

MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy Morales, City Manager

DATE: December 12, 2018

SUBJECT: **POLICE AND PARKING DEPARTMENT TOWING PERMITS DISCUSSION ITEM – WALKER PARKING SUPPLEMENTAL REPORT**

Supplemental Information

On November 30, 2018, Mr. Ralph Andrade, legal counsel for the two towing service providers sent a correspondence (see attached) requesting the City and Walker Parking consider two points related to the analysis submitted by Walker. The two issues are:

- Comingling of maximum allowable towing rates in municipalities and counties skews the average tow rate provided in the report; and
- Miami Beach's tow permit fee (\$30 per tow) is included in the current maximum tow rate of \$140 for Class "A" tows which results in a net maximum rate of \$110.

The Administration forwarded Mr. Andrade's inquiry to Walker Parking for their further review and response. Walker provided a supplemental report (see attached) containing the following updated recommendation:

Walker recommends the City of Miami Beach amend its maximum allowable towing rates for non-consensual tows to remain consistent with the towing ordinance rates defined under Miami-Dade County. Additional fees per tow, charged to the motorist and made payable to the City of Miami Beach, should be in addition to an amended maximum allowable towing rate of \$120.50 per tow. Hence, increasing the existing non-consensual tow for non-residents from \$140 to \$150.50 and for residents from \$140 to \$145.50. Similar to other South Florida Region jurisdictions, the City of Miami Beach should review its towing rates on an annual basis to remain consistent with its neighboring municipalities and counties.

Walker's updated recommendation results in a net increase of \$10.50 per tow, a 7.5% increase, which is consistent with the 9.8% cumulative CPI increase between December 2012 and August 2018 (see attached Towing CPI analysis).

Please note the City's Internal Auditor is conducting an audit of both towing service providers. The audit report is anticipated to be completed by January 2019.

The Administration is seeking direction regarding this item.

JM/KGB/SF



4904 Eisenhower Boulevard, Suite 150
Tampa, FL 33634

813.888.5800
www.walkerconsultants.com

November 5, 2018
(Revised: December 10, 2018)

(Sent via email to: RocioAlba@miamibeachfl.gov)

Ms. Rocio Alba
Administrative Service Manager,
Parking Department
City of Miami Beach
1755 Meridian Avenue, Suite 100
Miami Beach, FL 33139

Re: Police and Parking Department – Maximum Allowable Towing Rates Analysis
City of Miami Beach, Florida
Walker Project No. 15-2299.00

Dear Ms. Alba:

Walker Consultants is pleased to present this report detailing our findings regarding the maximum allowable towing rates at the City of Miami Beach. This report summarizes our findings and recommendations and is intended to assist with evaluating rate changes within the City of Miami Beach Police and Parking Department.

We appreciate the opportunity to be of service to you on this project. If you have any questions or comments, please do not hesitate to call.

Sincerely,

WALKER CONSULTANTS

A handwritten signature in blue ink, appearing to read "Jim Corbett".

Jim Corbett, CAPP
Consultant

A handwritten signature in blue ink, appearing to read "Emily R. Krueger".

Emily Krueger
Planner/ Analyst

EXECUTIVE SUMMARY

Walker's research efforts have identified the maximum allowable towing rates and administrative fees associated with non-consensual police directed tows for the following sample survey of municipalities:

Municipality	Non-consensual towing rate – Class A
City of Daytona Beach	\$125
City of Key West	\$135
City of Miami	\$120.50
City of Panama City Beach	\$87.50
City of Tampa	\$125
City of West Palm Beach	\$167

The average maximum towing rate for these municipalities is \$126.66 per tow.

During our research efforts, we quickly recognized a significant number of the municipal jurisdictions throughout the state of Florida defer to their respective county jurisdictions when establishing maximum towing rates and fees. In the case of the municipalities we listed above, the following counties have assumed the greater role when defining maximum allowable towing rates:

County	Non-consensual towing rate – Class A
Monroe County	\$135
Miami-Dade County	\$120.5
Hillsborough County	\$125
Palm Beach County	\$167

The average maximum towing rate for these counties is \$136.88 per tow.

Relevant to the findings associated with this revised document, Walker compared the maximum allowable towing rates for the following relevant counties defined under a South Florida Region grouping:

County	Non-consensual towing rate – Class A
Monroe County	\$135
Miami-Dade County	\$120.5
Broward County	\$137.28
Palm Beach County	\$167

The average maximum allowable towing rates for this South Florida Region county grouping is \$139.95.

Key Finding:

Under these counties, additional administrative fees imposed on the motorist and payable to the local municipality include a \$30 per tow for the City of Miami and a \$30 per tow for the City of Miami Beach (\$25 per tow for residents).

Under the City of Miami's towing contract with its towing agencies, the City of Miami has specified that they will charge a fee of \$30 for each vehicle that is recovered, towed, removed, or stored within the City. To administer this policy, the City sends a monthly settlement invoice to each towing agency for payment of the City's fee for each vehicle. The City may charge a late fee in the amount of \$525 if payment is not received from the towing agency within 15 days of receipt of the invoice. If the towing agency has not paid their settlement invoice after 30 days of receipt of the invoice, the City may suspend the towing agencies license. This \$30 fee is in addition to the maximum allowable towing fee received by the towing agency.

By contrast the City of Miami Beach receives a \$30 fee for each vehicle towed and a \$25 fee for each resident-owned vehicle towed. These contractual fees are included in the flat rate towing fee and passed through to the customer. This \$30 reduction to the \$140 non-consensual towing rate for the City of Miami Beach allows \$110 per tow to be retained by the towing agency contractor.

RECOMMENDATION

Walker recommends the City of Miami Beach amend its maximum allowable towing rates for non-consensual tows to remain consistent with the towing ordinance rates defined under Miami-Dade County. Additional fees per tow, charged to the motorist and made payable to the City of Miami Beach, should be in addition to an amended maximum allowable towing rate of \$120.50 per tow. Hence, increasing the existing non-consensual tow for non-residents from \$140 to \$150.50 and for residents from \$140 to \$145.50. Similar to other South Florida Region jurisdictions, the City of Miami Beach should review its towing rates on an annual basis to remain consistent with its neighboring municipalities and counties.

INTRODUCTION

The City of Miami Beach has requested Walker Consultants to analyze their maximum allowable towing rates as well as acceptable forms of payment by the general public to the towing service providers for retrieval of their vehicle. The last towing rate increase in the City of Miami Beach occurred in 2012. The City is seeking a review of the existing rate structure and a comparative analysis with other communities in the region to arrive at a recommendation for maximum allowable towing rates. Walker has chosen nine comparable communities that experience an increase in visitors during peak season activity as well as host an active night life.

Within this analysis, maximum allowable towing rates include non-consensual and police-directed towing rates by vehicle class, drop fees, storage rates, additional fees that can include administrative fees, after-hours fees, or labor fees, and typically define acceptable forms of payment.

DEFINITION OF TERMS

Several terms or jargon are used in this report that have unique meanings when used in the parking industry. To help clarify these terms and enhance understanding by the reader, the following definitions are presented.

- **Non-Consensual or Non-Consent Tow** - The towing or removing of any motor vehicle from private property without the express consent of the vehicle owner.
- **GVW** – Gross Vehicle Weight
- **Class A Vehicle**- Gross vehicle weight up to 10,000 pounds, a sedan to a pickup truck
- **Class B Vehicle** – Gross vehicle weight between 10,000 and 19,500 pounds, box truck to a large walk-in van
- **Class C Vehicle**- Gross vehicle weight between 19,500 and 25,000 pounds, a beverage truck to a school bus
- **Class D Vehicle** – Gross vehicle weight over 25,000 pounds, a garbage truck to a city transit bus

CITY OF MIAMI BEACH MAXIMUM ALLOWABLE TOWING RATES

The City of Miami Beach's maximum allowable towing rates reflect the rates last updated in 2012. Currently payment is accepted in the form of cash, money order, traveler's check, or personal check. Typical fees commonly found in other municipal rate structures include drop fee, labor rate, administrative fee, and maximum after-hour gate fee. Our research concluded these fees are consistent with other Florida agencies included in this study. The non-consensual tow rate for Class A Vehicles higher than the average rate from the communities studied in this analysis, however Class B, C, and D vehicles are reported at much lower rates than comparable communities. The City has chosen to waive drop fees within City limits, which is unique when compared to the other agencies studied in this analysis.

When researching, Walker found that many municipalities created ordinances that defer to the county's established towing ordinances. Where a city and county are listed in tandem, the city has specified that they have adopted the towing rates set forth by the county. The comparative cities and counties specify in their Code of Ordinances that rates can be altered, revised, increased or decreased as established by their respective commissions. The typical rate increase discovered in this analysis is either the annual percentage increase of the Consumer Price Index or 3%, whichever is lower. The following exhibit shows the maximum allowable towing rates for the City of Miami Beach.

Exhibit 1: City of Miami Beach Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
MIAMI BEACH	Class A Vehicles	Nonconsensual tow (flat rate)	\$140.00
	Class B Vehicles	Nonconsensual tow (flat rate)	\$145.00
	Class C Vehicles	Nonconsensual tow (flat rate)	\$175.00
	Class D Vehicles	Nonconsensual tow (flat rate)	\$200.00
	Drop Fee	Drop Fees have been Waived in City of Miami Beach	-
	Labor Rate	Labor rate fee, if extraordinary effort, such as multiple tow trucks, is required.	\$30.00
	Storage Fee		
	Daily Outdoor Storage/ per day	Storage fees will be imposed after the vehicle has been in the control of the towing operator more than 6 hours. Storage rates accrue at a rate per 24 hour period or fraction thereof.	\$30.00
	Daily Indoor Storage/ per day		\$35.00
	Administrative Fee		
	Administrative Fee	An administrative fee will be imposed on all vehicles	\$35.00
	After-Hour Gate Fee		
	Maximum after-hour gate fee	After-hour gate fees will not be applied between the hours of 8:00 am and 5:00pm Monday through Friday	\$30.00
	Acceptable Forms of Payment		
	Cash, Money Order, Traveler's Check or Personal Check with ID		
(Code 1964, § 44-60)			

Source: City of Miami Beach and Walker Consultants 2018

COMPARATIVE CITIES AND COUNTIES

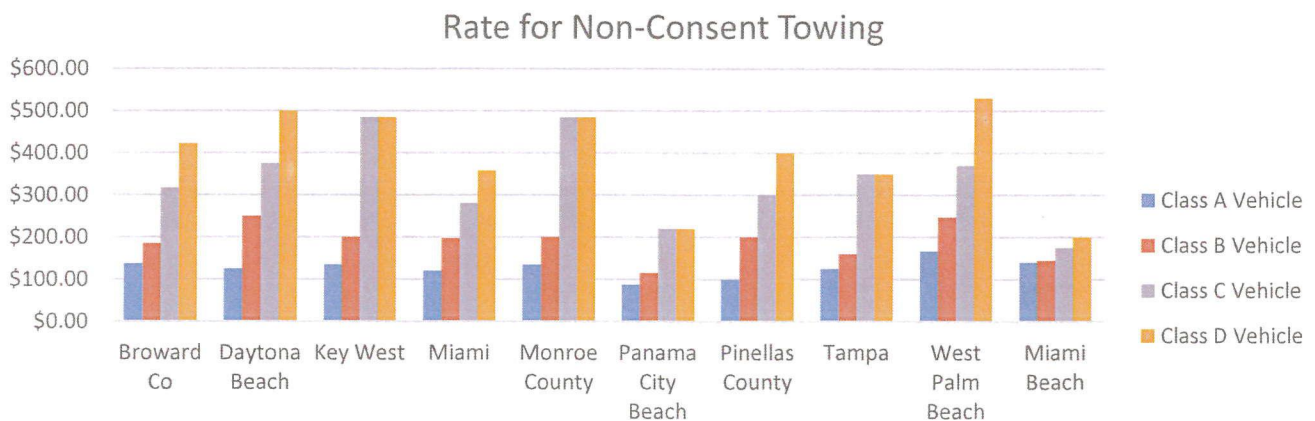
A key part of this study involved a comparison between the City of Miami Beach's towing rates to those of comparable cities and counties throughout the State of Florida. The purpose of this benchmarking exercise is to demonstrate how similar cities have structured their rates for non-consensual towing operations. The following cities and counties have been chosen to analyze:

1. Broward County
2. Daytona Beach
3. Key West
4. Miami – Miami-Dade County
5. Monroe County
6. Panama City Beach
7. Pinellas County
8. Tampa – Hillsborough County
9. West Palm Beach – Palm Beach County

NON-CONSENSUAL TOWING RATES

The following exhibit shows the established flat rate fee for non-consensual tows by vehicle class.

Exhibit 2: Comparison of Non-Consensual and Police-Directed Towing Rates



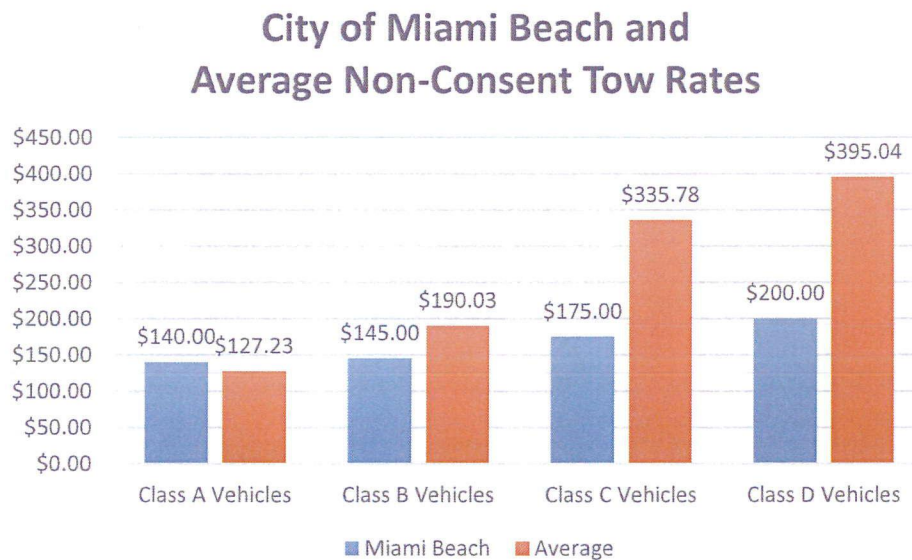
Source: Walker Consultants 2018

When summarizing the data from the previous exhibit the average flat rate fee for non-consensual and police-directed tows by class are as follows:

- Class A Vehicle: \$127.23
- Class B Vehicle: \$190.03
- Class C Vehicle: \$335.78
- Class D Vehicle: \$395.04

The exhibit below shows the comparison between the City of Miami Beach and the average of the comparable cities' non-consensual and police-directed towing rates.

Exhibit 3: Comparison of Miami Beach and the Average Non-Consensual and Police-Directed Towing Rates

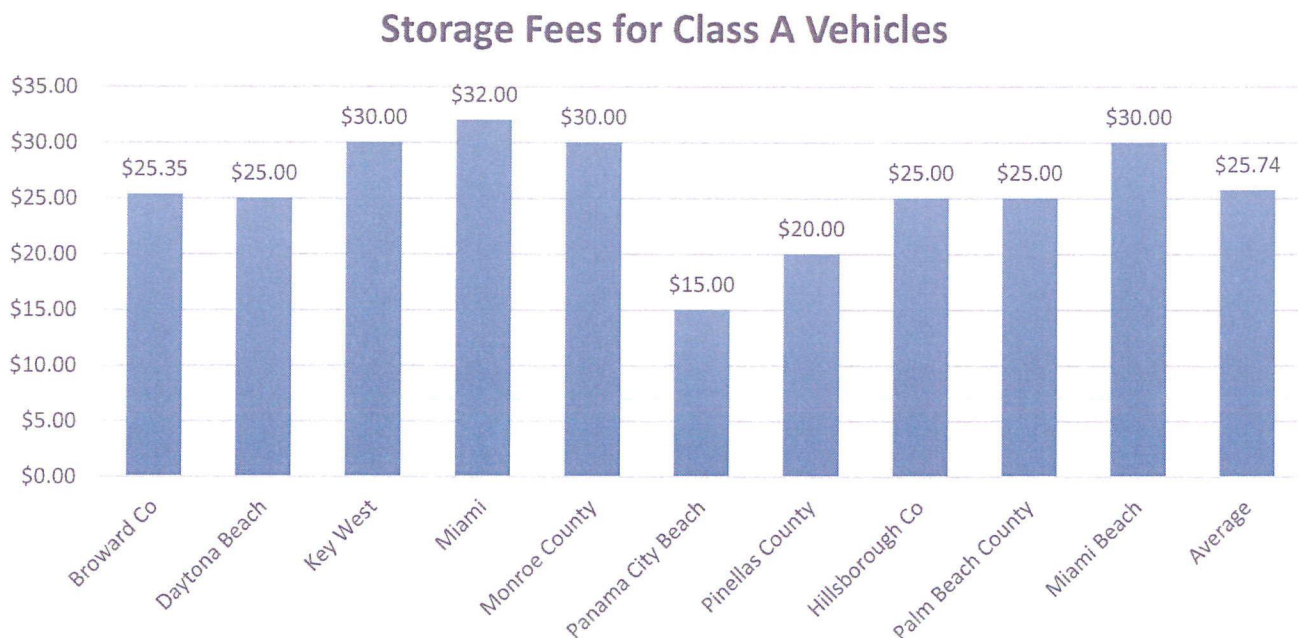


Source: Walker Consultants 2018

STORAGE FEES

Storage fees vary by city and county. Some municipalities and counties charge a storage rate by class, while others charge a by storage location. Storage locations vary by indoor and outdoor facilities. Additionally, some cities and counties charge fees if the vehicle is over 20 feet long. In the following exhibit, the outdoor storage rate for Class A Vehicles has been shown:

Exhibit 4: Storage Fee Comparison for Class A Vehicles



Source: Walker Consultants 2018

ADMINISTRATIVE FEES

Administrative fees are typically charged after a vehicle is stored for 24 hours and the towing service has complied with requirements of F.S. § 713.78 - Liens for recovering, towing, or storing vehicles and vessels, including execution and mailing of the lien notice. The average Administrative Fee is \$35.00.

ACCEPTABLE FORMS OF PAYMENT

All comparable cities and counties accept cash and money orders however the following cities and counties accept credit card payment as an additional option: Broward County, the City of Key West, the City of Miami, Monroe County, Pinellas County, Palm Beach County, and Miami-Dade County. While these cities and counties have specified acceptance of bank credit cards, no additional information is available at this time discussing policies guiding the acceptance of credit cards.

ANNUAL RATE INCREASE

The cities and counties studied in this report all state that maximum rates may be altered, revised, increased or decreased by commission approval. Broward County specifically stated maximum towing rates are to be reviewed annually and increased by the annual percentage increase in the Consumer Price Index (CPI) or 3%, whichever is less. In fiscal year 2018 the annual CPI increase was 2.3% and the rates were increased by that amount. Again, in fiscal year 2019 the rates increased another 2.3%. While it's important to recognize Broward County mandates these increases in their ordinances, other cities and counties have the authority to approve a rate increase.

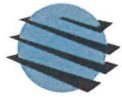
SUMMARY

Walker's research reveals the non-consensual and police-directed Class-A towing rates for the City of Miami Beach remains one of the highest within any of the comparable cities and counties listed in this analysis. While Broward County has recently increased their Class-A towing rates to match a 2.3% CPI increase over the past two fiscal years, their maximum allowable towing rate remains at \$137.28 per tow. Other cities and counties within this analysis have not clearly stated they have enacted a recent rate increase. The following summary demonstrates the Class-A towing rates and their acceptable forms of payment for each of the cities and counties listed in the analysis.

City or County Jurisdiction	Class-A Towing Rate
Palm Beach County	\$167.00
Miami Beach	\$140.00
Broward County	\$137.28
Key West	\$135.00
Monroe County	\$135.00
Tampa	\$125.00
Daytona Beach	\$125.00
Miami	\$120.50
Pinellas County	\$100.00
Panama City Beach	\$87.50

City or County Jurisdiction	Cash	Check	Credit Card	Debit Card
Palm Beach County	X	X	X	X
Miami Beach	X	X		
Broward County	X	X	X	X
Key West	X	X	X	X
Monroe County	X	X	X	X
Tampa	X	X		X
Daytona Beach	X			
Miami	X		X	
Pinellas County	X		X	X
Panama City Beach	X	X		

The exhibits over the following pages reflect Walker's research efforts to summarize the comparable city and county data.

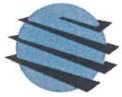


BROWARD COUNTY

Exhibit 5: Broward County Maximum Allowable Towing Rates

County	Non-Consent Tow Rate		
BROWARD	Class A Vehicles	Police Directed Tow: First 15 min. on scene	\$137.28
		Police Directed Tow: Labor extending beyond the initial 15 min on scene	\$58.08/ ½ hour
	Class B Vehicles	Police Directed Tow (flat rate)	\$184.79
		If Flatbed is Used	\$205.92
	Class C Vehicles	Police Directed Tow (flat rate)	\$316.79
		If Flatbed is Used	\$340.02
	Class D Vehicles	Police Directed Tow (flat rate)	\$422.40
		If Flatbed is Used	\$340.02
	Drop Fee	Rate if released on scene	50.00%
	Storage Fee		
	The following rates shall be set for the storage of vehicles. However, pursuant to Section 713.78 (2), Florida Statutes, no storage fee shall be charged if the vehicle is stored for less than six (6) hours.		
	Class A Vehicles	Indoor	\$31.68
		Outdoor	\$25.35
	Class B Vehicles		\$45.41
	Class C Vehicles		\$52.80
	Class D Vehicles		\$52.80
	Administrative Fee		
	Administrative Fee	An administrative fee will be imposed on all vehicles but may not be charged if the vehicle owner is identified within 24 hours of the vehicle arriving at the storage facility.	\$31.68
	The person retrieving the vehicle may pay a \$5.18 voluntary fee to expedite vehicle ownership verification.		
	Research fees may be charged ONLY when the tow company providing the service must actually perform research to determine ownership of a vehicle to notify the vehicle owner, lien-holders, and insurance companies.		
	Labor Fee		
	Class A Vehicles	per hour (starting when the tow operator arrives at scene of the vehicle and ending when the tow operator leaves the scene)	-
	Class B Vehicles		\$184.79/ hr
	Class C Vehicles		\$316.79/ hr
	Class D Vehicles		\$105.59/ ¼hr
	Acceptable Forms of Payment		
	Cash, Money Order, Traveler's Check		
	Bank Debit/Credit Card including but not limited to MasterCard or Visa		
	If payment is made by CREDIT CARD, a credit card fee in the amount of three percent (3%) may be charged to the vehicle owner.		
	Towing industry fees are to be reviewed annually and increased by the annual percentage increase in the Consumer Price Index or 3%, whichever is less. The 2017 to 2018 annual CPI increase was 2.3% as determined by the Environmental and Consumer Protection Division after review of the Bureau of Labor Statistics, Southeastern Regional Office CPI data. Accordingly, towing industry fees for 2019, increased by 2.3%, are reflected below and are effective October 1, 2018.		
	(Per § 40.37.c.4 and § 27.150(f)(6) of the Broward County Administrative Code)		

Source: Broward County and Walker Consultants 2018

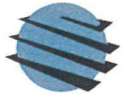


CITY OF DAYTONA BEACH

Exhibit 6: City of Daytona Beach Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
DAYTONA BEACH	Class A Vehicles	Towing Rate	\$125.00
	Class B Vehicles	Towing Rate	\$250.00
	Class C Vehicles	Towing Rate	\$375.00
	Class D Vehicles	Towing Rate	\$500.00
	Drop Fee	Drop fee not to exceed \$25.00	\$25.00
	Storage Fee		
	Class A Vehicles	Maximum daily storage fee after 12 hours	\$25.00
	Class B Vehicles		\$30.00
	Class C Vehicles		\$55.00
	Class D Vehicles		\$55.00
	Administrative Fee		
	Administrative Fee	An administrative fee not to exceed \$35.00 may be charged after the first 48 hours so long as the wrecker has actually complied with the requirements of F.S. § 713.78, including execution and mailing of the lien notice.	\$25.00
	Additional Fees		
	Maximum after-hour gate fee	After-hour gate fees will not be applied between the hours of 8:00 am and 6:00pm Monday through Friday	\$25.00
(Code 1970, § 8-7)			
Amendment No. 1 to Wrecker Service Agreement: December 2017 (City Resolution No. 09-67)			

Source: City of Daytona Beach and Walker Consultants 2018



CITY OF KEY WEST

Exhibit 7: City of Key West Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
KEY WEST	Class A Vehicles	Nonconsensual tow (flat rate)	\$135.00
	Class B Vehicles	Nonconsensual tow (flat rate)	\$200.00
	Class C Vehicles	Nonconsensual tow (flat rate)	\$485.00
	Drop Fee	Rate if released on scene	50.00%
	Labor Rate	Labor rate fee up to \$135/hour if extraordinary effort, such as multiple tow trucks, is required.	\$135.00/hour
	Storage Fee		
	Daily Outdoor Storage/ per day vehicles 20' or less	Storage fees will be imposed after the vehicle has been in the control of the towing operator more than 6 hours. Storage rates accrue at a rate per 24 hour period or fraction thereof.	\$30.00/day
	Daily Outdoor Storage/ per day vehicles over 20'		\$2.00/foot
	Daily Indoor Storage/ per day vehicles 20' or less		\$40.00
	Daily Indoor Storage/ per day vehicles over 20'		\$2.00/foot
	Administrative Fee		
	Administrative Fee	An administrative fee will be imposed on all vehicles	\$25.00
	Notification/ Lien Fee	After a vehicle has been in storage over 24 hours a notification/ lien fee will be charged for first notification.	\$50.00
	Each additional letter if administrative/ lien letter is prepared.		\$20.00
	After-Hour Gate Fee		
	Maximum after-hour gate fee	After-hour gate fees will not be applied between the hours of 8:00 am and 5:00pm Monday through Friday	\$75.00
	Acceptable Forms of Payment		
	Cash, Money Order, Traveler's Check		
	Bank Debit/Credit Card including but not limited to MasterCard or Visa		
	(Ord. No. 11-22, § 7, 12-6-2011; Ord. No. 15-18, § 1, 12-16-2015)		

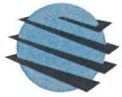
Source: City of Key West and Walker Consultants 2018

CITY OF MIAMI

Exhibit 8: City of Miami Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
MIAMI	Class A Vehicles	Police Directed Tow (flat rate)	\$120.50
	Class B Vehicles	Police Directed Tow (flat rate)	\$197.50
	Class C Vehicles	Police Directed Tow (flat rate)	\$281.00
	Class D Vehicles	Police Directed Tow (flat rate)	\$358.00
	Drop Fee	Rate if released on scene	50.00%
	Storage Fee		
	The following rates shall be set for the storage of vehicles. However, pursuant to Section 713.78 (2), Florida Statutes, no storage fee shall be charged if the vehicle is stored for less than six (6) hours.		
	Daily Indoor Storage/ per day vehicles 20' or less		\$32.00
	Daily Indoor Storage/ per day vehicles 20' or more		\$52.00
	Daily Indoor Storage/ per day	Small personal vehicles (motorcycles, scooters, etc.)	\$15.50
	Daily Outdoor Storage/ per day vehicles 20' or less		\$26.00
	Daily Outdoor Storage/ per day vehicles 20' or more		\$46.00
	Daily Outdoor Storage/ per day	Small personal vehicles (motorcycles, scooters, etc.)	\$13.00
	Administrative Fee		
	Administrative Fee	An administrative fee will be imposed on all vehicles	\$36.25
	Acceptable Forms of Payment		
	Persons operating or in charge of any storage facility where vehicles are stored pursuant to this article shall accept a valid bank credit card or cash for payment of towing and storage by a registered owner or the owner's agent claiming the vehicle.		
	Cash		
	Bank Credit Card		
	The city hereby adopts and incorporates the maximum rates established by the Miami-Dade Board of County Commissioners pursuant to section 30-476 of the Miami-Dade County Code, as amended, for providing recovery, non-consent towing, removal and storage services at the request of a police agency, Miami Parking Authority or a property owner or authorized representative, with or without the prior consent of the vehicle owner or other authorized person in control of the vehicle. From time to time, the maximum rates may be altered, revised, increased or decreased by the Miami-Dade Board of County Commissioners. Such increase or decrease by the Miami-Dade Board of County Commissioners shall also apply to the city.		
(Ord. No. 13513, § 1, 4-9-15)			

Source: City of Miami, Miami-Dade County, and Walker Consultants 2018



MONROE COUNTY

Exhibit 9: Monroe County Maximum Allowable Towing Rates

County	Non-Consent Tow Rate		
MONROE	Class A Vehicles	Nonconsensual tow (flat rate)	\$135.00
	Class B Vehicles	Nonconsensual tow (flat rate)	\$200.00
	Class C Vehicles	Nonconsensual tow (flat rate)	\$485.00
	Drop Fee	Rate if released on scene	50.00%
	Labor Rate	Labor rate fee up to \$135/hour if extraordinary effort, such as multiple tow trucks, is required.	\$135.00/hour
	Storage Fee		
	Daily Outdoor Storage/ per day vehicles 20' or less	Storage fees will be imposed after the vehicle has been in the control of the towing operator more than 6 hours. Storage rates accrue at a rate per 24-hour period or fraction thereof.	\$30.00/day
	Daily Outdoor Storage/ per day vehicles over 20'		\$2.00/foot
	Daily Indoor Storage/ per day vehicles 20' or less		\$40.00
	Daily Indoor Storage/ per day vehicles over 20'		\$2.00/foot
	Administrative Fee		
	Administrative Fee	An administrative fee will be imposed on all vehicles	\$25.00
	Notification/ Lien Fee	After a vehicle has been in storage over 24 hours a notification/ lien fee will be charged for first notification.	\$50.00
	Each additional letter if administrative/ lien letter is prepared.		\$20.00
	After-Hour Gate Fee		
	Maximum after-hour gate fee	After-hour gate fees will not be applied between the hours of 8:00 am and 5:00pm Monday through Friday	\$75.00
	Acceptable Forms of Payment		
	Cash, Money Order, Traveler's Check		
	Bank Debit/Credit Card including but not limited to MasterCard or Visa		
(Ord. No. 013-2015 , §§ 1—12)			

Source: Monroe County and Walker Consultants 2018

CITY OF PANAMA CITY BEACH

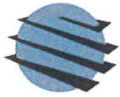
Exhibit 10: City of Panama City Beach Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
PANAMA CITY BEACH	Class A Vehicles	between the hours of 8:00 a.m. and 5:00 p.m.	\$87.50
		between the hours of 5:00 p.m. and 8:00 a.m.	\$97.50
	Class B Vehicles	between the hours of 8:00 a.m. and 5:00 p.m.	\$115.00
		between the hours of 5:00 p.m. and 8:00 a.m.	\$125.00
	Class C Vehicles	between the hours of 8:00 a.m. and 5:00 p.m.	\$220.00
	Drop Fee	Rate if released on scene	50.00%
	Storage Fee		
	Class A Vehicles	Outside Storage Fee	\$15.00
		Inside Storage Fee	\$20.00
	Class B Vehicles	Outside Storage Fee	\$20.00
	Class C Vehicles	Outside Storage Fee	\$30.00
	Over 30 Minutes on Scene		
	Class A Vehicles	Tows that extend beyond the initial thirty minutes at the scene, the towing service may charge the maximum rate per fifteen-minute block thereafter, in addition to the flat rate	\$20.00/ ¼ hour
	Class B Vehicles		\$31.25/ ¼ hour
	Class C Vehicles		\$50.00/ ¼ hour
	Additional Fees		
	Notification/ Lien Fee	A maximum fee may be charged to the owner of a vehicle towed and subsequently stored for more than twenty-four (24) hours, for the costs of preparing, filing or mailing of any forms or notices required by law.	\$30.00
	Labor Fee		
	Class A Vehicles	For tows that require inordinate labor, winching and recovery, when necessary, for vehicle removal from ditches, half submerged vehicles or off road	\$78.00/hr
	Class B Vehicles		\$19.50/ ¼ hour
			\$80.00/hr
			\$20.00/ ¼ hour
	Class C Vehicles		\$175.00/hr
		\$43.75/ ¼ hour	
	Mileage		
	Class A Vehicles	Per mile for travel and towing of a vehicle outside of the ten-mile radius from the wrecker operator's place of business	\$3.00/mile
	Class B Vehicles		\$4.00/mile
	Class C Vehicles		\$4.00/mile
	Acceptable Forms of Payment		
	Cash, Money Order, or Cashier's Check		
(Ord. No. 364, § 1, 5-31-90; Ord. No. 395, § 1, 6-11-92; Ord. No. 935, § 1, 3-24-05; Ord. No. 1080, § 1, 7-26-07; Ord. No. 1105, § 1, 2-14-08; Ord. No. 1134, § 1, 10-9-08)			

PINELLAS COUNTY

Exhibit 11: Pinellas County Maximum Allowable Towing Rates

County	Non-Consent Tow Rate		
PINELLAS	Class A Vehicles	Nonconsensual tow (flat rate)	\$100.00
	Class B Vehicles	Nonconsensual tow (flat rate)	\$200.00
	Class C Vehicles	Nonconsensual tow (flat rate)	\$300.00
	Class D Vehicles	Nonconsensual tow (flat rate)	\$400.00
	Storage Fee		
	Class A Vehicles	Storage fees, as set forth by Vehicle Class, may be assessed after the first 6 hours beginning from the time the vehicle is delivered to the storage facility and will accrue at a rate of fee for each 24 hour thereafter.	\$20.00
	Class B Vehicles		\$30.00
	Class C Vehicles		\$60.00
	Class D Vehicles		\$60.00
	Mileage Rate		
	Class A Vehicles	Mileage rate/per mile, in addition to flat rate, for Nonconsensual Tow	\$3.00
	Class B Vehicles		\$3.00
	Class C Vehicles		\$3.00
	Class D Vehicles		\$6.00
	Over 30 Minutes on Scene		
	Class A Vehicles	Nonconsensual tow, (time beyond initial 30 minutes at scene) per 15-minute block	\$15.00
	Class B Vehicles		\$50.00
	Class C Vehicles		\$75.00
	Class D Vehicles		\$100.00
	Administrative Fee		
	Administrative Fee	An administration fee may be charged after the first 24 hours of fee storage so long as the towing service has actually complied with the requirements of F.S. § 713.78.	\$30.00
	Notification/ Lien Fee	A filing of lien notice fee of \$30.00 may also be charged to cover the execution and mailing of the lien notice so long as the towing service has actually complied with the requirements of F.S. § 713.78.	\$30.00
	Acceptable Payment Forms		
	A person, operator, firm or corporation that provides nonconsensual towing and storage services shall accept payment for charges from the vehicle owner or authorized representative in the following forms:		
	Cash		
	Major Credit Card		
	Debit Card		
	Additional costs or fees in excess of three percent (3%) of the fee, or an amount adopted by resolution, for towing shall not be assessed by reason of payment being made by debit or credit card.		
	(Ord. No. 00-59, § 5, 8-8-00; Ord. No. 16-49, § 5, 8-23-16)		



CITY OF TAMPA

Exhibit 12: City of Tampa Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
TAMPA	Class A Vehicles	Nonconsensual tow (flat rate)	\$125.00
	Class B Vehicles	Nonconsensual tow (flat rate)	\$160.00
	Class C Vehicles	Nonconsensual tow (flat rate)	\$350.00
	Drop Fee	Rate if released on scene	50.00%
	Storage Fee		
	Class A Vehicles	Storage fees will be imposed after the vehicle has been in the control of the towing operator more than 6 hours. Storage rates accrue at a rate per 24-hour period or fraction thereof.	\$25.00
	Class B Vehicles		\$35.00
	Class C Vehicles		\$55.00
	Over 30 Minutes on Scene		
	Class A Vehicles	For non-consensual tows that extend beyond the initial thirty minutes at the scene, the towing service may charge the maximum rate per fifteen-minute block thereafter, in addition to the flat rate	\$20.00/ ¼ hour
	Class B Vehicles		\$31.25/ ¼ hour
	Class C Vehicles		\$50.00/ ¼ hour
	Labor Fee		
	Class A Vehicles	For tows that require inordinate labor, winching and recovery, when necessary, for vehicle removal from ditches, half submerged vehicles or off road	\$100.00/hr
	Class B Vehicles		\$125.00/hr
	Class C Vehicles		\$275.00/hr
	Additional Fees		
	Notification/ Lien Fee	A filing and processing fee shall only be charged if the towing service has complied with the requirements of Section 713.78, Florida Statutes	\$75.00
	After-Hour Gate Fee		
	Maximum after-hour gate fee	When vehicles requested to be released after hours, or on days which the towing service is closed, may charge a service fee.	\$50.00
	Mileage		
	Class A Vehicles	In addition to the flat rate, the towing service may charge for mileage at a maximum rate per mile for a non-consensual tow	\$5.00/mile
	Class B Vehicles		\$5.00/mile
	Class C Vehicles		\$6.00/mile
	Acceptable Forms of Payment		
	Cash		
	Money Order or Cashier's Check		
	Debit Card (NOT Credit Card)		
(Ord. No. 00-2, § 5, 1-27-2000)			

Source: City of Tampa, Hillsborough County, and Walker Consultants 2018

WEST PALM BEACH

Exhibit 13: Palm Beach County Maximum Allowable Towing Rates

City	Non-Consent Tow Rate		
WEST PALM BEACH	Class A Vehicles	Police Directed Tow (flat rate)	\$167.00
	Class B Vehicles	Police Directed Tow (flat rate)	\$248.00
	Class C Vehicles	Police Directed Tow (flat rate)	\$370.00
	Class D Vehicles	Police Directed Tow (flat rate)	\$530.00
	Drop Fee	Rate if released on scene	50.00%
	Storage Fee		
	Daily Outdoor Storage/ per day vehicles 25' or less	Storage fees will be imposed after the vehicle has been in the control of the towing operator more than 6 hours. Storage rates accrue at a rate per 24-hour period or fraction thereof.	\$25.00
	Daily Outdoor Storage/ per day vehicles over 25'		\$35.00
	Daily Outdoor Storage/ per day small personal vehicles		\$15.00
	Daily Indoor Storage/ per day vehicles 25' or less		\$35.00
	Daily Indoor Storage/ per day vehicles over 25'		\$50.00
	Daily Indoor Storage/ per day small personal vehicles		\$20.00
	Additional Fees		
	Administrative/ Lien Fee	After 24 hours from time of police report. Must show proof lien letters have been prepared.	\$50.00
	Over 30 Minutes on Scene		
	Extra Time at Scene	First ½ hour included in initial flat fee; subsequent charges at 15 minute intervals.	25% of towing fee in 15 min. increment
	After-Hour Gate Fee		
	Maximum after-hour gate fee	After-hour gate fees will not be applied between the hours of 8:00 am and 6:00pm Monday through Friday	\$35.00
	Acceptable Forms of Payment		
	Cash, Money Order, Traveler's Check		
Bank Debit/Credit Card including but not limited to MasterCard or Visa			
(Ord. No. 2011-008, § 10, 5-17-11)			

Source: Palm Beach County, and Walker Consultants 2018

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November 29, 2018

VIA E-MAIL (SaulFrances@miamibeachfl.gov)

Mr. Saul Frances
Parking Director
City of Miami Beach
1755 Meridian Avenue
2nd Floor
Miami Beach, Florida 33139

**Re: Police and Parking Department – Maximum Allowable Towing Rates Analysis
Walker Project No. 15-2299.00**

Dear Mr. Frances:

I represent Beach Towing Services, Inc., and Tremont Towing, Inc. The purpose of this letter is to clarify certain information contained in the Walker Consultants Police and Parking Department – Maximum Allowable Towing Rates Analysis dated November 5, 2018 (“Analysis”).

a. Maximum Allowable Towing Rates

The section of the Analysis concerning the maximum towing rates suffers from two major flaws. First, the Analysis combines county and municipal maximum towing rates to arrive at the “average” rate. As a result, this “apples to oranges” comparison gives disproportionate weight to individual municipalities which has the effect of artificially suppressing the average rate. A county’s maximum towing rates apply countywide except where municipalities have established differing maximum rates for their jurisdictions.¹ With few exceptions, the vast majority of Florida municipalities defer to their county’s maximum towing rates.

¹ Section 125.0103(c), Florida Statutes and Section 166.043(c), Florida Statutes.

The Analysis arrives at the average maximum towing rate of \$124.73 for Class A Vehicles by adding the 10 maximum rates and dividing it by the 10 jurisdictions. However, this formula ignores that Palm Beach County² has 39 municipalities, Broward County 31 municipalities, Monroe County 5 municipalities, and Pinellas County 24 municipalities. To arrive at the true average rate of the selected jurisdictions, the maximum rate in each municipality in each county must be considered. Applying this formula, the average maximum towing rate in the Analysis for Class A Vehicles should be \$138.71 (\$14,980.96/108 jurisdictions).

Importantly, several of the selected jurisdictions (i.e. Tampa, Pinellas County, Daytona Beach, and Panama City Beach) are not comparable to Miami Beach. To equitably compare the maximum towing rates in Miami Beach to similar jurisdictions, the analysis should be limited to counties which comprise the South Florida Region, that is, Monroe County, Miami-Dade County, Broward County and Palm Beach County. The average maximum towing rate for the South Florida Region is \$139.95 (\$559.78/4 jurisdictions). The average maximum towing rate applying the applicable county maximum rate to all the municipalities within the South Florida Region is \$142.48 (\$16,100.46/113 jurisdictions).

The second major flaw in the Analysis is it overlooks the fact that Miami Beach imposes a \$30 permit fee for each vehicle towed.³ The permit fee is included in the maximum towing rate and thus results in a true maximum rate of \$110 (before any actual expenses are incurred by the towing companies). Miami Beach's permit fee structure is unique when compared to other jurisdictions. For example, Miami-Dade County (\$15),⁴ Miami (\$30),⁵ and Bal Harbour (\$40)⁶

² Exhibit 13 of the Report is incorrectly titled "City of West Palm Beach...." The Ord. No. cited as the source is a Palm Beach County Ordinance.

³ Section 3 of the City of Miami Beach Administrative Rules and Regulations for Police and Parking Towing Permits.

⁴ Sec. 30-476(c) of the Code of Miami-Dade County, Florida

⁵ Sec. 42-110(c) of the Code of the City of Miami, Florida.

⁶ Sec. 19-34(c) of the Code of Bal Harbour Village, Florida.

impose a direct fee on the motorist in addition to the maximum towing rate. Thus, in Bal Harbour, a motorist would be charged the maximum towing rate of \$145, plus the \$40 fee, for a total of \$185, with the towing company retaining one-hundred percent (100%) of the \$145 rate, and the \$40 fee being charged, collected and passed by the towing company to Bal Harbour.

b. Annual Rate Increase

The Analysis inadvertently omits that Miami-Dade County also provides for an automatic annual maximum towing rate adjustment based on the annual percentage change in CPI or 3%, whichever is less.⁷

c. Recommendations

The Analysis should be amended to show (i) that the average maximum towing rate for the South Florida Region is \$139.95; (ii) that the true Miami Beach maximum towing rate is \$110 (below the \$124.73 average rate in the Analysis); and (iii) that, like Broward County, Miami-Dade County has also adopted an automatic annual maximum towing rate adjustment based on inflation. Accordingly, the Analysis should also be amended to recommend that the maximum towing rate for Class A Vehicles should be adjusted by \$30, or alternatively, that, like Miami-Dade County, Miami, and Bal Harbour, the \$30 permit fee should be imposed directly on the motorist thus allowing the towing companies to retain one hundred percent (100%) of the \$140 rate.

Respectfully submitted,

/s/ Rafael E. Andrade

Rafael E. Andrade, Esquire

⁷ Sec. 30-476(d)6 of the Code of Miami-Dade County, Florida.

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December 10, 2018

City of Miami Beach Mayor and City Commissioners
1700 Convention Center Drive
Miami Beach, Florida 33139

**Re: Police and Parking Department – Maximum Allowable Towing Rates Analysis
Walker Project No. 15-2299.00**

Dear Mayor and City Commissioners:

I represent Beach Towing Services, Inc., and Tremont Towing, Inc. This letter is in response to the revised Walker Consultants Police and Parking Department – Maximum Allowable Towing Rates Analysis dated November 5, 2018, and revised on December 6, 2018 (“Analysis”).

a. **Maximum Allowable Towing Rates.** Distilled to its essence, the Analysis finds that the true Miami Beach maximum rate for Class A vehicles is \$110 – 13% or \$17 below the “average” rate of \$126.67 of the selected municipalities.¹ Accordingly, the Analysis recommends a rate increase of \$10.50. We support the recommendation to increase the maximum rate; however, we believe it should be further increased for the following reasons. First, a rate increase of \$10.50 would result in a rate of \$120.50, below the “average” rate of \$126.67. Second, the “average” rate is skewed in that it considers distant non-comparable communities contrary to the requirements of the Towing Permit. When the maximum rates are reviewed for an increase, Section 22.L of the Towing Permit requires the City to conduct a survey of maximum rates in “*surrounding communities*.”

Three of the six communities surveyed in the Analysis are *not* surrounding communities – Panama City Beach is 590 miles away, Tampa is 280 miles away, and Daytona Beach is 260 miles away. Importantly, the Analysis offers no explanation why it ignores surrounding communities like Bal Harbour and Surfside. The following is a survey of surrounding *South Florida* communities:

Municipality	Non-consensual towing rate – Class A
City of Bal Harbour	\$145
City of Key West	\$135
City of Miami	\$120.50
Town of Surfside	\$140
City of West Palm Beach	\$167

¹ The City of Daytona Beach recently increased its Class A vehicle maximum towing rate to \$125 in October 2017. Thus, the correct average maximum towing rate for the selected municipalities is \$126.67.

The average maximum towing rate for these South Florida municipalities is \$141.50. This is consistent with the \$139.95 average maximum towing rate for the counties which comprise the surrounding South Florida Region (Monroe County, Miami-Dade County, Broward County and Palm Beach County).

b. Permit Fee. As noted in the Analysis, Miami Beach imposes a \$30 permit fee for each vehicle towed. This fee is included in the maximum rate and results in the towing companies retaining only \$110 of the \$140 rate. We support the recommendation to make the permit fee a pass-through to the motorist. This is consistent with surrounding communities like Miami-Dade County,² Miami,³ and Bal Harbour.⁴ For example, in Bal Harbour, a motorist is charged the maximum rate of \$145, plus a \$40 fee for Bal Harbour, with the towing company retaining 100% of the \$145 rate, and the \$40 fee being charged, collected and passed by the towing company to Bal Harbour.

c. Annual Rate Increase. The Analysis omits that – like Broward County – Miami-Dade County also provides for an automatic annual maximum towing rate adjustment based on the annual percentage change in CPI or 3%, whichever is less.⁵

d. Proposed Amendments to Towing Permit. Based upon the Analysis and the within, we respectfully request that the Towing Permit be amended to (i) establish the maximum towing rate for Class A vehicles at \$140; (ii) make the City's \$30 permit fee a pass-through imposed directly on the motorist; and (iii) incorporate an automatic annual maximum towing rate adjustment for Class A vehicles based on inflation. Attached hereto as Exhibit A, please find our proposed amendments to the Towing Permit. The proposed amendments are necessary for the local towing industry to continue providing vital public safety services to the City in a safe, timely and efficient manner.

Thank you for your consideration of this matter.

Respectfully submitted,

/s/ Rafael E. Andrade

Rafael E. Andrade, Esquire

Cc: Jimmy Morales, City Manager
Raul Aguila, City Attorney
Saul Francis, Parking Director
Rafael Granado, City Clerk

² Sec. 30-476(c) of the Code of Miami-Dade County, Florida

³ Sec. 42-110(c) of the Code of the City of Miami, Florida.

⁴ Sec. 19-34(c) of the Code of Bal Harbour Village, Florida.

⁵ Sec. 30-476(d)6 of the Code of Miami-Dade County, Florida.

EXHIBIT A

CITY OF MIAMI BEACH ADMINISTRATIVE RULES AND REGULATIONS FOR POLICE AND PARKING TOWING PERMITS

* * * *

3. PERMIT FEE/MONTHLY BILLING

In addition to the maximum rates that may be charged by the Permittee under Section 22 herein, the City shall charge a Permit Fee of \$35.00 for each vehicle that is towed. Permittee shall charge and collect the Permit Fee on behalf of the City. Permittee shall pay pass to the City a the monthly Permit fee Fee(s) on a monthly basis, in the amount of \$30.00; for each vehicle towed. The monthly Permit fee shall be reduced to \$25.00 for each vehicle towed that receives a Miami Beach Resident Discount pursuant to Section 22.M herein.

The City shall bill Permittee by the 10th of each month for all tows occurring in the previous month. A late charge of \$50.00, plus the greater of (i) eighteen percent (18%) interest per annum, or ii) the maximum rate allowable under Florida law, shall be assessed on all payments received after the 20th day of the billing month.

Payments to the City shall be by check and remitted to the City of Miami Beach Finance Department (Revenue Section). Checks shall be clearly marked "Police Tow" or "Parking Department Tow."

* * * *

22. MAXIMUM ALLOWABLE RATES

The City Commission shall establish the maximum rates for towing, removal, and storage services provided under the Permit. The maximum rates in this Section 22 are exclusive of the Permit Fee in Section 3 herein. The Permittee shall not charge in excess

of the following maximum allowable rates established by the City (as same may be amended from time to time):

* * * *

B. Tow Rate Class "A" Tow Truck and Class "A" Car Carrier, including:

- | | |
|--------------------------------|----------|
| 1. First 30 minutes at scene | \$140.00 |
| 2. Unlocking door | |
| 3. Dropping/hooking up linkage | |
| 4. Wheel lift equipment | |
| 5. Use of Dolly | |

* * * *

L. Indexing Provision:

~~The City Manager or his authorized designee may initiate an administrative review of the Maximum Allowable Rates whenever the cumulative change in the Consumer Price Index (CPI — All Urban consumers — US City average — All items — Base Period 1982–84 = 100) (CPI), between the current CPI and the date of the CPI used to establish the last rate adjustment, is greater than five percent (5%). Upon reaching this threshold and, further, following a survey conducted by the City of maximum allowable towing rates for similar services in surrounding communities, and/or an analysis to review the current cost of providing such services, the City Manager or his authorized designees shall prepare a recommendation as to whether there should be an adjustment to the Maximum Allowable Rates; which recommendation shall be subject to final approval by the Mayor and City Commission. The maximum towing rate referenced in Section 22.B herein shall be increased annually by the annual percentage change in the Consumer Price Index (CPI) or by three percent (3%), whichever is less.~~

* * * *