



City of San Antonio

Agenda Memorandum

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Agenda Item Number: {{item.number}}

Agenda Date: March 18, 2025

In Control: Transportation and Infrastructure Committee

DEPARTMENT: Police Department

DEPARTMENT HEAD: William McManus, Chief of Police

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Non-Consent Tow Rates

SUMMARY:

Briefing and Possible Action on potential increase to non-consent tow rates regulated by Chapter 19, Motor Vehicles and Traffic, Article XI Wrecker Service, Division 3 Fees of the City Code.

BACKGROUND INFORMATION:

The City Council has the authority to set the rates for consent and non-consent tows as long as those rates do not exceed the rates allowed by the Texas Department of Licensing and Regulation (TDLR). The non-consent tow rate is regulated by Chapter 19 of the City Code.

A nonconsent tow in Texas is any tow of a motor vehicle that is not a consent tow, including incident management tows (tows related to traffic accidents or incidents) and private property tows (tows from private property including apartment complexes, businesses,

and parking lots).

Requests for changes to the tow rate are governed by a specific process that is outlined in Chapter 19-403: Tow Fee Study of the City Code. The Code requires that a request be sent in writing by three or more towing companies that either alone or together comprise 50% of the non-consent tows performed in the preceding calendar year of when the request is made.

The Code further states that the methodology used to conduct the study is established by the finance department of the city. The finance department shall determine what financial information is necessary to conduct the study, to include but not limited to financial information requested from non-consent towing companies in the city. Any and all towing companies joining in the request for a tow fee study must provide all requested financial information. Such information shall be kept confidential to the maximum extent allowed by law.

The current non-consent tow rate of \$177 for light duty was established by City Ordinance in 2013.

The City received in 2021 and subsequently in 2023 a request from the non-consent tow companies for a Tow Fee Study. The first request lacked the financial information required to conduct the study and after several attempts to obtain the information, the City was not able to conduct the Study. For the second request, the City met with the non-consent towing companies requesting the study to discuss the financial information needed. Based on the financial information provided by the non-consent tow companies the study did not result in a fee increase. This was communicated to the towing companies.

On March 5, the towing companies submitted to the City a requested increase to the towing fee ranging from \$33 to \$95 per tow. They proposed three scenarios as shown in the table below and included a new Administrative Fee that would be paid to the City of San Antonio for tow truck safety inspections, enforcement, and regulatory oversight. This fee would be equivalent to 3.33% of the total rate and it would range from \$7 to \$9.05 per tow.

The non-consent towing companies are basing their increase request on multiple factors, including that there has not been an increase in over 10 years. Additionally, they asserted that an increase is necessitated by increases in expenses such as labor, fuel, and insurance.

Scenario	Current Rate	Proposed Rate	Admin Fee % of Tow Rate	Proposed Revenue (60,000 tows)
1	\$177	\$210 ¹	3.33% or \$7 per tow	\$420,000
2	\$177	\$244.85 ²	3.33% or \$8.15 per tow	\$489,000
3	\$177	\$272.00 ³	3.33% or \$9.05 per tow	\$543,000

1. Proposed rate is equivalent to the City's Police Department Directed Tows
2. Rate is based on CPI increases from 2013 to 2025
3. Rate represents the maximum amount allowed by the State

ISSUE:

Briefing and Possible Action on potential increase to non-consent tow rates regulated by Chapter 19, Motor Vehicles and Traffic, Article XI Wrecker Service, Division 3 Fees of the City Code.

FISCAL IMPACT:

No fiscal impact.

ALTERNATIVES:

Not applicable.

RECOMMENDATION:

Staff recommends working with the non-consent tow companies requesting the rate increase and adjusting the rate based on projected operating cost and labor increase for 2025 and 2026. A recommended increase to the rate will be brought to the full City Council for consideration in April 2025.

The process outlined in the City Code provides a balanced approach to set appropriate rates that allow towing companies to operate while also considering the financial impact on consumers.

Non-Consent Towing Companies would have 48 months to provide complete financial information as requested by the Finance Department in order for the Finance Department to conduct a Tow Fee Study consistent with the current ordinance.