



City of Huntington Beach

File #: 23-303

MEETING DATE: 5/2/2023

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Eric Parra, Chief of Police

PREPARED BY: Sgt. Mike Thomas and Ingrid Ono

Subject:

Approve and authorize execution of contract agreements with Best Towing, LLC and Mandic Motors, Inc. for Police Directed Vehicle Towing and Storage Services, and adopt Resolution 2023-11, revising the fees for towing services and garage impounds

Statement of Issue:

Huntington Beach Municipal Code Chapter 5.66 provides the rules for all persons and businesses providing nonconsensual vehicle towing and storage services that are directed by the Huntington Beach Police Department (HBPD). Since April 1, 2018, HBPD has contracted with Best Towing, LLC and Mandic Motors, Inc. to provide these services on an as-needed basis. Both agreements have since expired on March 31, 2023, and staff recommends reentering into another 5-year agreement with both vendors to continue providing these services.

Financial Impact:

For the small percentage of towing and storage services that HBPD needs to incur as part of its operations, general funds from Business Unit #10070209 "Parking Enforcement" in the amount of \$12,000 (\$6,000 per contracted provider) is budgeted.

Examples of expenditures include a police vehicle having mechanical difficulties or a flat tire. On occasion, a vehicle will need towing for evidentiary reasons due to a police investigation.

The remaining services generated under this contract are for vehicles towed at the owner's expense including those involved in a collision or a hit and run. The registered owner, or their insurance company, pays for those charges.

Recommended Action:

A) Approve and authorize execution by the Mayor and City Clerk of the "Agreement Between the City of Huntington Beach and Best Towing, LLC, services for Police Directed Towing and Storage Services," including the "Tow Rate Schedule for Best Towing, LLC, services for Police Directed

Towing and Storage Services;”

B) Approve and authorize execution by the Mayor and City Clerk of the "Agreement Between the City of Huntington Beach and Mandic Motors, Inc., services for Police Directed Towing and Storage Services," including the "Tow Rate Schedule for Mandic Motors, Inc., services for Police Directed Towing and Storage Services;" and,

C) Adopt Resolution 2023-11, "A Resolution of the City Council of the City of Huntington Beach Revising the Fees for Towing Services and Garage Impounds."

Alternative Action(s):

Do not approve one or more contracts, and direct staff accordingly.

Analysis:

The Huntington Beach Police Department uses police-directed vehicle towing and storage vendors to remove parked vehicles as needed, including arrest of the driver. In 2017, HBPD conducted a Request for Qualifications process that identified Best Towing, LLC and Mandic Motors, Inc. as the best qualified vendors who also met all minimum qualifications; both firms also satisfied the insurance requirements and have current permits/ licenses as required by the state and/or City, including zoning, fire, and building.

The City entered into agreements with both vendors on April 1, 2018 for a five-year term, with the option to extend for an additional five year term. The agreements have since expired on March 31, 2023. Throughout the terms of their agreement, both vendors have demonstrated satisfactory performance; furthermore, past code inspections of their storage facilities and yards have demonstrated appropriate uses and no zoning code violations. As such, HBPD recommends extending both vendor agreements for an additional five year term.

In August of 2007, City Council adopted Resolution 2007-44, authorizing a one-time 10% increase of rates, fees, and charges for various police directed tow operations in the City. The rates, fees, and charges have since been adjusted according to the Consumer Price Index (CPI). The rates, fees, and charges that tow operators can impose must be set by Resolution of City Council. Once the rates, fees, and charges are set by Resolution 2023-11, the Tow Operators cannot deviate from said rates, fees, and charges. As part of entering into this agreement, staff recommends adopting the fee schedule attached to this Staff Report. The fee schedule will be adjusted on December 1, 2023, and continue each year based on any change in the metropolitan Consumer Price Index for the Los Angeles-Riverside-Orange County, CA, area during the preceding year.

Environmental Status:

Pursuant to CEQA Guidelines Section 15378(b)(5), administrative activities of governments that will not result in direct or indirect physical changes in the environment do not constitute a project.

Strategic Plan Goal:

Financial Sustainability, Public Safety or Other

Attachment(s):

1. Agreement between the City of Huntington Beach and Best Towing, LLC
2. Agreement between the City of Huntington Beach and Mandic Motors, Inc.
3. Resolution No. 2023-11