

AN ORDINANCE **95746**

AUTHORIZING AN INCREASE IN WRECKER SERVICE TOWING RATES, AS PER THE SAN ANTONIO WRECKER SERVICE CONTRACT, SECTION X, SUBSECTION 10.10.1 AND 10.10.2 "REVIEW OF RATES."

(Amends Ordinance 77716, April 1, 1993)

WHEREAS, pursuant to Ordinance No. 77716, passed and approved on April 1, 1993, the City of San Antonio entered into a contract with Texas Towing Corporation to provide certain towing services; and

WHEREAS, pursuant to the terms of Section X of said contract (the San Antonio Wrecker Service Contract), Texas Towing Corporation has requested an increase in certain wrecker service towing rates; and

WHEREAS, City Council approval is required to effectuate the requested increases; **NOW THEREFORE:**

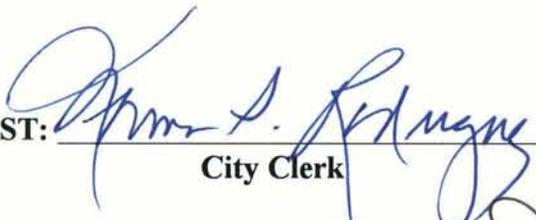
BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The rates for the following towing services established in the San Antonio Wrecker Service Contract are authorized to be increased: (1) small wrecker; (2) dolly; (3) small wrecker labor; (4) large wrecker; and (5) downtown tow away. The following increased rates are hereby approved:

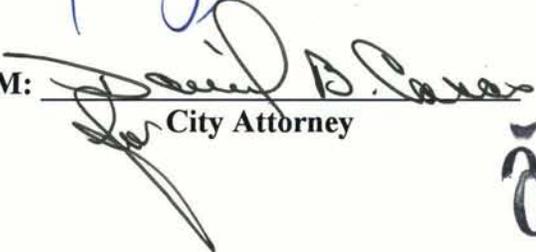
1. small wrecker	\$54.00
2. dolly	20.00
3. small wrecker labor	13.50
4. large wrecker	96.00
5. downtown tow away	37.00

SECTION 2. This ordinance shall take effect ten days from the date of passage.

PASSED AND APPROVED this 9th day of May, 2002.

ATTEST: 
City Clerk


M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM: 
City Attorney

02-19

ALAMO/OME
ASSET MANAGEMENT
AVIATION
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASSNIDGE)
REAL ESTATE (WOOD)
RISK MANAGEMENT
CITY MANAGER
SPECIAL PROJECTS
CITY PUBLIC SERVICE - GENERAL MANAGER
CITY PUBLIC SERVICE - MAPS AND RECORDS
CODE COMPLIANCE
COMMERCIAL RECORDER
COMMUNITY INITIATIVES
CONVENTION AND VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
COUNCIL OFFICES
CULTURAL AFFAIRS
CUSTOMER SERVICE/311 SYSTEM
DEVELOPMENT SERVICES
HOUSE NUMBERING
LAND DEVELOPMENT SERVICES
TRAFFIC & DRAINAGE PLAN REVIEW
ECONOMIC DEVELOPMENT
ENVIRONMENTAL SERVICES
SOLID WASTE
EXTERNAL RELATIONS
PUBLIC INFORMATION OFFICE
FINANCE - DIRECTOR
FINANCE - ASSESSOR
FINANCE - CONTROLLER
FINANCE - GRANTS
FINANCE - PUBLIC UTILITIES SUPERVISOR
FINANCE- TREASURY
FIRE DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT
HUMAN RESOURCES (PERSONNEL)
INFORMATION SERVICES
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
MANAGEMENT & BUDGET (OFFICE OF) OMB
MAYOR'S OFFICE
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION
MUNICIPAL COURT
NEIGHBORHOOD ACTION
PARKS AND RECREATION
MARKET SQUARE
YOUTH INITIATIVES
PLANNING DEPARTMENT -NEIGHBORHOOD PLNG; URBAN DESIGN/HISTORIC PRESERVATION
DISABILITY ACCESS OFFICE
POLICE DEPARTMENT
GROUND TRANSPORTATION
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING
ENGINEERING
PARKING DIVISION
REAL ESTATE DIVISION
TRAFFIC ENGINEERING
PURCHASING AND GENERAL SERVICES
SAN ANTONIO WATER SYSTEMS (SAWS)
VIA

AGENDA ITEM NUMBER: 29

DATE: MAY 9 2002

MOTION: Pre

ORDINANCE NUMBER: 95746

RESOLUTION NUMBER: _____

ZONING CASE NUMBER: _____

TRAVEL AUTHORIZATION: _____

NAME	ROLL	AYE	NAY
BOBBY PEREZ District 1		✓	
JOHN H. SANDERS District 2		✓	
ANTONETTE "TONI" MOORHOUSE District 3		✓	
ENRIQUE "KIKE" MARTIN District 4		✓	
DAVID A. GARCIA District 5		✓	
ENRIQUE M. BARRERA District 6		absent	
JULIAN CASTRO District 7		✓	
BONNIE CONNER District 8		absent	
CARROLL W. SCHUBERT District 9		absent	
DAVID CARPENTER District 10		✓	
EDWARD D. GARZA Mayor		absent	

FILE Teran Towing Corporation

AMENDS ORD. NO. 77716 OF 4/1/93

02-19

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

None

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:
Texas Towing _____
and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

Advance Response Solutions
A Ace Towing
Mission Wrecker Service
Road Runner Towing

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

RoadOne, Inc.
Miller Industries, Inc.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

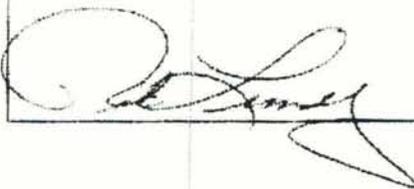
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
None		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: General Manager Company: Texas Towing	Date: Apr. 30, 2002

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

DO NOT TYPE IN THIS SPACE		CITY OF SAN ANTONIO Request For Ordinance/Resolution	For CMO use only	
Approval			Date Considered	
Finance	Budget		Consent <input type="checkbox"/> Individual <input checked="" type="checkbox"/>	
Legal	Coordinator		Item No. <u>29</u>	
				Ord. No.

Date: May 9, 2002	Department: Police	Contact Person/Phone # Steven Baum, x 77423
Date Council Consideration Requested: May 9, 2002	Deadline for Action: May 9, 2002	Dept. Head Signature: <i>Albert Spitz</i>

SUMMARY OF ORDINANCE

An ordinance authorizing an increase in wrecker service towing rates, as per the San Antonio Wrecker Service Contract, Section X, Subsection 10.10.1 and 10.10.2 "Review of Rates".

Staff recommends approval.

Council Memorandum Must Be Attached To Original

Other Depts., Boards, Committees Involved (please specify):
 City Attorney Office, Finance Department, Office of Internal Review, and Office of Management and Budget

Contract signed by other party
 Yes No

FISCAL DATA (If Applicable)	Budgetary Implications
Fund No. _____ Amt. _____	Funds/Staffing Budgeted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Activity No. _____ Sid No. _____	Positions Currently Authorized
Index Code _____ Project No. _____	Impact on future O&M _____
Object Code _____	If positions added, specify class and no. _____
Comments:	_____

Coordinator -- White
 Legal -- Green
 Budget -- Canary
 Finance -- Pink
 Originator -- Gold

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
POLICE DEPARTMENT**

TO: Mayor and City Council
FROM: Albert A. Ortiz, Chief of Police
THROUGH: Terry M. Brechtel, City Manager
COPIES: J. Rolando Bono; Deputy City Manager; File
SUBJECT: Wrecker Services Contract Rate Increase Request
DATE: May 9, 2002

SUMMARY AND RECOMMENDATIONS

An ordinance authorizing an increase in wrecker service towing rates, as per the San Antonio Wrecker Service Contract, Section X, Subsection 10.10.1 and 10.10.2 "Review of Rates".

Staff recommends approval.

BACKGROUND INFORMATION

On April 1, 1993, City Council approved Ordinance No. 77716, which authorized an agreement with Texas Towing Corporation (TTC) to provide wrecker towing services. The rates established by this ordinance have remained unchanged since 1993. The contract between the City of San Antonio and TTC allows City Council to consider a rate increase only if TTC's ratio of operation expenses to gross operating revenues (Operating Ratio) exceeds 89%

In April 2001 (subsequently revised in May 2001) TTC submitted a request for consideration of a wrecker service rate increase. The supporting documentation submitted by TTC indicated an Operating Ratio of 101.1%

In June 2001 staff members from the Police Department, Finance Department, Public Utilities Office, Office of Internal Review, and Office of Management and Budget began reviewing the proposed rate increase. Based upon this review it was determined that an upward adjustment in rates is necessary in order for TTC to maintain an Operating Ratio of 89% as provided in the contract with the City.

Rate increases will be as follows:

Service	CURRENT	PROPOSED
Small Wrecker	\$48.00	\$54.00
Dollies (small wrecker)	\$15.00	\$20.00
Small Wrecker Labor	\$7.50	\$13.50
Large Wrecker	\$78.00	\$96.00
Downtown Tow Away	\$32.00	\$37.00

The current average cost of towing service is \$58.85 (based on towing costs of passenger vehicles and light trucks in the month of March 2002). This rate is projected to increase to an average of \$65.10.

Rates for towing services are borne by the vehicle owner and are not charged to the City of San Antonio. Consequently the City of San Antonio will not generate any revenue due to the rate increase. The revenue generated by the City of San Antonio is based, as stipulated in the contractual agreement between the City and Texas Towing, on the annual number of tows.

The number of tows will not be affected by the rate increase since the rates do not drive the demand for service. Historically, the number of tows has been as follows:

Year	Public Tows	City Vehicles	Canceled Calls	Total
1997	39,481	5,962	6,106	51,549
1998	39,201	5,905	6,678	51,784
1999	37,843	6,579	6,607	51,029
2000	38,402	6,344	7,117	51,863
2001	36,925	5,968	7,180	50,073

POLICY ANALYSIS

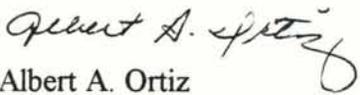
This action facilitates City Council's continuing policy of conducting comprehensive reviews and oversight of city contracts. The proposed rate increases have been presented to the Management Team, and the City Council Public Safety and Commercial Transportation Committee. Due to a lack of a quorum the City Council Public Safety and Commercial Transportation Committee took no action.

FISCAL IMPACT

As outlined in the Background Information Section of this document, towing fees are passed through to the vehicle owner. Therefore, no additional costs or revenues will be incurred by or generated to the General Fund by this action.

SUPPLEMENTAL COMMENTS

The City of San Antonio Discretionary Contracts Disclosure form is attached.


Albert A. Ortiz
Chief of Police

Approved:


J. Rolando Bono
Deputy City Manager

Approved:


Terry M. Brechtel
City Manager



Contract Wrecker Company

Rate Increase Request

May 9, 2002

City Council Item No. 29



Action



This ordinance authorizes an increase in wrecker towing rates as per the San Antonio Wrecker Service Contract, Section X, Subsection 10.10.1 & 10.10.2



Section X, Subsection

10.10.1 & 10.10.2



- Review by City if there are substantial increases in permitted expenses by Texas Towing Corp. (TTC);
- Prohibits requests for increases during the first 6-months of the extension of the Contract (1998);
 - No more than one review request per year.
 - Requires fee changes to be authorized in writing by City ordinance.
 - No increase in charges are allowed if the Operating Ratio of TTC falls below 89.0 percent.

3



Background



Current Towing fees are established by Ordinance No. 77716

April 2001

- TTC requests increase in rates as per Section 10.10 of the San Antonio Wrecker Service Contract

February 2002

- SAPD Wrecker Service Unit and City Finance Department finalize review and audit of TTC records

4



Contract Tows May 1996-April 2001



Year	Public Tows	City Vehicles	Cancelled Call	Total Calls
1997	39,481	5,962	6,106	51,549
1998	39,201	5,905	6,678	51,784
1999	37,843	6,579	6,607	51,029
2000	38,402	6,344	7,117	51,863
2001	36,925	5,968	7,180	50,073

5



Comparison of Current and Proposed Rates



<u>Current</u>	<u>Proposed</u>	
\$48	\$54	Small Wrecker
\$15	\$20	Dollies (Small Wrecker)
\$7.50	\$13.50	Small Wrecker Labor (per quarter hour)
\$78 hr.	\$96 hr.	Large Wrecker
\$32	\$37	Downtown Tow Away

6



Rate Comparison



City	Base Rates
San Antonio	\$48
Arlington	\$85
Austin	\$95
Dallas	\$95
Fort Worth	\$65

Corpus Christi, El Paso and Houston do not regulate fees.

7



Recommendation



Staff Recommends Approval

8