



## **CITY OF BEVERLY HILLS STAFF REPORT**

**Meeting Date:** January 6, 2009  
**To:** Honorable Mayor & City Council  
**From:** David L. Snowden, Chief of Police  
**Subject:** Overview of Police Department Impound Release Fees  
**Attachments:**

1. Copy of Vehicle Code Section 22850.5(a)
2. Interoffice Memo dated March 22, 2005 re: Impound Release Fee Increase
3. Impound Revenue Figures (Oct 2005-Dec 2008)
4. Excerpt from 2007 Consultant Study
5. Survey of Administrative Release Fees

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### **INTRODUCTION**

The Police Department has been asked to explain the background, development, and current status of the City's Administrative Release Fee for impounded vehicles.

### **DISCUSSION**

The City, as authorized by the California Vehicle Code, charges a release fee for lawfully impounded vehicles for the purpose of recovering the administrative costs associated with that impound. California Vehicle Code section 22850.5(a) VC authorizes a City to impose fees equal to the actual costs associated with impounding vehicles.

The Administrative Release Fee has undergone a number of revisions in recent years. In May of 2005, the Police Department conducted a survey of agencies in Los Angeles County which revealed release fees ranging up to \$150 for standard impounds and up to \$400 for DUI related impounds. In addition to this survey, the Department determined that the actual administrative costs associated with an impound was \$103.18. At that time it was recommended that the City's standard release fee be increased from \$41.70 to \$100 (rounded down from \$103.18) for standard impounds and \$300.00 for DUI related impounds. After further review of cost figures, the actual fees imposed during FY 06/07 were \$104.40 for standard impounds and \$313.30 for DUI related impounds.

During FY 06/07, the City contracted with Revenue & Cost Specialists, LLC, a private consultant firm to conduct a formal Cost of Services Study for the City. This study was completed and published in April 2007 and presented to the City Council on May 1, 2007. This study, which included a formal cost analysis of all personnel and non-personnel associated costs determined that the revenues received by the City did not cover the actual costs incurred. At that time, the study recommended that the fee for standard impounds be increased from \$104.40 to \$195.00. The study further

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recommended that the fees associated with DUI or Detective related impounds be reduced from \$300 to \$235. The City Council adopted the fee schedule as recommended in the April 2007 study.

The City currently charges \$203.20 for standard impounds and \$244.90 for Detective or DUI related impounds. A telephone survey of police departments in neighboring communities revealed that administrative release fees range from \$93 to \$150 for standard impounds. It is not known if their fees were determined by an actual revenue-cost study related to their costs associated with impounding vehicles.

The independent tow operator, Quicksilver, also charges a fee related to the impound. Currently that fee is \$104.00 for the actual tow, plus \$35.20 per day storage for which includes a 10% LA City tax (\$3.20). These fees are regulated and authorized by the Los Angeles Board of Police Commissioners and are consistent for all tow operators in the greater Los Angeles area. Impounds of heavy duty commercial vehicles are handled by a specialty tow company. These heavy duty vehicles are not commonly impounded, and tow/storage fees are higher.

As a courtesy to the customer and the City, Quicksilver now collects the City fees at the same time the vehicle is released. This allows the registered owner to simply pick up an authorization for release from the Police Department, and then make a single payment at the tow company for the vehicle release. In the case of standard impounds, for vehicles released on the same day they are impounded, the total of all fees is \$342.40. This does not include the cost for any citation(s) issued at the time of impound. However, any fines related to these citations are not due at time the vehicle is released.

A common misconception regarding release fees occurs when a vehicle has outstanding unpaid fines at the time it is impounded. For vehicles with unpaid traffic fines, DMV fines, or other court fees, the owner will be required to pay these fees before the vehicle is released. It is not uncommon in situations such as this, for the total fees paid for the release of a vehicle to be significantly higher than the base impound/tow fees. It should be noted that these additional fees are not assessed by either the City or the tow yard.

### **FISCAL IMPACT**

The City collected \$155,324.30 in Administrative Release Fees in the first five months of FY 08/09 (July-Nov). Revenue received from vehicle impounds in FY 07/08 totaled \$394,609.90. This represents an average monthly impound revenue of \$32,349 during this 17 month period.

### **RECOMMENDATION**

It is the recommendation of Staff that the Administrative Release Fee currently being charged remain unchanged during for the 08/09 Fiscal Year. It is the opinion of Staff that the current fee, as authorized by state law is justified, appropriate, and not excessive. Although the City fee is higher than those in neighboring communities, the fee was established by internal and independent analysis of actual costs incurred by the City.

  
Assistant Chief Robert Curtis  
(for Chief Snowden)

22850.5. (a) A city, county, or city and county, or a state agency may adopt a regulation, ordinance, or resolution establishing procedures for the **release** of properly impounded vehicles and for the imposition of a charge equal to its administrative costs relating to the removal, **impound**, storage, or **release** of the vehicles. Those administrative costs may be waived by the local or state authority upon verifiable proof that the **vehicle** was reported stolen at the time the **vehicle** was removed.

(b) The following apply to any charges imposed for administrative costs pursuant to subdivision (a):

(1) The charges shall only be imposed on the registered owner or the agents of that owner and shall not include any **vehicle** towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the **Civil Code** unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs.

(2) Any charges shall be collected by the local or state authority only from the registered owner or an agent of the registered owner.

(3) The charges shall be in addition to any other charges authorized or imposed pursuant to this **code**.

(4) No charge may be imposed for any hearing or appeal relating to the removal, **impound**, storage, or **release** of a **vehicle** unless that hearing or appeal was requested in writing by the registered or legal owner of the **vehicle** or an agent of that registered or legal owner. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

No administrative costs authorized under subdivision (a) shall be charged to the legal owner who redeems the **vehicle** unless the legal owner voluntarily requests a poststorage hearing. No city, county, city and county, or state agency shall require a legal owner or a legal owner's agent to request a poststorage hearing as a requirement for **release** of the **vehicle** to the legal owner or the legal owner's agent. The impounding agency, or any person acting on behalf of the agency, shall not require the legal owner or the legal owner's agent to produce any documents other than those specified in paragraph (3) of subdivision (f) of Section 14602.6 or paragraph (3) of subdivision (e) of Section 14602.7. The impounding agency, or any person acting on behalf of the agency, shall not require any documents to be notarized.

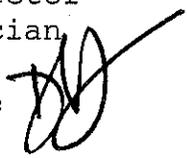
## CITY OF BEVERLY HILLS

## POLICE DEPARTMENT

## INTERDEPARTMENT COMMUNICATION

March 22, 2005

TO: Noel Marquis, Deputy Finance Director  
Terri Escolar, Accounting Technician

FROM: David L. Snowden, Chief of Police 

SUBJECT: Vehicle Impound Release Fee Increase

A review of our current vehicle release fee (\$41.70) has shown that substantial increases are prudent, based on administrative cost off-sets allowed by section 22850.5 of the California Vehicle Code- for all impounds and violator liability for expenses of emergency response incident to the arrest of intoxicated drivers, as authorized by sections 53150 through 53159 of California Government Code. Please refer to the attached material regarding the administrative costs of vehicle impounds and the arrest of intoxicated drivers (DUI).

A survey of agencies within Los Angeles County has revealed administrative release fees ranging up to \$150, for basic impounds and DUI related fees up to \$400. Other cities have additional tiers for commercial vehicles or 30-day holds, due to licensing violations, though these are not being considered for Beverly Hills at this time.

Santa Monica	\$67.50	(\$301 for 30-day holds)
West Hollywood (LASD)	\$78	
Culver City	\$100	
South Gate	\$100	(\$330 for DUI impounds)
Pomona	\$100	
Lynwood (LASD)	\$119	
Monterey Park	\$150	(\$400 for DUI impounds)

Based on this information, the Police Department recommends that the administrative fee for basic impounds be set at \$100 and the fee for DUI related impounds be set at \$300. Additionally, we recommend that a mutually agreeable procedure be established for the receipt of these release fees by the tow vendor. Please contact Lieutenant Mike Hines for further assistance.

Noel Marquis  
 Terri Escobar  
 Vehicle Release Fees  
 3/22/2005

**BASIC IMPOUND FEE**

Assessment of a vehicle impound release fee, to off-set administrative costs of the impound, is authorized by CVC 22850.5(a):

*"A city, county, or city and county, or a state agency may adopt a regulation, ordinance, or resolution establishing procedures for the release of properly impounded vehicles and for the imposition of a charge equal to its administrative costs relating to the removal, impound, storage, or release of the vehicles."*

Administrative costs largely consist of personnel compensation. These estimates factor in straight time employee rates at top step, with projected salary increases, for a basic (non-complicated) vehicle impound. Vehicle impound tasks include, but are not limited to, driver contact, communication with Dispatch, query of State data bases, issuance of citation for related offenses, inventory of vehicle contents, completion of impound documentation, stand-by for tow truck, travel to station, review by supervisors, research & processing by Records personnel, issuance of owner notification, and preparation of documentation upon release.

Supervisor	10 min. @ 71.175	(1.1863/min)=	11.863
Officer	45 min. @ 44.2427	(.7374/min)=	33.183
Records tech	30 min. @ 24.6483	(.4108/min)=	12.324
Dispatcher	5 min. @ 33.0936	(.5516/min)=	<u>2.758</u>
	Sub total		60.128
	Emp benefit comp (56%)		<u>33.6717</u>
	Personnel total		93.7997
Misc. supplies, fuel, vehicle wear, facility overhead, electricity, etc., at 10% of total			<u>9.38</u>
	<b>Total</b>		<b>\$103.18</b>

Recommended release fee is rounded down to **\$100**, for ease of handling and accounting.

Noel Marquis  
Terri Escobar  
Vehicle Release Fees  
3/22/2005

**DUI RELATED IMPOUND RELEASE FEE**

Violator liability for public agency costs, incident to the arrest of intoxicated drivers, is authorized by the following California Government Code sections:

**53150- Any person who is under the influence of an alcoholic beverage or any drug, or the combined influence of an alcoholic beverage and any drug, whose negligent operation of a motor vehicle caused by that influence proximately causes any incident resulting in an appropriate emergency response, and any person whose intentionally wrongful conduct proximately causes any incident resulting in an appropriate emergency response, is liable for the expense of an emergency response by a public agency to the incident.**

**53154- The expense of an emergency response shall be a charge against the person liable for expenses under this article. The charge constitutes a debt of that person and is collectible by the public agency incurring those costs in the same manner as in the case of an obligation under contract, expressed or implied, except that liability for the expenses provided for in this article shall not be insurable and no insurance policy shall provide or pay for the expenses.**

**53156(a)- "Expense of an emergency response" means reasonable costs incurred by a public agency in reasonably making an appropriate emergency response to the incident, but shall only include those costs directly arising because of the response to the particular incident. Reasonable costs shall include the costs of providing police, firefighting, rescue, and emergency medical services at the scene of the incident, as well as the salaries of the personnel responding to the incident.**

Expenses incurred by the emergency response required by enforcement of CVC section 23152 et al, allowing for the arrest of intoxicated drivers typically include the following estimates but, are not limited to, field investigation, effecting arrest, transport to a facility for chemical testing, gathering of pre-booking information, inventory of an arrestee's property, booking, criminal & driver history inquiry, evidence storage, report writing, review and approval by a supervisor, preparation of records package, induction processing of the arrestee, and processing the inmate for release. The impound assessment, previously shown, would be in addition to this amount for a DUI related impound.

Noel Marquis  
 Terri Escolar  
 Vehicle Release Fees  
 3/22/2005

DUI Response Fee (continued)

Officer contact	5 min.
Field Sobriety Test (FST)	20 "
Transport	10 "
Hospital time- blood test (Averaged with breath test- hospital time can be 2-3 hours currently)	60 "
Booking	20 "
Report writing	60 "
Review for approval	15 " (plus 15 min. supervisor)
DMV documentation	<u>10 "</u>

Sub-total 200 minutes= 3.3 hours

3.3 hrs @ \$69.0227 (officer salary & benefits)= \$227.7749  
 .25 hr @ \$111.03 (Lt. salary & benefits)= 27.76

Personnel estimate total **\$255.5349**

The estimated personnel expense for DUI response is rounded down to **\$200.00** for ease of handling and accounting. This cost off-set is added to the basic impound fee (\$100) to obtain the recommended DUI related vehicle release fee of **\$300.00**.

**Mark Rosen**

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**From:** Alice Zuniga  
**Sent:** Tuesday, December 23, 2008 10:25 AM  
**To:** Mark Rosen  
**Subject:** Quicksilver

**Importance:** High

Quicksilver Tow Fees FY 2008/2009 YTD

	Regular	Det	Total
Jul-08	36,892.20	734.70	37,626.90
Aug-08	31,194.00	2,154.20	33,348.20
Sep-08	31,089.60	1,224.50	32,314.10
Oct-08	25,566.80	979.60	26,546.40
Nov-08	23,774.40	1,714.30	25,488.70
Dec-08			
			155,324.30

Alice Zuniga  
 Records/Jail Bureau Manager  
 Police Dept.  
 City of Beverly Hills

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## Quicksilver Tow Fees 2007/2008

	Regular	Det	Total
Jul-07	25,045.20	2,976.50	28,021.70
Aug-07	35,490.00	2,193.20	37,683.20
Sep-07	26,520.00	1,645.00	28,165.00
Oct-07	31,395.00	1,410.00	32,805.00
Nov-07	34,125.00	940.00	35,065.00
Dec-07	26,130.00	940.00	27,070.00
Jan-08	35,685.00	2,350.00	38,035.00
Feb-08	28,275.00	940.00	29,215.00
Mar-08	34,320.00	470.00	34,790.00
Apr-08	35,685.00	705.00	36,390.00
May-08	30,030.00	1,175.00	31,205.00
Jun-07	33,345.00	2,820.00	36,165.00
<b>Total</b>			<b>394,609.90</b>

## Quicksilver Tow Fees 2006/2007

	Regular	DUI	Total
Jul-06	15,555.60	4,072.90	19,628.50
Aug-06	20,444.80	8,772.40	29,217.20
Sep-06	16,077.60	7,832.50	23,910.10
Oct-06	15,342.40	8,145.80	23,488.20
Nov-06	18,374.40	9,399.00	27,773.40
Dec-06	14,094.00	9,712.30	23,806.30
Jan-07	16,599.60	6,579.30	23,178.90
Feb-07	17,017.20	5,952.70	22,969.90
Mar-07	18,478.80	10,338.90	28,817.70
Apr-07	16,808.40	5,952.70	22,761.10
May-07	13,989.60	6,892.60	20,882.20
Jun-07			23,400.80
Total			289,834.30

## Quicksilver Fees 2005/2006 Partial YEAR

	Regular	DUI	Total
Oct-05	4,800	17,000	21,800
Nov-05	15,800	5,400	21,200
Dec-05	14,200	9,000	23,200
Jan-06	14,100	6,900	21,000
Feb-06	15,900	11,100	27,000
Mar-06			23,700
Apr-06	13,700	8,100	21,800
May-06	16,500	6,900	23,400
Jun-06	14,700	5,100	19,800
Total			202,900

**May 1, 2007 Study Session  
Exhibit B**

**Cost of Services Study  
for the  
City of Beverly Hills**

**APRIL 2007**



*Serving Local Governments Since 1975*



**Cost of Services Study  
for the  
City of Beverly Hills**

**APRIL 2007**

**Prepared by:**

**Revenue & Cost Specialists, LLC**

**2545 East Chapman Ave, Suite 103  
Fullerton, CA 92831**

**www.revenuecost.com  
(714) 992-9020**

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**CITY OF BEVERLY HILLS  
REVENUE AND COST SUMMARY WORKSHEET  
FY 2006-2007**

<b>SERVICE</b> VEHICLE IMPOUND RELEASE		<b>REFERENCE NO.</b> S-133	
<b>PRIMARY DEPARTMENT</b> POLICE	<b>UNIT OF SERVICE</b> VEHICLE	<b>SERVICE RECIPIENT</b> Resident/Non-Resident	
<b>DESCRIPTION OF SERVICE</b> Collection and release of vehicles impounded by the City.			
<b>CURRENT FEE STRUCTURE</b> Basic impound release - \$104.40 DUI-related impound release - \$313.30			
<b>REVENUE AND COST COMPARISON</b>			
<b>UNIT REVENUE:</b>	<b>\$88.55</b>	<b>TOTAL REVENUE:</b>	<b>\$195,261</b>
<b>UNIT COST:</b>	<b>\$185.31</b>	<b>TOTAL COST:</b>	<b>\$408,602</b>
<b>UNIT PROFIT (SUBSIDY):</b>	<b>\$(96.76)</b>	<b>TOTAL PROFIT (SUBSIDY):</b>	<b>\$(213,341)</b>
<b>TOTAL UNITS:</b>	<b>2,205</b>	<b>PCT. COST RECOVERY:</b>	<b>47.79%</b>
<b>SUGGESTED FEE FOR COST RECOVERY OF: 100%</b> Basic impound release - \$195 Detective-related impound release - \$235			

**CITY OF BEVERLY HILLS  
COST DETAIL WORKSHEET  
FY 2006-2007**

SERVICE				REFERENCE NO.		
VEHICLE IMPOUND RELEASE				S-133		
NOTE				TOTAL UNITS		
Unit Costs are an Average of Total Units				2,205		
DEPARTMENT	POSITION	TYPE	UNIT TIME	UNIT COST	ANN. UNITS	TOTAL COST
PATROL BUREAU	POLICE OFFICER		0.75	\$109.25	2,205	\$240,896
POLICE RECORDS	RECORD & JAIL MANAGER		0.08	\$11.92	2,205	\$26,284
POLICE RECORDS	RECORDS TECHNICIAN II		0.42	\$39.68	2,205	\$87,494
		<b>TYPE SUBTOTAL</b>	<b>1.25</b>	<b>\$160.85</b>		<b>\$354,674</b>
DETECTIVE BUREAU	POLICE OFFICER	Detective	0.17	\$24.51	330	\$8,088
POLICE RECORDS	RECORD & JAIL MANAGER	Detective	0.08	\$11.92	330	\$3,934
POLICE RECORDS	RECORDS TECHNICIAN II	Detective	0.42	\$39.68	330	\$13,094
		<b>TYPE SUBTOTAL</b>	<b>0.67</b>	<b>\$76.11</b>		<b>\$25,116</b>
TRAFFIC BUREAU	POLICE SERGEANT	Traffic	0.08	\$14.36	880	\$12,637
TRAFFIC BUREAU	ADMIN CLERK II PUB SAF	Traffic	0.25	\$18.38	880	\$16,174
		<b>TYPE SUBTOTAL</b>	<b>0.33</b>	<b>\$32.74</b>		<b>\$28,811</b>
		<b>TOTALS</b>	<b>2.25</b>	<b>\$185.31</b>		<b>\$408,602</b>

Administrative Release Fees  
 Impounded Vehicles  
 December 22, 2008

Beverly Hills	\$203.20	(\$244.90 for Detective hold)
Culver City	\$125.00	
Santa Monica	\$101.80	(\$518.90 for 30 day mandatory impound)
Inglewood	\$150.00	
West Hollywood (LA Co)	\$ 93.00	
Los Angeles Police	\$100.00	

Impound Release Fees from Tow Operator:

Tow:	\$104.00	Jan 1, 2009	\$107.50
Storage:	32.00	Jan 1, 2009	\$ 33.00
Plus 10% LA City Tax	3.20	Jan 1, 2009	\$ 3.30