

ORDINANCE NO: 2025-O-173

AN ORDINANCE CREATING ARTICLE VI, ENTITLED "MITIGATION RATES FOR EMERGENCY AND NON-EMERGENCY SERVICES" OF CHAPTER 12 OF THE CODE OF ORDINANCES OF THE CITY OF LAREDO, TEXAS, ENTITLED "FIRE PROTECTION AND PREVENTION" TO AUTHORIZE MITIGATION RATES FOR FIRE DEPARTMENT SERVICES, PROVIDING FOR CODIFICATION, PUBLICATION, AND AN EFFECTIVE DATE.

WHEREAS, it is the intent of the City Council of the City of Laredo, Texas ("City Council") to protect the public health, safety, and welfare; and

WHEREAS, the Laredo Fire Department ("Department") provides emergency and non-emergency services in connection with motor vehicle incidents and other emergency incidents; and

WHEREAS, the emergency and non-emergency services response activity to incidents continues to increase each year, while environmental protection requirements involving equipment and training also create additional demands on all operational aspects of Department services; and

WHEREAS, the City of Laredo, Texas ("City") desires to implement a fair and equitable procedure by which to bill for mitigation rates, and establish a collection system per applicable laws, regulations, and guidelines; and

WHEREAS, the Department recommends amending the City of Laredo Code or Ordinances for the purpose of adding authorization for a schedule of mitigation rates for fire department services; and

WHEREAS, the City is a home-rule municipality acting under its Charter adopted, and amended, by the electorate pursuant to Article 11, Section 5 of the Texas Constitution and Chapter 9 of the Texas Local Government Code; and

WHEREAS, pursuant to Texas Local Government Code, Title 2, Subtitle D, Chapter 54, Section 54.004, as amended, a home-rule municipality may enforce ordinances necessary to protect health, life, and property, and to preserve the good government, order, and security of the municipality and its inhabitants; and

WHEREAS, upon full review and consideration of all matters attendant and related thereto, the City Council is of the opinion this ordinance should be approved and adopted.

WHEREAS, a public hearing and introductory ordinance was held on September 2, 2025.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS:

SECTION 1. The City of Laredo shall initiate mitigation rates for the delivery of emergency and non-emergency services by the fire department for personnel, supplies, and equipment to the scene of emergency and non-emergency incidents as listed in “EXHIBIT A”. The mitigation rates shall be based on actual costs of the services and that which is usual, customary, and reasonable (UCR) as shown in “EXHIBIT A”, which may include any services, personnel, supplies, and equipment, and with baselines established by addendum to this document.

SECTION 2. A claim shall be filed with the responsible party(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.

SECTION 3. The City of Laredo City Council may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Section, as they may deem necessary or expedient in respect to billing for these mitigation rates or the collection thereof.

SECTION 4. It is found and determined that all formal actions of the City Council concerning and relating to the adoption of this Ordinance were adopted in open meetings of the City Council, and that all deliberations of the City Council and any of its committees that resulted in such formal actions were in accordance with all legal requirements, and the Codified Ordinances of the City Council.

SECTION 5. That the Code of Ordinances is hereby amended to create Article VI, entitled "Mitigation Rates - for Emergency and Non-Emergency Services" of Chapter 12, entitled "Fire Protection and Prevention" of the City of Laredo Code of Ordinances to read as follows.

SECTION 6. The Mitigation Rates listed in Exhibit A will increase by 1.5% annually or based on the annual percentage increase in the Consumer Price Index (CPI), as developed by the Bureau of Labor Statistics of the U.S. Department of Labor, whichever is more. Rate adjustments will occur on the anniversary date of this ordinance/resolution to keep the fire department's cost recovery program in conformity with increasing operating expenses.

Article VI. Mitigation Rates – for Emergency and Non-Emergency Services

Section 12.91. Definitions.

“At-Fault Party.” The person or entity determined by a competent authority to have caused or contributed to the incident through negligence, reckless conduct, violation of law, or other fault, including vicarious or strict liability where applicable.

“Determination of Fault.” A written finding identifying the At-Fault Party, issued by: (1) a peace-officer crash report (CR-3) or other official investigative report; (2) a Fire

Marshal or City investigator's report; (3) a written acceptance of liability by an insurer; or (4) a court order, judgment, or binding administrative decision.

"Not-At-Fault Motorist." A driver involved in a motor-vehicle incident who is not the At-Fault Party.

"Uninsured Motorist." A motorist who, at the time of the incident, lacked proof of financial responsibility as defined in the Texas Transportation Code, Chapter 601.

Section 12.92. Purpose. The City of Laredo Fire Department provides emergency and non-emergency services in connection with motor vehicle incidents and other emergency incidents. The emergency and non-emergency services response activity to incidents continues to increase each year, while environmental protection requirements involving equipment and training also create additional demands on all operational aspects of the City of Laredo Fire Department services. The City desires to implement a fair and equitable procedure by which to bill for mitigation rates and establish a collection system in accordance with applicable laws, regulations, and guidelines.

Section 12.93. Liability for Fees.

(a) Non-Responsible Parties. Persons or entities determined to be Not At Fault shall not be liable for any fee under this ordinance.

(b). Uninsured, Not-At-Fault Motorists — Explicit Protection. An Uninsured Motorist who is Not At Fault shall not be assessed any fee under this ordinance. The City and its contractors are prohibited from billing, invoicing, sending to collections, or otherwise seeking payment from such motorists.

(c). Unknown or Unassigned Fault. If, after reasonable efforts, no At-Fault Party is identified, the City shall not shift costs to other involved parties; unrecovered costs may be absorbed in accordance with adopted fiscal policy.

(d). Subsequent Changes. If a Determination of Fault is later revised, the City shall cancel or refund any fee rendered inconsistent with the final determination within thirty (30) days of notice.

Section 12.94. Determination of Fault.

(a). Basis. Billing shall rely on a Determination of Fault.

(b). Timing. The City will defer billing to individuals until a Determination of Fault is available or an insurer has accepted liability in writing.

(c). Evidentiary Presumption. A peace-officer crash report or official investigative report creates a rebuttable presumption of fault for City billing purposes.

(d). Appeals. Any person billed may request administrative review under Section 12.100 (Appeals) within thirty (30) days. ***If the appellant provides evidence that they are Uninsured and Not-At-Fault, the City shall cancel the invoice and, if payment was already made, issue a refund within thirty (30) days.***

Section 12.95. Rates Adopted. The City Council shall approve the hourly mitigation rates for emergency and non-emergency services via resolution.

Section 12.96. Rules, regulations, and guidelines. The City Manager, or his/her designee, is authorized to make rules, regulations, and guidelines consistent with this article, as he/she may deem necessary with respect to billing logistics for the mitigation rates or the collection thereof. The City Manager, or his/her designee, may from time to time amend, revoke, or add rules, regulations, and guidelines consistent with this article.

Section 12.97. Procedure.

(a) *Billing for mitigation rates.* The City, or its designee, shall bill hourly mitigation rates at a minimum of one hour and in 15-minute increments thereafter, for the delivery of the following categories of services by the City of Laredo Fire Department to the scene of emergency and non-emergency incidents:

- (1) Motor vehicle accident service;
- (2) Extrication service;
- (3) Vehicle fire service;
- (4) Aircraft accident service;
- (5) Helicopter landing zone preparation service;
- (6) Technical rescue service;
- (7) Gas leaks service;
- (8) Hazardous material service;
- (9) Water incident service;
- (10) Back country or special rescues service;
- (11) Residential structure fire service;
- (12) Commercial structure fire service;
- (13) Elevator response service;
- (14) Additional apparatus/personnel requested on-scene;

(15) Specialized equipment or supplies.

(b) *Collection of mitigation rates.*

(1) *Claim filed with insurance carrier.* The City, or its designee, shall establish a collection system in which a claim shall be filed with the insurance carrier of the responsible party(ies) in accordance with applicable laws, regulations, and guidelines.

(2) *Balance billing.* Except for situations involving reckless, knowing, or intentional behavior/activities, as those terms are defined in V.T.C.A., Penal Code Section 6.03, after a claim is submitted to an insurance carrier, the City will not balance bill the following persons:

1. Uninsured, Not-At-Fault Motorists
2. City of Laredo residents; or
3. Residents of a district or area that the City has an interlocal or mutual aid agreement to provide emergency or non-emergency services by the city fire department and the scene of the emergency or non-emergency is outside the city and within the area covered by the interlocal or mutual aid agreement that does not charge City of Laredo residents for services.

(3) *Reckless, knowing, or intentional behavior/activities.* In cases where documented evidence indicates reckless, knowing, or intentional behavior as defined in V.T.C.A. Penal Code § 6.03, the City Manager may authorize balance billing, unless waived for City of Laredo residents (excluding businesses or corporate entities)."

(4) *No insurance carrier.* No uninsured motorist shall be billed directly for any costs associated with emergency response, fire suppression, rescue operations, hazardous material containment, or any other services covered under this ordinance. This exemption applies strictly to individuals who lack valid automobile liability insurance coverage at the time services are rendered, as verified through legally accepted documentation or state reporting systems.

(5) *Itemized response.* Custom mitigation rates may be billed for any independent event, at the request of the Fire Chief of the City of Laredo Fire Department or his/her designee. Such incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used, at rates deemed usual, customary, and reasonable ("UCR").

(6) *Revenue Fund.* The City shall deposit all revenue for fire mitigation fees into an insurance recovery special revenue fund.

(7) *Annual Review.* Every October, City staff shall provide a report to the City Council regarding the fire mitigation fee program, including the number and type of incidents, total fees billed and collected by incident type, and recommendations of any requested changes to this ordinance and/or the fire mitigation fee schedule.

(8) *Savings.* All rights and remedies which have accrued in favor of the City under this Ordinance and amendments thereto shall be and are preserved for the benefit of the City.

(d) *Billing & Collection Guardrails.*

(1) *Vendor Requirements.* Any third-party billing vendor shall:

1. Prevent generation of invoices to Uninsured, Not-At-Fault Motorists;
2. Suppress collection activity upon receipt of an appeal or revised Determination of Fault; and
3. Provide a monthly exception report listing all accounts

(2) *Write-Off Authority.* The City Manager or designee may designate unrecoverable accounts for write-off; such action shall not trigger billing to other Not-At-Fault parties.

Section 12.98. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid, unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

Section 12.99. Repealer. All ordinances and parts of ordinances in conflict herewith are hereby repealed, but only to the extent of such conflict.

Section 12.100. Appeals.

(a) Right to Appeal. The City shall designate a third-party billing contractor to administer the appeals process for all invoices issued under this Article. The authorized third party shall have full authority to:

1. 1. Receive and review written appeals from individuals or entities billed under this Article;
2. Request and collect additional documentation or statements from the appellant and relevant parties;
3. Evaluate the merits of the appeal in accordance with the requirements of this Article;
4. Issue a final written determination granting or denying the appeal.

The appeals process shall comply with all timelines, submission requirements, and procedural standards established in this Article.

Section 12.101. Codification. It is the intent of the City Council of the City of Laredo, Texas, that the provisions of this Ordinance shall be codified in the City's official Code of Ordinances as provided hereinabove.

**PASSED BY THE CITY OF LAREDO CITY COUNCIL AND APPROVED BY
THE MAYOR ON THIS _____ DAY OF _____,
2025.**

**DR. VICTOR D. TREVINO, MD
MAYOR**

ATTEST:

**MARIO I. MALDONADO, JR.
CITY SECRETARY**

APPROVED AS TO FORM:

**DOANH T. NGUYEN
CITY ATTORNEY**

**JOAQUIN A. RODRIGUEZ
FIRST ASSISTANT CITY ATTORNEY**

EXHIBIT A

MITIGATION RATES

The mitigation rates below are average “billing levels” and are typical for the incident responses listed; however, when a claim is submitted, it will be itemized and based on the actual services provided.

II MOTOR VEHICLE INCIDENTS

Level 1 - Motor Vehicle Accident - \$602.00

Provide hazardous materials assessment and scene stabilization. This is the most common “billing level” and will occur most every time the fire department response to an accident/incident.

Level 2 - Motor Vehicle Accident - \$687.00

This includes Level 1 services as well as clean-up and materials used for hazardous fluid clean-up and disposal. We will bill at this level if the fire department must clean up any or other automotive fluids that are spilled because of the accident/incident.

Level 3 – Car Fire - \$838.00

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, TIC use, foam, structure protection, and clean up gasoline or other automotive fluids spilled due to the accident/incident.

Level 4 – Electric Vehicle (EV) Car Fire – \$838, plus cost of blanket.

ADDITIONAL RATES

1. Fire Engine - \$554.00 per hour
2. Aerial Truck - \$693.00 per hour
3. Chief Officer - \$347.00 per hour
4. Miscellaneous Equipment - \$416.00
5. Heavy Extrication Tools Used - \$1,811.00
6. Creating Landing Zone - \$553.00

ADD-ON SERVICES:

Extrication - \$1,811.00

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

Creating a Landing Zone - \$553.00

This includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or utilized to transport the patient(s).

HAZMAT

Level 1 - \$972.00

Basic Response: The claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up, and command.

Level 2 - \$3,473.00

Intermediate Response: The claim will include engine response, first responder assignments, a hazmat-certified team, and appropriate equipment, perimeter establishment, evacuations, and the set-up of a command and decon center. Personal protective equipment (PPE) will include Level A or B suit donning, breathing air, and detection equipment.

Level 3 - \$8,199.00

Advanced Response: The claim will include an engine response, first responder assignments, a hazmat-certified team, appropriate equipment, perimeter establishment, evacuations, and the set-up of the command and decon center. PPE to include level A or B donning, breathing air, and detection equipment. Will include detection equipment, recovery and identification of materials, disposal, and environmental cleanup, as well as the rate. Consists of 3 hours of on-scene time – **each additional hour over is billed at \$366 per hour, per HAZMAT team.**

ADDITIONAL APPARATUS ON-SCENE (for all levels of service)

Engine billed at \$554.00 per hour.

Truck billed at \$693.00 per hour.

FIRES

Assignment - \$554.00 per hour, per engine / \$693.00 per hour, per truck

Includes:

- Scene Safety
- Investigation
- Fire/Hazard Control

ILLEGAL FIRES

Assignment - \$554.00 per hour, per engine / \$693.00 per hour, per truck

When a fire is started by any person(s) that requires the Laredo Fire Department to respond during a time or season when fires are regulated or controlled by local or state rules, provisions, or ordinances because of pollution or fire danger concerns. The person(s) will be liable for the Laredo Fire Department response as a cost, not to exceed the actual expenses incurred by the Laredo Fire Department. Similarly, if a fire is started where permits are required for such a fire, and the permit is not obtained and the Laredo Fire Department is required to respond to contain the fire, the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the department. The actual expenses will include direct labor, equipment costs, and any other costs that can be reasonably allocated to the cost of the response.

WATER INCIDENTS

Level 1 - Billed at \$554/hour plus \$68 per hour, per person

Basic Response: Claim will include engine response, first responder assignments. This will be the most common "billing level" and will occur almost every time the Laredo Fire Department has to respond to a water incident.

Level 2 - Billed at \$1,110/hour plus \$68 per hour, per person.

Intermediate Response: Includes Level 1 actions as well as cleanup and materials needed for hazmat spill. We will bill at this level if the Laredo Fire Department must clean up small amounts of gasoline or other fluids as a result of the incident.

Level 3 - Billed at \$2,747/hour plus \$68 per hour, per person.

Advance Response: Includes services above, as well as DART activation, and recovery and identification of materials associated. It will also include the fees for environmental disposal fees.

BACK COUNTRY OR SPECIAL RESCUE

Itemized Response: Each incident will be billed with custom mitigation rates that are deemed usual, customary and reasonable (UCR). These incidents will be billed itemized per apparatus, per rescue person, plus the rescue products used.

Minimum billed at \$554 for the first response vehicle, plus \$68 per rescue person. Additional rates of \$554 per hour per response vehicle and \$58 per hour per rescue person.

CHIEF RESPONSE

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

Billed at \$290 per hour.

GAS LEAKS (Natural)

Level 1 – Natural Gas leak, outside without fire - \$523/hour

Description: Minimal danger to life, property, and the environment, leak typically for mechanical damages to a meter or pipe.

Level 2 – Natural Gas leak, Outside with Fire - \$748/hour, plus \$68 per hour, per person.

Description: Moderate danger to life, property, and the environment, leak typically caused from mechanical damage with nearby operating equipment causing a fire.

Level 3 – Natural Gas leak inside structure - \$932/hour, plus \$68 per hour, per person.

Description: Significant danger to life, property, and the environment, leak is typically difficult to identify and locate.

ⁱ The mitigation rates above are average “billing levels”, and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department’s “actual personnel expense” and not just a firefighter's basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.

ⁱⁱ Note: MVC fees are assessed only to the At-Fault Party or their insurer. Uninsured motorists who are Not At Fault are not billed.