



## City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 4/10/2012

**Report Type:** Consent

**Title: Agreement: Abatement of Abandoned Vehicles**

**Report ID:** 2012-00285

**Location:** Citywide

**Recommendation:** Pass a motion authorizing the City Manager to execute an agreement with the Sacramento Abandoned Vehicle Service Authority for the abatement of abandoned vehicles with the term of May 1, 2012 to April 30, 2022.

**Contact:** Dennis Kubo, Code Enforcement Manager  
 (916) 808-8577, Community Development Department

**Presenter:** None

**Department:** Community Development Dept

**Division:** Neighborhood Code Compliance

**Dept ID:** 21001313

**Attachments:**

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1-Description/Analysis

2-Background

3-Agreement with Sacramento Abandoned Vehicle Service Authority

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**City Attorney Review**

Approved as to Form  
 Steve Itagaki  
 3/28/2012 1:00:46 PM

**City Treasurer Review**

Reviewed for Impact on Cash and Debt  
 Russell Fehr  
 3/19/2012 11:58:38 AM

**Approvals/Acknowledgements**

Department Director or Designee: Max Fernandez - 3/23/2012 10:25:14 AM



## Description/Analysis

**Issue:** This report requests that the City Council authorize the City Manager to execute a new agreement with the Sacramento Abandoned Vehicle Service Authority (SAVSA) for the abatement of abandoned vehicles with the term of May 1, 2012 to April 30, 2022. The current agreement ends on April 30, 2012.

**Policy Considerations:** The staff recommendation is consistent with City Council priorities and policies related to compliance with City and state government codes, cost recovery, and helping to maintain a clean and safe environment for its citizens and visitors.

**Environmental Considerations:** The proposed agreement and accompanying resolution do not constitute a project under the California Environmental Quality Act guidelines.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** Acceptance of this agreement with SAVSA is consistent with the City's efforts to identify and obtain alternative funding for City services and programs such as Neighborhood Code Compliance's Vehicle Abatement Program.

**Financial Considerations:** The Sacramento Transportation Authority is first reimbursed from the SAVSA revenue collected for the services that the Sacramento Transportation Authority provides SAVSA. The remainder of the revenue collected is allocated to each SAVSA member based on the following:

- 50% based on percentage of abandoned vehicles abated in relation to the total number of abandoned vehicles abated by all the SAVSA entities, and
- 50% based on each entity's relative population.

For the previous five fiscal years, the City's Vehicle Abatement Program has invoiced to and received the following from SAVSA.

<b>Fiscal Year(s)</b>	<b>Amount Invoiced</b>	<b>Amount Reimbursed</b>	<b>Reimbursement Rate</b>
2006/07	\$ 854,042.14	\$ 524,835.00	61%
2010/11	\$ 586,298.90	\$ 530,455.23	90%
2006/07 - 2010/11	\$ 3,694,867.70	\$ 2,517,846.46	68%

**Emerging Small Business Development (ESBD):** Not applicable. No goods or services are being purchased.

## **BACKGROUND**

It is estimated that there are in excess of 18,000 abandoned vehicles located throughout Sacramento County annually. This total is based on abandoned vehicle figures provided by the SAVSA entities as mentioned in Exhibit A of the attached agreement. In 1990, Section 22710 was added to the California Vehicle Code to allow for the creation of county-based abandoned vehicle service authorities to facilitate the abatement of abandoned vehicles on public or private property. In 1991, the Sacramento Abandoned Vehicle Service Authority (SAVSA) was formed and imposed a one dollar (\$1) annual vehicle registration fee on vehicles registered to an owner with an address in the County of Sacramento. Current SAVSA membership includes the County of Sacramento and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Isleton, and Sacramento. The Sacramento Transportation Authority is first reimbursed from the SAVSA revenue collected for the services that the STA provides SAVSA. The remainder of the revenue collected is allocated to each SAVSA member based on the following:

- 50% based on percentage of abandoned vehicles abated in relation to the total number of abandoned vehicles abated by all the SAVSA entities, and
- 50% based on each entity's relative population.

Revenue is allocated quarterly. The term of this contract is ten (10) years from May 1, 2012 to April 30, 2022.

## AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND THE SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY

THIS AGREEMENT is made this 9<sup>th</sup> day of February, 2012, by and between the Sacramento Abandoned Vehicle Service Authority, a Service Authority for the abatement of abandoned vehicles established pursuant to the provisions of Section 22710 of the California Vehicle Code, (hereinafter called "Authority"), and the City of Sacramento, a political subdivision of the State of California, (hereinafter called "Entity").

### RECITALS:

WHEREAS, Authority has previously been established pursuant to Vehicle Code Section 22710 as a Service Authority for the purpose of managing an abandoned vehicle abatement program including receipt and distribution of funds derived from vehicle registration fees: and

WHEREAS, Authority and Entity desire to enter into this Agreement to implement Authority's Abandoned Vehicle Abatement Program:

NOW THEREFORE, the parties hereto agree as follows:

1. Definition. Unless the context otherwise requires, as used in this Contract, the following terms shall have the following meanings:
  - A. "Contract" means this agreement.
  - B. "Act" means Senate Bill 106 of the California Legislature, 2000-2001 Regular Session, and the provisions of the Vehicle Code which this legislation modified.
2. Purpose. In accordance with the provisions of the Act and with enabling resolutions and ordinances adopted by the Authority and the Entity, the purpose of this Contract is to provide for the allocation by the Authority of vehicle registration fee revenue and the expenditure thereof by the Entity to carry out the Authority's Abandoned Vehicle Abatement Plan.
3. Vehicle Registration Fee Allocation. Vehicle registration fee revenue shall be allocated and disbursed in accordance with the Authority's Abandoned Vehicle Abatement Plan. A copy of said Abandoned Vehicle Abatement Plan is attached hereto as Exhibit "A" of this Contract and is incorporated by this reference as though fully set forth herein. In particular, the revenue from the vehicle registration fees shall be allocated as follows:
  - A. Reimbursement of actual contract costs incurred by the Sacramento Transportation Authority for services provided to the Authority.

B. Of the remainder, after costs described in "A" above are deducted, 50 percent shall be disbursed based on that percentage of the total remaining funds that is equal to the percentage of abandoned vehicles abated by the Entity in relation to the total number of abandoned vehicles abated by all Authority entities as a whole, and 50 percent shall be disbursed based on the relative population of each Entity.

4. Contract Term. The term of this contract is May 1, 2012 to April 30, 2022.
5. Use of Funds. Revenue disbursed to the Entity may only be expended for the activities necessary to accomplish the Authority's Abandoned Vehicle Abatement Plan.
6. Accounting Requirements. The Entity shall conform to the revenue distribution and reporting procedures in the Sacramento Abandoned Vehicle Abatement Plan, attached hereto as Exhibit "A".

IN WITNESS THEREOF, the parties promise and agree to abide by the terms of this Contract as set forth above.

SACRAMENTO TRANSPORTATION AUTHORITY/  
SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY

  
\_\_\_\_\_  
Brian A. Williams, Executive Director

\_\_\_\_\_  
Date FEB 09 2012

CITY OF SACRAMENTO

\_\_\_\_\_  
Signature of Authorized Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Officer's Printed Name

\_\_\_\_\_  
Authorized Officer's Title

**EXHIBIT A**  
**SACRAMENTO ABANDONED VEHICLE ABATEMENT PLAN**

**1. SERVICE AUTHORITY**

Section 22710 of the California Vehicle Code (CVC) permits the creation of a service authority for the abatement of abandoned vehicles in a county if the board of supervisors of the county, by a two-thirds vote, and a majority of the cities having a majority of the incorporated population within the county have adopted resolutions providing for the establishment of the authority and imposition of a one dollar vehicle registration fee.

**2. RESOLUTIONS**

In September of 1991, the County of Sacramento Board of Supervisors and the City Councils of the Cities of Galt, Isleton, and Sacramento all adopted resolutions providing for the establishment of the authority and the imposition of a one dollar vehicle registration fee.<sup>1</sup> As the Board of Supervisors' action was approved by greater than a two-thirds vote and the three cities involved in passing resolutions comprised the majority of the incorporated population within Sacramento County, the Sacramento Abandoned Vehicle Service Authority (SAVSA) was officially established.

All of the resolutions also named the Governing Board of the Sacramento Transportation Authority (STA) as the Governing Board of SAVSA.

SAVSA subsequently expanded its membership through the adoption of resolutions to admit the City of Folsom on September 10, 1998, the City of Citrus Heights on July 27, 2000 and the City of Elk Grove on December 12, 2002.

**3. ESTIMATE OF NUMBER OF ABANDONED VEHICLES**

As required by Section 22710(d)(2) CVC, it is estimated that there are in excess of 18,000 abandoned vehicles located throughout Sacramento County annually. These figures are based on abandoned vehicle figures provided by the SAVSA entities.

**4. ORDINANCES**

Each participating local entity has adopted ordinances which establish procedures for the abatement, removal and disposal as public nuisances, abandoned, wrecked, dismantled, or inoperative vehicles or parts therefrom from

private or public property pursuant to Section 22660 CVC, Section 25845 or Section 38773.5 of the California Government Code (CGC).

## **5. DISPOSAL AND ENFORCEMENT STRATEGY**

Each participating local entity has in place procedures for the enforcement of their respective ordinances, in accordance with Sections 22669, 22662, and/or Section 22523 CVC. Statutory authority for the removal of abandoned vehicles is Section 22669 CVC, as well as local ordinances adopted for the removal and disposal as public nuisances of abandoned, wrecked, dismantled or inoperative vehicles or parts therefrom from private or public property.

## **6. COST RECOVERY STRATEGY**

Participating local entities will utilize the provisions of Sections 22523 CVC, Sections 25845 CGC, and/or Section 38773.5 CGC to effect partial recovery of costs incurred in the removal of an abandoned vehicle. Additionally, local ordinances include provisions relative to recovery of costs.

## **7. REVENUE ALLOCATION**

Individual subsidiary accounts for each entity will be established within the SAVSA general ledger.

Revenue shall be allocated on a quarterly basis as follows:

- A. Reimbursement of actual contract costs incurred by the STA for services provided to SAVSA.
- B. Of the remainder, each entity shall be allocated a portion based on the following:
  - 50 percent based on that percentage of the total remaining funds that is equal to the percentage of abandoned vehicles abated by the entity in relation to the total number of abandoned vehicles abated by all SAVSA entities as a whole, and
  - 50 percent based on each entity's relative population.

Upon determination of allocation percentages, revenues will be transferred into the entity subsidiary accounts.

## **8. DISBURSEMENTS**

Disbursements will be made on an "as claimed" basis. As each entity incurs costs, an authorized person from the entity will prepare a claim for the reimbursement of costs.

Claims will be submitted quarterly on SAVSA approved forms with required status reports. No entity shall receive a quarterly disbursement until a quarterly status report has been submitted to SAVSA.

Claims will include the dollar amount being claimed, a breakdown of costs by personnel and services & supplies, and the time period being claimed.

The name of the authorized person submitting the claim must be on file with SAVSA.

## **9. ABANDONED VEHICLE ABATEMENT REPORT**

An abandoned vehicle abatement report must be completed for each vehicle marked for abatement by each entity. Abandoned Vehicle Abatement Reports are to be retained by the entity for a period of five (5) years and are to be made available to STA staff, or any other auditors authorized to perform audits of the SAVSA program.

## **10. FISCAL CONTROLS**

Accountability of SAVSA funds shall be in accordance with the accounting, reporting, and auditing requirements of the contracts between each local participating entity and SAVSA.

## **11. AUDITS**

STA staff will audit claims and quarterly abatement figures on a selected basis.

Annual audits of the SAVSA as a whole will be performed by an independent auditor in association with the financial audit of the STA. As part of that audit, SAVSA entity expenditures may be examined.

The purpose of the audits, both by STA staff and the independent auditors, will be to ensure that funds are properly allocated and spent in compliance with CVC Sections 9250.7 and 22710.

## **12. ADMINISTRATION**

SAVSA will contract with the Sacramento Transportation Authority (STA) to administer the abatement program.

## **13. REPORTING REQUIREMENTS**

To assist in the evaluation of the Abandoned Vehicle Abatement Plan, and to provide information to the State Controller's Office, a report compiled from the quarterly and annual reports required for each local participating entity will be forwarded to the State Controller's Office. These reports will include a financial section noting revenues and itemized expenditures and a data section noting the number of vehicles therefrom abated.

## **14. ABATEMENT DEFINED**

In accordance with Section 22710(f) CVC, an abandoned vehicle abatement is defined as the removal of a vehicle from public or private property by towing or any other means after the vehicle has been marked as abandoned by an official of a governmental agency that is a member of the Service Authority.

### **Notes**

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<sup>1</sup> *County of Sacramento Board of Supervisors Resolution 91-1546, September 25, 1991*  
*City of Sacramento City Council Resolution 91-741, September 24, 1991*  
*City of Galt City Council Resolution 91-162, September 17, 1991*  
*City of Isleton City Council Resolution 1174, September 16, 1991*  
*SAVSA Resolution AVA-91-0001, September 26, 1991, imposing \$1 annual vehicle registration fee*