



Request for City Council Committee Action From the Department of Public Works

Date: April 14, 2009

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Amendment No. 1 to Contract No. 26299 on Official Publication No. 7035 for Public Impound Towing.**

Recommendation:

- A. Increase to Contract No. C-26299 with S & T Transport, Inc. in the amount of \$195,910 for a new estimated expenditure of \$392,340 for Tow Services in Zone 4.

Previous Directives:

- December 12, 2008 City Council authorized to execute contracts for the towing of vehicles from public or private property for Tow Zones 1 & 2.
- December 8, 2008 W&M/Budget recommended that proper City officials be authorized to execute contracts for Tow Zones 1 & 2.
- December 2, 2008 TP&W forward to W&M/Budget
- October 24, 2008 City Council authorized to execute contracts for the towing of vehicles from public or private property for Tow Districts A & B, Tow Zones 1-6, and towing outside the city limits.
- October 20, 2008 W&M/Budget recommended that proper City officials be authorized to execute contracts for Districts A & B and Zones 1-6,
- October 14, 2008 TP&W forward to W&M/Budget
- September 8, 2008 W&M/Budget Approved the following: a) That all bids for OP 7009 for public impound towing be rejected; b) That bid specifications be revised for clarity and a new bid for public impound towing services be issued; and c) That the existing contracts be extended or authorization be given for the issuance of new contracts with bidders from the 2003 bid for public impound towing for a period not to exceed 90 days for public impound towing services for amounts not to exceed \$100,000 for each of the towing Zones 1 through 6, and \$250,000 for each of the towing Districts A & B.
- August 26, 2008 TP&W forward without recommendation.
- August 12, 2003 TP& W and W&M/Budget recommended that proper City officials be authorized to execute contracts for impound towing services for District A & B, Zones 3-6.
- September 26, 2003 TP&W and W&M/Budget recommended that proper City officials be authorized to execute contracts for impound towing services for zones 1 & 2.

Prepared by: Jon Wertjes and Steve Hengel, Traffic & Parking Services Division

Approved by:

Steven A. Kotke, P. E., City Engineer, Director of Public Works

Presenters: Steve Hengel, 612-673-2361

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact

Action is within current department budget
Revenue from tow fees is expected to offset the expense of increased towing. No budget appropriation is expected at this time.

Community Impact

Neighborhood Notification: Not Applicable
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

For Snow Emergencies and Street Cleaning activities, the city is divided into six towing zones. When the Towing Bid Specifications were published for the current contract, each zone included a contract value that was derived from the three year average (2005, 2006 and 2007) of tows in that district.

Zone 4 has exceeded its estimated contract value while all other zones appear to be on track within 10%. The estimated contract value for Zone 4 estimated 738 snow emergency tows annually and 773 street cleaning tows annually, for a total estimate of 1,511 tows annually.

There have been three declared snow emergencies during this contract period. Zone 4 towed 353 vehicles, 731 vehicles and 537 vehicles respectively, for a total of 1,621 tows.

By accounting for the previous three snow emergency tows, future street cleaning tows, and for one more late 2009 snow emergency, Public Works estimates the Zone 4 contract should be increase by 1,507 tows, or \$195,910 (1,507 tows at \$130/tow).

All other contract bidding terms and conditions remain the same.

The City pays the S & T Transport \$130/tow and charges the customer \$138/tow to release the vehicle, offsetting the costs associated with the tow. Thus, Public Works does not expect any budget appropriation changes at this time and will continue its regular monitoring of towing revenues and expenses throughout the year.

The Public Works Department will be evaluating the issues raised by this item from a strategic operations perspective.

Attachment: Tow Zone Map