

Austin Police Department Highway Enforcement Command

Tow Fee Study

Towing Services

Towing is vital to maintaining the infrastructure of a city. Without towing services, Austin would have a hard time functioning. Towing services are necessary for several reasons:

- Clearing crashes from roadways
- Impound vehicles left after an arrest
- Removing abandoned or junked vehicles
- Towing illegally parked vehicles
- Impounding vehicles in secured locations for police investigations

Request for Increase

Austin towing companies are requesting an increase for **non-consent tows**, performed in the City of Austin **from** the current rate of \$150 to \$225. **APD is recommending \$195.**

- Current Austin Rate \$150
- Current Local Metropolitan Average \$ 195
- Current Major Texas City Average \$148

Consent vs Non-Consent Tows

Consent Tows: Means a tow of a motor vehicle initiated by the owner or operator of the vehicle or by a person who has possession, custody, or control of the vehicle. The tow does not include a tow of a motor vehicle initiated by a peace officer investigating a traffic accident or traffic incident that involves the vehicle.

Non-Consent Tows: Means a tow that is not a consent tow.

The tow fee request is for the following non-consent tows:

- Any type of police impound where a tow truck is summoned to the scene
- Crash Scenes
- Private Property Impounds

Light Duty Vehicle Tows

- * Light duty vehicle tows are the most common type of tow requested.
- * Light Duty Vehicle is your standard vehicle with a total GVW (Gross Vehicle Weight) of 10,000 lbs.
- * This tow fee increase request will only encompass light duty vehicle tows.
- * Examples: sedans, pickup trucks, SUVs, and vans

Current Light Duty Impound Fees

- * Example: a vehicle is impounded for 3 days for a police tow. The following is a breakdown of the total cost:
 - * \$150.00 – tow fee
 - * \$20.00 – impound fee
 - * \$25.00 – administrative fee
 - * \$50.00 – notification fee (after applicable time in vehicle storage facility)
 - * \$60.00 – 3 days of storage at \$20/day
 - * \$6.60 – sales tax (taxed items are storage and impound fee)
- * Total fee: \$311.60
- * Of this amount, \$22.00 is AutoReturn's fee
- * For Police Impounds only, \$30.00 per impound (\$150 at 20%) is collected by AutoReturn from the tow companies and sent to the City of Austin and put in the the City of Austin's general fund.

History of Tow Fee Increases

| Year | Increase | Non-Consent Tow rate |
|-------------|----------|----------------------|
| 19-Jun-2006 | 58% | \$150.00 |
| 18-Mar-2001 | 46% | \$95.00 |
| 18-Jul-1996 | 18% | \$65.00 |
| 26-Jan-1989 | | \$55.00 |

City of Austin Ordinance 20060608-019

13-6-141 TOWING FEE STUDY :

A “towing fee” study is a study to determine fair market value of non-consent tows originating in the City of Austin – including the consideration of financial information provided to the city by the towing company that requested the study.

Consumer Price Index

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Consumer Price Index plus Tow Rate

Consumer price index from January 2006 to December 2018 has increased 23.64% at an average rate of 1.85% per year as calculated by APD's Finance Office.

Using the CPI increase since 2006, the \$150 rate for non-consent tows would now equal \$185.46.

Living Wage Rate

- * In 2008, the City of Austin shows the Living Wage rate to be at a rate of \$10.90/hour
- * In 2016, the City of Austin shows the Living Wage rate to be at a rate of \$15.00/hour
- * This is an increase of 38% between 2008 and 2016. Using the Living Wage increase since 2008, the \$150 rate for non-consent tows would now equal \$207

Neighboring Agencies

Travis County

In January 2018, the Travis County Commissioner's Court approved an increase in non-consent tow fees from \$175 to \$275.

Williamson County

In June 2013, the Williamson County Commissioner's Court accepted a request from the Williamson County Towing Association to increase the non-consent tow rate from \$110 (Set in October 2006) to a new rate of \$195.

City Comparisons

APD Wrecker Enforcement surveyed agencies from the 10 largest cities in Texas, as well as the surrounding Austin Metropolitan Area.

Austin is the 4th largest city in the survey.

Austin Metropolitan Area

Austin Metro Area: Travis County has the highest tow rate at \$275. Round Rock has the lowest tow rate of \$130.

The average non-consent tow rate for the Austin Metropolitan area is \$195.

Austin Metropolitan Area

Average =
\$195

Lowest =
\$130

Highest =
\$275

| | |
|-------------------|-------|
| Round Rock | \$130 |
| Austin | \$150 |
| San Marcos | \$150 |
| Cedar Park | \$175 |
| Georgetown | \$195 |
| Williamson County | \$195 |
| Leander | \$195 |
| Pflugerville | \$200 |
| Kyle | \$250 |
| Hays County | \$250 |
| Travis County | \$275 |

LOWER

Price

HIGHER



Large Texas Cities

Of the ten large cities surveyed, San Antonio has the highest tow rate of \$177. Laredo has the lowest tow rate of \$110.

The average non-consent tow rate for Texas large cities is \$148.

Largest Texas Cities

Average =
\$148

Lowest =
\$110

Highest =
\$177

| | |
|----------------|-------|
| Laredo | \$110 |
| Dallas | \$121 |
| Plano | \$127 |
| Fort Worth | \$135 |
| Austin | \$150 |
| Corpus Christi | \$150 |
| Houston | \$160 |
| El Paso | \$161 |
| Arlington | \$165 |
| San Antonio | \$177 |

LOWER

Price

HIGHER



Tow Fee Increase Considerations

In 2015, the City of Austin Wrecker Ordinance was updated to accommodate the use of AutoReturn, APD's contracted tow truck dispatching vendor.

Non consent fees were established between non consent PPI's and non consent non – PPI's. (Private Property Impounds)

Consent tows are not part of this established fee schedule.

The ordinance allows for separate fee schedules.

Per AutoReturn, the total number of police impounds for Austin in 2018 was 12,329.

Final Recommendation

- * After extensive review and consideration of the tow fee study results and significant change in the Consumer Price Index, the Austin Police Department is recommending at a minimum an increase for non consent, non private property impounds to \$195. By comparing the Austin rate to neighboring communities and other large cities in Texas, the current rate of \$150 is non-competitive, below average and deserving of modification to meet up to date standards.