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CITY OF KELOWNA

**MEMORANDUM**

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**Date:** February 8, 2010  
**File No.:**  
**To:** City Manager  
**From:** Police Administration Manager  
**Subject:** T09-097 Towing Services for the City of Kelowna  
City of Kelowna Rotational Towing and Storage List  
City of Kelowna Council Policy Manual -Policy number 291

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**RECOMMENDATION:**

THAT Council enter into a contract with Mario's Towing Limited to provide Towing Services for the City of Kelowna for a three (3) year period, with a performance option on years four (4) and five (5) starting March 1, 2010 with revenue to the City of Kelowna in the amount of \$135,000 in the first three years;

AND THAT Council rescind the City of Kelowna Rotational Towing and Storage List Policy – No. 291.

**BACKGROUND:**

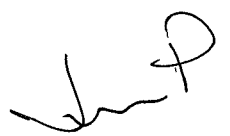
The City of Kelowna Rotational Towing and Storage List – Policy 291 was last reviewed in February 2009.

The present rotational towing and storage list is administered by the Police Administration Manager at the Kelowna RCMP / Police Services who ensures all requirements of the policy are met. Frequently over the year, the contractors are dealt with when they fail to meet the policy requirements or service complaints are received.

There are presently two tow companies on the rotational towing list. They are Mario's Towing and Del Oro Towing. This is down from the original five companies on the list from the last discussion with Council.

During the fall of 2009, it was determined that the City of Kelowna has five towing contracts, including the Rotational Towing and Storage List contract to provide various services to city departments. The contracts varied from companies paying the city to supply the service to the City and citizens paying for the service. The circumstances were reviewed with City Management and it was determined the City of Kelowna would be better served with an amalgamation of all five of the contracts.

An invitation to tender for the City of Kelowna was prepared with the similar requirements of the Rotational Towing and Storage List. One change however was that all towing required for the City of Kelowna or the Kelowna RCMP would be completed at no charge. The contractor was also requested to submit a monthly fee to provide the service for the City of Kelowna.



There was only one contractor that submitted a bid for the tender. The revenue to be received during the initial three (3) years of the contract will be:

Year One	Year Two	Year Three
<b>\$39,000</b>	<b>\$45,000</b>	<b>\$51,000</b>
Total of three Year (3) Contract revenue: <b>\$135,000</b>		

Over the three (3) year contract term, the additional cost savings to the City of Kelowna is estimated at **\$36,000**, with the elimination of towing charges for city vehicles.

This recommendation will replace the present policy and afford long term cost savings, additional cost recovery and long term stability to the towing services for both the City and the citizens of Kelowna. The towing charge rates to the citizens of Kelowna are governed by the ICBC Towing and Storage Rate Payment Schedule and the City of Kelowna Bylaw Fee Schedule. Although these fees may be examined annually there is no increase anticipated at this time.

INTERNAL CIRCULATION TO:  
Bylaw Services  
Purchasing  
Office of the City Clerk

LEGAL/STATUTORY AUTHORITY: Council Resolution

EXISTING POLICY: This recommendation will replace the present policy, and afford long term cost savings, additional cost recovery and long term stability to the towing services for the City of Kelowna and the citizens of Kelowna.

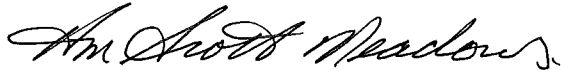
EXTERNAL AGENCY/PUBLIC COMMENTS: The present service providers are aware of this recommendation of change, and that a report is going to council.

FINANCIAL/BUDGETARY CONSIDERATIONS: There is existing base revenue of \$31,000 in the Police Services budget. This contract will provide for a base revenue budget increase over the next three years.

Considerations that were not applicable to this report:

- LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:
- PERSONNEL IMPLICATIONS:
- TECHNICAL REQUIREMENTS:
- COMMUNICATIONS CONSIDERATIONS:
- ALTERNATE RECOMMENDATION:

Submitted by:



H.M. Scott Meadows  
Police Administration Manager

Approved for Inclusion:



Keith Grayston

Director, Financial Services

Cc: Bylaws – Attention Al Dixon  
Purchasing - Attention Maureen MacGillivray  
Transportation Services - Attention Alf Soros  
Kelowna Airport – Attention Joe Yakimchuk