July 1, 2019 to June 30, 2020. There are some minor changes made to this Agreement from the version approved by the City Council for the 2018-2019 fiscal year. These changes were made to stay current with changes in the law and to clarify some existing language. These changes include, in pertinent part:

1. Additional language was added to Section 3 (F)(2) of the Agreement [Tow Operators] so that it

now states:

- “Which shall not be a self-administered program.”
2. In section 6 (G) of the Agreement [Response to Calls] reiterates policy that one tow company per vehicle shall be called to the scene unless the Area commander establishes local policy allowing one tow company to respond multiples tow trucks.
 3. In section 6 (L) of the Agreement [Response to Calls] reiterates any additional personnel or equipment shall be approved by the CHP on scene prior being utilized
 4. Additional Language was added in section 7 (M) of the Agreement [Storage Yards] which requires the tow operator to allow insurance companies to inspect vehicles in their storage yard in 45 minute increments pursuant to the recent amendment to Section 22651.07 CVC.
 5. In section 11 (B) (1) of the Agreement [Inspections] added language clarifies tow trucks to be inspected within 30 days to be new acquired tow trucks.
 6. In section 11 (E) of the Agreement [Inspections] clarifies a tow operator shall pass the annual tow truck inspection with more than 50 percent of their tow trucks in order to qualify for a position on the Area Rotation Tow List.
 7. In section 11 (I) of the Agreement [Inspections] clarifies the requirement to comply with the California Air Resource Board requirements. If the tow trucks are not in compliance, the tow operator is subject to disciplinary action.
 8. In section 12 (A) of the Agreement [Rates] establishes the tow operator’s prior years approved rate a baseline for the operator’s reasonable rates.
 9. Additional Language was added in section 12 (A) (1) of the Agreement to define:
Reasonableness shall be determined as compared to other similar service rates and with consideration of increased operating cost beyond the control of the operator (i.e. insurance rate increased without cause, property lease/tax increases, etc.
 10. In section 12 (C) of the Agreement [Rates] Additional Language was added to read so that it now allows the tow operator to appeal the denial of rates prior to resubmitting rates.
 11. In section 12 (K) (4) of the Agreement [Rates] clarifies a tow operator may submit an “after hours” tow rate that may not exceed ten percent of the normal hour rates.
 12. In section [Attachment A] of the Agreement corrects the street address of the California Tow

Truck Association and includes a new training provider.

Currently there are ten (10) tow companies on the Merced Police Department rotational tow list that have been operating under the 2018-2019 Tow Service Agreement. These companies are: AG towing, Allways Towing, Bill's Towing, Pete's Auto Body, P&G Towing, Rich's Auto Body, Merced City Tow, TNB Towing, Takin Towing, and Freitas Auto Wrecking.

All of the Tow Companies listed above have participated in the Merced Area California Highway Patrol open enrollment inspections. This was done to ensure all equipment that will be used on the Merced Police Department Tow Rotation is safe.

There is a need for a Tow Service Agreement to be in place between the City of Merced and the tow companies on the Merced Police Department rotational tow list. By having this Agreement in place, it allows the City of Merced Police Department to oversee the tow companies providing services for the Department's tow rotational list. This helps ensure that the residents of Merced are being treated fairly and professionally. Specifically, the 2019-2020 Tow Service Agreement allows for the Merced Police Department to inspect the tow companies' equipment and facilities to ensure they are being kept up to the standards outlined in the 2019-2020 Tow Service Agreement. By inspecting the tow companies' equipment and facilities, the Merced Police Department can ensure the safety and fair treatment of the residents of Merced.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

1. 2019-2020 Tow Service Agreement
2. Resolution 2019-33