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13041 Cerise Avenue  
Hawthorne, CA 90250

## **U.S. TOW - HAWTHORNE**

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February 26, 2025

VIA HAND DELIVERY

Vontray Norris  
City Manager  
City of Hawthorne  
4455 West 126th Street  
Hawthorne, CA 90250

RE: (1) Formal Request for Contract Extension  
(2) Petition for U.S. Tow - Hawthorne Rate Increase

Dear Mr. Norris,

It has been a pleasure working with the City of Hawthorne (the "City") for the last 19 years. We enjoy working in the city and feel we have become a part of the fiber of the community. We regularly participate in several of the fundraisers that are sponsored by city leaders. We have maintained an excellent working relationship with the City's Police Department. Our response times are exemplary and citizen complaints are almost non-existent. Due to our exemplary service, the Los Angeles Sheriff's Department awarded us contracts to tow in the Century and South Los Angeles areas. Respectfully, we request that our contract be extended for an additional three year term.

Despite deploying several cost cutting measures, our cost of doing business has significantly increased since our previous petition for a rate increase in December 2021. Consequently, we are formally petitioning for a rate increase. We receive annual rate adjustments from some of our law enforcement contracts. For example, on July 1, 2024 our California Highway Patrol ("CHP") light duty (passenger vehicle) tow rate was approved at \$281.93 and outside storage at \$71.76 per day.

Increasing operational costs in skilled labor, insurance, fuel, leasing costs, and facility maintenance have created the need for this request. The Consumer Price Index for All Urban

Consumers (“CPI-U”) Los Angeles-Long Beach-Anaheim, CA series<sup>1</sup>, has increased over 13.0% from December 2021<sup>2</sup> to January 2025. However, we have been disproportionately affected due to our higher exposure to labor and insurance costs. For example, our cost for insurance has increased from approximately \$9,000 per truck per year to \$21,000 per truck per year, an increase of over 200%. Also, skilled labor prices (a large component of our fixed costs) have increased at a rate much higher than the CPI-U.

Neighboring jurisdictions have set significantly higher rates for their Official Police Tows. For example, Gardena sets a rate of \$190 for a standard vehicle tow and \$65 per day for standard vehicle storage. We have also included a comparison with the City of Los Angeles and Los Angeles County Sheriff’s Department approved standard vehicle tow rates.<sup>3</sup>

Despite the above examples, we are seeking an increase in accordance with the CPI-U index. Therefore, the chart below proposes a 13.0% increase in towing and storage rates.

New technologies in cars, such as the advent of electric and all-wheel drive vehicles, have made the use of tow dollies a necessary part of some tows. Simply put, electric or all-wheel drive vehicles require that none of the wheels of the vehicle may touch the ground during a tow. Some municipalities such as Gardena, have recognized that such an added degree of difficulty and skill in the towing process requires a much more skilled tow operator with specialized equipment.

Gardena allows a dolly charge of \$108.00 for the vehicles that require them. We are asking that Hawthorne allow a dolly surcharge as well. We are only asking for a modest surcharge of \$75.00 for the use of dolly equipment.

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<sup>1</sup> Please see Exhibit 1, CPI for all Urban Consumers (CPI-U)  
Series Title: All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted  
U.S. Bureau of Labor Statistics. (February 18, 2025). Retrieved from [www.bls.gov](http://www.bls.gov).

<sup>2</sup> Our previous “Petition for a Rate Increase” was filed December 1, 2021.

<sup>3</sup> Please see Exhibit 2 for current standard vehicle tow and standard vehicle storage rate comparisons for Hawthorne, Gardena, Los Angeles, and Los Angeles County Sheriff’s Department passenger vehicle approved rates.

Respectfully, we propose the following Towing and Storage Fee schedule:

	Current Rate	Proposed
Tow Light Duty (Standard Vehicles) (Per Hour)	\$145.00	\$164.00
Storage for Standard Vehicles (Per day)	\$46.50	\$52.50
Dolly surcharge should vehicle require their use	N/A	\$75.00
Tow Motorcycles (Per Hour)	\$145.00	\$164.00
Storage Motorcycles (Per Day)	\$7.00	\$8.00
Tow HD Trucks/Trailers Under 20 feet (Per Hour)	\$234.00	\$264.00
Storage HD Trucks/Trailers Under 20 feet (Per Day)	\$46.50	\$52.50
Tow HD Trucks/Trailers Over 20 feet (Per Hour)	\$234.00	\$264.00
Storage HD Trucks/Trailers Over 20 feet (Per Day)	\$46.50	\$52.50
Tow HD Trucks/Trailers Over 40 feet (Per Hour)	\$338.00	\$382.00
Storage HD Trucks/Trailers Over 40 feet (Per Day)	\$59.00	\$67.00
Tow Heavy Duty Which Requires Special Equipment (Per Hour)	\$422.00	\$477.00
Storage Heavy Duty Which Requires Special Equipment (Per Day)	\$59.00	\$67.00
Tow Heavy Duty Hazardous (Per Hour)	\$626.00	\$707.00

Storage Heavy Duty Hazardous (Per Day)	\$59.00	\$67.00
Service Calls	\$73.00	\$82.00
Mileage (Per Each Mile)	\$10.00	\$11.00
Tow Major Parts/Components (Per Hour)	\$145.00	\$164.00
Storage Major Parts /Components (Per Day)	\$7.00	\$8.00

Please contact me if you have any questions.

Very truly yours,




Rajpal Dhillon  
Chief Executive Officer

cc: Gary Tomatani, Chief of Police, VIA HAND DELIVERY  
Robert Kim, City Attorney, VIA HAND DELIVERY

# **EXHIBIT 1**

# Databases, Tables & Calculators by Subject

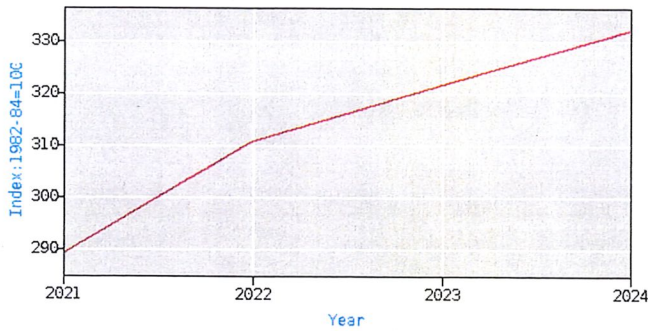
[Special Notices](#) 4/25/2024

Change Output Options: From:  To:   include graphs  include annual averages [More Formatting Options](#) 

Data extracted on: February 18, 2025 (12:02:09 AM).

## Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUURS49ASA0, CUUSS49ASA0  
 Not Seasonally Adjusted  
**Series Title:** All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted  
**Area:** Los Angeles-Long Beach-Anaheim, CA  
**Item:** All items  
**Base Period:** 1982-84=100



Download:  [xlsx](#)

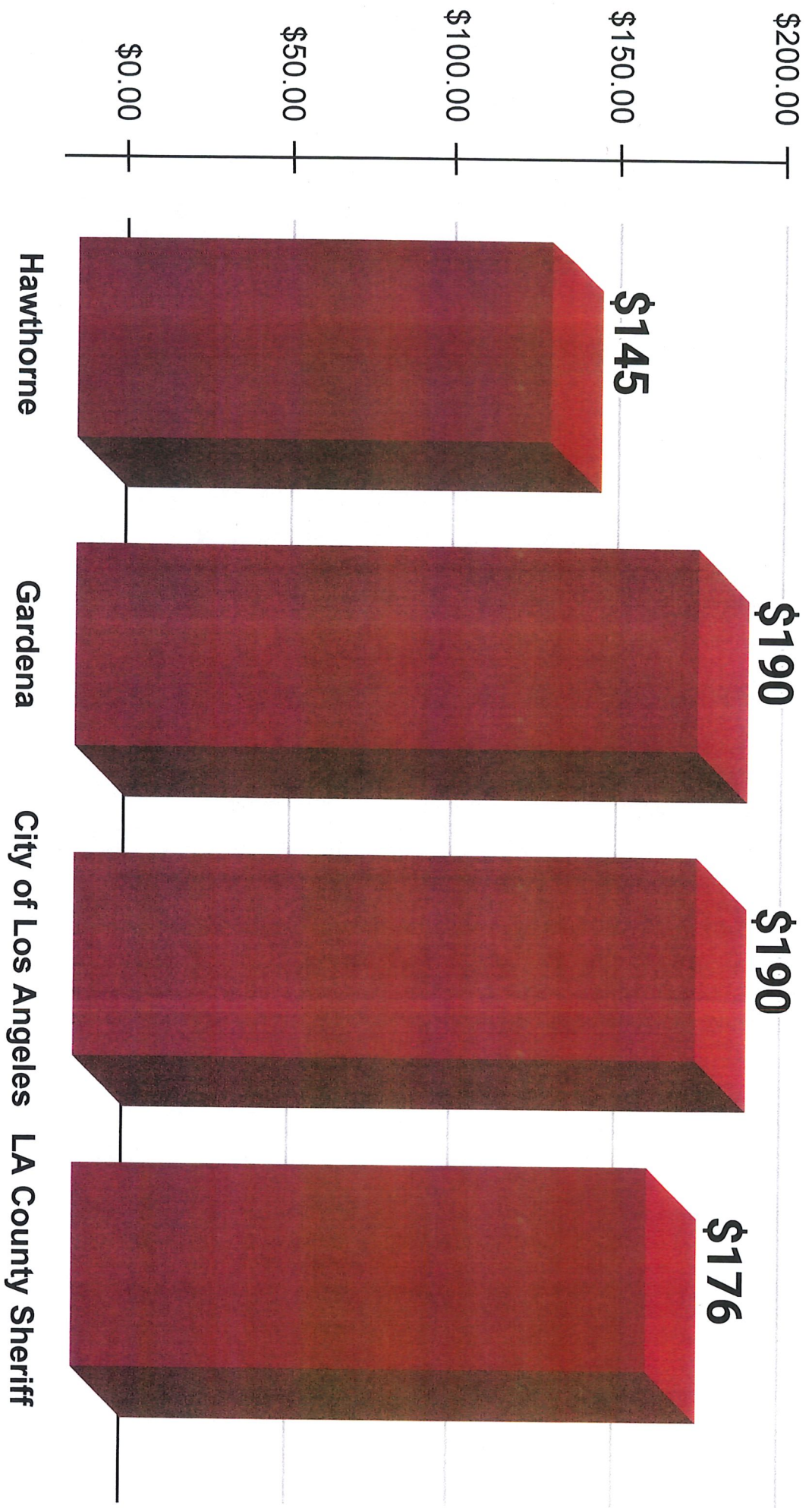
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2021	280.178	281.347	282.648	285.808	287.620	289.218	290.890	291.333	292.209	294.961	296.790	297.925	289.244	284.470	294.018
2022	301.209	302.164	306.679	308.302	310.649	314.072	313.415	313.608	315.033	317.014	314.633	312.601	310.782	307.179	314.384
2023	318.591	317.571	317.873	320.089	320.514	322.055	321.931	324.050	324.984	324.545	323.341	323.456	321.583	319.449	323.718
2024	326.640	328.232	330.671	332.572	332.956	332.357	332.928	333.359	334.123	334.242	333.718	334.531	332.194	330.571	333.817
2025	337.508														

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone:1-202-691-5200 Telecommunications Relay Service:7-1-1 [www.bls.gov](http://www.bls.gov) [Contact Us](#)

## **EXHIBIT 2**

# Current Vehicle Tow Rate



# Current Vehicle Storage Rate

