

RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION AUTHORIZING THE EXECUTION OF TOW SERVICE
FRANCHISE AGREEMENTS AND ESTABLISHING A FRANCHISE FEE CREDIT
FOR CERTAIN SERVICES APPLICABLE TO THE NON-EXCLUSIVE FRANCHISE
FOR POLICE TOWING**

WHEREAS, the City of Salinas, through its Police Department, manages a rotational tow program to support the Police Department's operations and enforcement of the law; and

WHEREAS, tow companies provide service to the Salinas Police Department pursuant to a franchise issued by the City and a Tow Service Franchise Agreement entered into between the City and the tow companies; and

WHEREAS, each tow company is required to pay a franchise fee to the City during the term of the franchise in an amount set by Resolution of the City Council pursuant to Salinas Municipal Code section 20-191; and

WHEREAS, the franchise fee is based on the number of tows generated and the City's actual costs in managing the franchise tow program and is paid quarterly by the franchised tow companies; and

WHEREAS, the Salinas Police Department, from time-to-time, orders the tow of an oversized vehicle including, for example, a recreational vehicle. Such vehicles require specialized equipment and services because they contain hazardous materials or substances (including, for example, human waste and refrigeration chemicals) which, if not properly disposed of, can negatively affect the health, safety, and welfare of the community. Such vehicles are sometimes inoperable and incapable of being driven or otherwise moved without the assistance of a tow truck, rendering them with little to no value; and

WHEREAS, because of the condition of some oversized vehicles, and the need for them to be properly cleaned, transported, and disposed of, the franchise tow companies sometimes realize a loss of revenue as a result of assisting the Salinas Police Department with the tow and the removal of some oversized vehicles.

NOW, THEREFORE, BE IT RESOLVED the City Council authorizes the City Manager to execute the FY 2023-24 Tow Service Franchise Agreements with the franchise tow companies; and

BE IT FURTHER RESOLVED by the City Council, that to accommodate the Salinas Police Department's need for the tow and removal of oversized vehicles and the negative financial effect on the franchise tow companies as a result of being called upon to tow an oversized vehicle, in some instances the franchise fee due and payable to the City from each franchise tow company may be reduced by up to one thousand three hundred dollars (\$1,300) for each oversized vehicle towed by each company as further specified in the Tow Service Franchise Agreement; and

BE IT FURTHER RESOLVED that in the event a franchise tow company's franchise fee is fully reduced to zero as a result of having towed and removed such oversized vehicles, the franchise tow company will not be required to pay a franchisee fee, but will not receive a credit for additional tows completed beyond the value of the franchise fee.

PASSED AND APPROVED this 20th day of June 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Kimbley Craig, Mayor

ATTEST:

Patricia M. Barajas, City Clerk