Legislation Details (With Text)

File #:	17-042 **Version:** 1		
Type:	Strategic Support	**Status:**	Agenda Ready
File created:	8/21/2017	**In control:**	City Clerk's Office
On agenda:	10/31/2017	**Final action:**	
Title:	Towing Services Agreement.		
Sponsors:	City Council		
Indexes:			
Code sections:			
Attachments:	1. Memorandum, 2. Memo from CM Rocha to Rules Committee 6/21/17, 3. Letters from the Public		

Date	Ver.	Action By	Action	Result
10/31/2017	1	City Council		
10/17/2017	1	City Council		
9/26/2017	1	City Council		

Towing Services Agreement.

Adopt a resolution authorizing the City Manager to:
(a) Negotiate and execute amendments to the Agreements for City Generated Tow Services for a term commencing on or around January 1, 2018 and ending on or around June 30, 2019 with the following tow operators:
- Alongi Brothers, Inc. (San José, CA)
- Century Tow (San José, CA)
- City Towing, Inc. (San José, CA)
- Courtesy Tow Services, Inc. (San José, CA)
- Matos Auto Towing & Transport (San José, CA)
- Motor Body Company, Inc. (San José, CA)

The proposed amendments include the following terms and conditions and would revert to the original terms and conditions after June 30, 2019 absent future Council action:
(1) Decrease the contract fee that the operators remit to the City from $80 per tow to $59 per towed vehicle to offset increased labor costs.
(2) Credit the tow operators for lost profits and expenses related to disposing of vehicles that have no value, against the $59 contract fee that is required to be remitted to the City.
(3) Reduce each tow operator's security deposit by $20,000, from $25,000 to $5,000.
(b) Report back to the City Council, on or before March 2019, the results of an independent audit and assessment of the current tow program as discussed in the staff memorandum, with recommendations for any program restructuring or further changes to compensation, as appropriate.
CEQA: Not a Project, File No. PP17-033, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance/Planning, Building and Code Enforcement)
[Rules Committee referral 6/21/17 - Item G.4]
(Deferred from 8/22/17 - Item 3.3; 9/26/17 - Item 3.3; and 10/17/17 - Item 3.4)