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PRIVATE PROPERTY IMPOUNDS (PPI) RATES SUBCOMMITTEE MEETING SUMMARY DRAFT
November 28, 2023 • 3:30 PM – 5:00 PM
Zoom Meeting Call

Subcommittee Members	Position	Affiliation	Present
Donny Callahan	Chair	Gerlock Towing	Yes
Francis Cop	Committee Member	Multnomah County Sheriff's Office	Yes
Eric Chitoubol	Committee Member	City of Portland Fleet Services	Yes
Clark Tenny	Committee Member	21 Century	Yes
Geoffrey Bowyer	Non-Voting Member	ODOT, proxy	No
Michael Coe	Non-Voting Member	Retriever Towing	Yes
Tim Moore	PBOT	Towing Administration	No
Tracy M. Smith	Facilitator	Inhance LLC	Yes
Camerina Galvan	Notetaker	Galvan Consulting LLC	Yes

OTHER ATTENDEES: None.

WELCOME AND INTRODUCTIONS: TRACY M. SMITH, FACILITATOR

- Donny Callahan called the meeting to order at 3:33 PM.
- A quorum was met.

DISCUSSION: PPI RATE UPDATE: MICHEAL COE, RETRIEVER TOWING

- Donny Callahan was unsuccessful in recruiting a public member to the subcommittee.
- The subcommittee's purpose is to review the current PPI rates and recommend rate changes.
- Michael Coe believes the PPI rates should be on a similar schedule to the police rates and should be regularly increased. The last increase was in 2018. With the new contract, the PPI rates were not increased. Washington State increases PPI rates yearly statewide. He proposes that PPI rates in Portland are updated every two years. Regulated areas around Portland look to Portland as the guide for increasing PPI rates.
- PPI rates only pertain to the city of Portland and exclude unincorporated regions. The PPI rate increase will only apply to Multnomah County if the county decides to regulate rates.

- The following cities regulate their PPI rates:
 - The City of Gresham hasn't updated the rates since 2008.
 - The City of Tualatin hasn't updated the rates since 2013.
 - The City of Albany hasn't updated the rates since 2017.
 - The City of Portland hasn't updated the rates since 2018.
- The towing companies set the rates between 20%-30% above the policy rates in unregulated areas.
- On the contract rates, a 3% execution of the contract with another 3% annually for the next two years and a maximum of 5% go-up annually.
- The PPI rate recommendation will go before the City Council.
- Michael Coe recommends that PPI rates go to an hourly system like that of Washington State. The lien rates for PPI and police are not the same. He has asked the city for new rates, but these have not been addressed. He proposes new rates for:
 - Tarping and crash filming the vehicle.
 - PPI rates need to reflect the lien rates.
 - Remove the 4-hour grace fee on storage. Towers are responsible when the vehicle arrives on the lot, and costs are incurred for securing the vehicle. For Michael Coe, this is the most critical issue.
 - Storage rates need to be increased. If the police rate increase is mirrored, the storage rate will increase anyway.
- Clark Tenny shared that PPI is different from the other work towing companies do. Expenses have increased by 30%-40% in the last two years. Currently, a hook-up for a PPI is \$196 and \$32/day for storage. The towing company pays back \$22 for the dispatch fee and a \$50 city fee for administration. If the citizen picks up the car within an hour, the maximum a towing company earns is \$308. After the 4-hour grace period, the citizen is paying \$340. They went from \$133 to \$153 on the police impound fee.
- Clark Tenny would like a 15% increase to \$225 for hookup and \$40 for storage, eliminating the storage grace period. He agrees the grace period is not favorable. He is mindful of increasing rates and still making it affordable for citizens to retrieve their vehicles.
- Michael Coe had further comments:
 - He suggested that the minimum duty rate should be higher. The adjustment was made to the police rate but not the PPI rate. The medium-duty rate is \$10 more than the light-duty truck; however, the medium-duty truck costs at least an additional \$50,000 more. This is one reason the city has an issue with finding medium-duty providers.
 - The city did raise the city service fee to dispose of the motor homes. This does not apply to PPIs.
 - Towers are paying an increase in credit card fees. Most citizens pay for impounds with credit cards.
 - On January 1, 2024, when the subsequent city rate increase occurs, the police rate will exceed the PPI rate.

- Clark Tenny shared that as of January 1, 2024, the police rate will be \$173.
- Donny Callahan proposed the Class B rate be increased to 50% higher than the rate set for Class A PPI. He feels there is no chance that PPIs will be charged by the hour. The best strategy is to propose a rate. The recommendation will go to the PBOT Director and then the City Council.
- Donny Callahan summarized the recommendation details:
 - Asking for the same 15% raise on the Class A, which can be rounded down to \$225 for a hook-up. A 50% increase for Class B above Class A will set them at \$337.50.
 - 25% storage increase:
 - Up to 20 ft long will be \$40/day.
 - Up to 40 ft long will be \$50/day.
 - Over 40 ft long will be \$60/day.
 - ~~Eliminate the grace storage period.~~ After discussion The Committee agreed to remove this recommendation (TM)
 - Lien fees and gate fees match the city rate.
 - Class C rate matches the city rate.
 - Class C rates are currently at \$363/hour, and the Class C rate for the city is \$399/hour. Donny Callahan doesn't feel the Class C needs to be higher than \$399/hour.
 - Add a tarping fee of \$25.
 - ~~Add a 4% surcharge for credit cards.~~ After discussion The Committee agreed to remove this recommendation (TM)
 - The Stand-by fee matches the city contract of \$24 and \$30 for medium duties.
 - The verbiage for annual raises in the city contract is used for PPI rates.
- Eric Chitoubol and Francis Cop support the rate recommendations.
- The rates need to keep up with inflation, and it would be helpful if PPI rates and police rates were on the same schedule.

NEXT STEPS: TRACY M. SMITH, FACILITATOR

- Donny Callahan will share the PPI rates recommendation with Tim Moore.
- The PPI rates recommendation will be shared with committee members before the Towing Administration Advisory Committee meeting on January 23, 2024.
 - **ACTION ITEM:** Donny Callahan will share PPI rate recommendations with Tim Moore.

THE MEETING WAS ADJOURNED AT 4:05 PM.

Submitted by Camerina Galván, Notetaker, Galvan Consulting LLC.