

IMPACT STATEMENT

Legislation title: *Authorize contract with Sergeants Towing, Inc. for abandoned vehicle towing and storage services (Ordinance)

Contact name: Patrick Kramer

Contact phone: 503-865-2489 (o) or 503-823-6771 (c)

Presenter name: Patrick Kramer

Purpose of proposed legislation and background information:

To approve the Contract for Abandoned Vehicle Towing and Storage and award it to Sergeant's Towing. This contract provides towing, storage, and disposal of abandoned vehicles parked on the city right of way as requested by the Abandoned Auto Program and private property as requested by the Bureau of Development Services. This service contributes to the livability and safety of our city.

Approval of this contract and awarding it to Sergeant's Towing will contribute to the Agency's carrying out their missions of improving livability and safety in our community.

The Contract for Abandoned Vehicle Towing and Storage supports the City's interest in keeping potentially unsafe vehicles off city streets. In addition, the disposal of unredeemed vehicles is done in an environmentally responsible manner.

Financial and budgetary impacts:

There are two types of fees related to towing of abandoned autos;

The first fee is the Abandoned Auto Fee. This fee is paid by the tow contractor to the Abandoned Auto Program administered by the Bureau of Transportation Parking Enforcement Program. The revenue generated by this fee was approximately \$50,000 in 2014. Based on tow numbers thus far in 2015, Abandoned Auto Fee revenue is projected to be \$165,000 in 2015. Changes in scrap metal prices could alter this projection. The marked increase in revenue projected for 2015 compared to actual revenue in 2014 can be attributed to a higher number of tows due to increased efficiency as well as a significantly higher bid for this contract.

The second fee is the City Service Fee. This fee is paid by the vehicle owner when they pick up their vehicle. This fee is collected by the tower and passed through to the Bureau of Transportation Towing Program, on a monthly basis. In 2014, the revenue generated by this fee was approximately \$3,100. Based on tow numbers thus far in 2015, revenue is projected to be \$6,000.

In the event this contract and award is not approved, it will have a negative impact on the ability of the Abandoned Auto Program and Bureau of Developmental Services to be effective in keeping unsafe vehicle off City streets.

Community impacts and community involvement:

The entire city benefits from this contract. Potentially unsafe vehicles are removed from city streets and private property, thereby improving safety, livability and potentially having a positive effect on property values.

The Towing Board of Review met on March 18, 2015 to discuss and approve this contract. The Board approved the contract by unanimous vote. Subsequently, the Towing Board of Review met on August 11, 2015 and voted unanimously to recommend to City Council approval of this contract and award it to Sergeant's Towing.

Substantive changes made to this contract include: 1) A more efficient process for dispatching abandoned auto requests. Changing the procedure has resulted in a reduction of time that abandoned vehicles are on the city streets and has resulted in fewer "Gone on Arrival" tows which cuts down on wasted fuel and resources for the tower. This change was initiated by the Parking Enforcement and the Abandoned Auto Program in a collaborative effort with the Tow Contractor and Towing Coordinator culminating in the approval by Towing Board of Review; 2) Addition of criminal and driving background check criteria matching the current municipal tow contract for Tow Truck Drivers and develop separate standards for office employees; and 3) Streamlined the process for refunding an appellant in a Tow Hearing as requested by the Code Hearings Office.

For questions regarding the public process, you are welcome to contact Patrick Kramer, Towing Coordinator. Phone 503-865-2489, Email: Patrick.Kramer@portlandoregon.gov.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

KK 9-24-15