

# INDIAN WELLS CITY COUNCIL

## October 16, 2025



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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Kristen Nelson, Administrative Services Manager  
**Subject:** **Resolution Amending the Amount of the DUI Driver and Vehicle Impound Cost Recovery Fee Pursuant to Chapter 10.25 of the Indian Wells Municipal Code**

### RECOMMENDED ACTIONS:

Council **OPENS** the public hearing, takes any public testimony, **CLOSES** the public hearing; and

**ADOPTS** Resolution amending the amount of the DUI Driver and Vehicle Impound Cost Recovery Fee pursuant to Chapter 10.25 of the Indian Wells Municipal Code; and

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

### BACKGROUND:

Vehicle Impound Cost Recovery (VICR) fees are imposed by the City to recoup administrative and operational costs incurred when law enforcement impounds vehicles due to legal violations or public safety concerns. These costs typically include law enforcement resources, administrative processing, and storage fees incurred during vehicle impounds, particularly for violations such as Driving Under the Influence (DUI). The fees aim to ensure that the City recovers its expenses incurred to enforce these actions and are collected at the time the registered owner or their authorized agent seeks to recover the vehicle, following impoundment. By aligning these fees with actual operational costs, VICR fees also serve as a deterrent to unsafe driving behaviors, such as driving under the influence, and support public safety efforts.

Riverside County Sheriff's Department approached the City to request a review of VICR fees in the community and to seek increases consistent with state law. The City of Indian Wells' VICR fees have not been updated since 2013 (Resolution No. 2013-54), despite significant increases in administrative and operational costs associated with impound processing.

A review of current administrative and enforcement costs, as well as a comparison of VICR fees across neighboring Coachella Valley cities, indicates a need for an update. The City of Indian Wells applies a single, standard fee (per impound type) for all vehicles.

Per California Vehicle Code Section 22850.5, cities are authorized to recover the actual administrative costs of vehicle removal, storage, and release, provided the fee is not used as a revenue source. After reviewing data from the Riverside County Sheriff's Department and internal administrative processes, staff has determined that the current \$150 fee no longer reflects the City's actual cost per impound. Additionally, time spent on DUI related impounds exceeds time spent on a standard impound.

The City of Indian Wells contracts with the Riverside County Sheriff's Department for law enforcement services. The City receives direct bills for deputies' and supervisors' time, making it essential to align VICR fees with actual costs.

Below is a summary of both the current and proposed VICR fees:

<b>Fee Type</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
Standard Impounds	\$150	\$275
DUI-Related Impounds	\$670	\$1,190

These adjustments reflect the current actual costs incurred by the City, address inflation and rising operational expenses since 2013, and reaffirm the City's dedication to discouraging driving under the influence. Of the 25 DUI arrests made in Indian Wells between July 1, 2024 and July 31, 2025, none were Indian Wells residents. The changes are intended to ensure full cost recovery, promote public safety, and maintain alignment with regional standards and are in no way intended to serve as a tax levied on residents.

The DUI-related fee increase to \$1,190 accounts for inflation and rising personnel and administrative costs over the past decade. This updated fee will enable the City to recover its actual expenses for processing DUI-related impounds, which require extensive law enforcement time and resources.

To ensure ongoing cost recovery and alignment with operational expenses, staff recommend implementing an annual fee adjustment mechanism. Beginning July 1, 2026, and on each July 1 thereafter, Indian Wells' Vehicle Impound Cost Recovery (VICR) fees shall be automatically increased by the lesser of: (i) the actual percentage increase imposed on the City by the Riverside County Sheriff's Department pursuant to the contract rate for services, or (ii) five percent (5%). This adjustment will be applied to the then-current fees without the need for further City Council action or public hearings, unless new fees are adopted or this authority is rescinded by the City Council. This approach provides a streamlined method for maintaining cost recovery while accounting for inflation and contractual cost changes.

**Justification for Fee Adjustment:**

1. Deputy and Supervisor Time:
  - Processing vehicle impounds requires law enforcement resources, including deputy labor and supervisor oversight.
  - For DUI-related impounds, additional time is required for investigations, field sobriety tests, evidence collection, and administrative follow-up. The fee increase accounts for these costs, ensuring the Sheriff's Department's time (representing City resources) is fully recovered.
2. Consistency in Fee Structure:
  - Indian Wells applies a standard impound fee across all vehicle types, unlike other jurisdictions that vary fees based on vehicle size or specialized handling.
  - The fees suggested herein are in alignment with the VICR Fees adopted by the City of Palm Desert on April 10, 2025, and are comparable to the City of Rancho Mirage's fees (adopted September 4, 2025), ensuring consistency with the other Cove Communities.
3. Cost Recovery Goal:
  - VICR fees are structured to recover the actual costs incurred by the City in contracting with the Sheriff's Department. The DUI fee increase ensures alignment with current operational costs while avoiding a subsidy from the General Fund.
4. Discouraging Driving Under the Influence
  - The DUI-related fee increase from \$670 to \$1,190 reinforces the City's commitment to public safety. This higher fee to recover the City's costs also serves as a financial deterrent to individuals engaging in dangerous behaviors.

**Comparative Analysis:**

City/ Entity	Standard Fee	DUI Fee
Riverside County	\$92	Allows each city that contracts with the County to establish its own fee by Resolution
Rancho Mirage	\$229	\$1,147
<b>Indian Wells</b>	<b>\$275 (Proposed)</b>	<b>\$1,190 (Proposed)</b>
Coachella	\$200	Same as standard
Palm Desert	\$275	\$1,190
Cathedral City	\$245	\$566
La Quinta	\$270	Same as standard

*Note: Palm Springs and Indio are not listed in the above comparison due to their tiered fee model.*

## **FISCAL IMPACT:**

The proposed VICR fee structure will be updated annually to ensure alignment with changes in operational expenses and inflation while reducing the need for frequent adjustments. The recommended increase from \$150 to \$275 for standard impounds and a \$1,190 fee for DUI-related impounds will enable the City to recover costs associated with DUI and vehicle impoundment.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that this resolution is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

## **ATTACHMENTS:**

1. Resolution
2. Resolution No. 2013-54