

DEOD SUMMARY

METRO FREEWAY SERVICES PATROL/VARIOUS BEATS

A. Small Business Participation (Award)

The Diversity and Economic Opportunity Department (DEOD) established a 3% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. For Beats 3 and 43, Navarro's Towing made a 97% SBE and 3% DVBE commitment. For Beats 5 and 17, Classic Tow, dba Tip Top Tow made a 5.98% SBE and 6.24% DVBE commitment. For Beats 6 and 39, Neighborhood Towing 4U made a 95% SBE and 3% DVBE commitment. For Beats 18 and 38, Bob & Dave's Towing made a 94% SBE and 6% DVBE commitment. For Beats 20 and 37, Safeway Towing Services, Inc., dba Bob's Towing made a 3.02% SBE and 3.45% DVBE commitment. For Beat 31, Hovanwil, Inc., dba Jon's Towing made a 94% SBE and 3.6% DVBE commitment.

Beat 3 and 43 – Navarro's Towing

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 97% DVBE 3%
----------------------------	---------------------------	----------------------------------	----------------------------

	SBE Subcontractors	% Committed
1.	Navarro's Towing (SBE Prime)	97%
	Total SBE Commitment	97%

	DVBE Subcontractors	% Committed
1.	Hunter Tires Inc.	3%
	Total DVBE Commitment	3%

Beat 5 and 17 – Classic Tow, dba Tip Top Tow

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 5.98% DVBE 6.24%
----------------------------	---------------------------	----------------------------------	---------------------------------

	SBE Subcontractors	% Committed
1.	Hunter Tires, Inc.	3.37%
2.	JCM & Associates, Inc., dba Blue Goose Uniforms	0.60%
3.	Bob and Dave's Towing	2.01%
	Total SBE Commitment	5.98%

	DVBE Subcontractors	% Committed
1.	Oasis Fuel, Inc.	1.21%
2.	Warrior Fuel Corporation	5.03%
	Total DVBE Commitment	6.24%

Beat 6 and 39 – Neighborhood Towing 4U

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 95% DVBE 3%
----------------------------	---------------------------	----------------------------------	----------------------------

	SBE Subcontractors	% Committed
1.	Neighborhood Towing 4U (SBE Prime)	95%
	Total SBE Commitment	95%

	DVBE Subcontractors	% Committed
1.	Oasis Fuel, Inc.	3%
	Total DVBE Commitment	3%

Beat 18 and 38 – Bob & Dave’s Towing

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 94% DVBE 6%
----------------------------	---------------------------	----------------------------------	----------------------------

	SBE Subcontractors	% Committed
1.	Bob & Dave’s Towing (SBE Prime)	94%
	Total SBE Commitment	94%

	DVBE Subcontractors	% Committed
1.	J316 Builder	1.14%
2.	Hunter Tires Inc.	1.86%
3.	Warrior Fuel Corporation	3.00%
	Total DVBE Commitment	6.00%

Beat 20 and 37 – Safeway Towing Services, Inc. dba Bob’s Towing

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 3.02% DVBE 3.45%
----------------------------	---------------------------	----------------------------------	---------------------------------

	SBE Subcontractors	% Committed
1.	Hunter Tires Inc.	3.02%
	Total SBE Commitment	3.02%

	DVBE Subcontractors	% Committed
1.	Oasis Fuel, Inc.	3.45%
	Total DVBE Commitment	3.45%

Beat 31 – Hovanwil, Inc., dba Jon’s Towing

Small Business Goal	SBE 3% DVBE 3%	Small Business Commitment	SBE 94% DVBE 3.6%
----------------------------	---------------------------	----------------------------------	------------------------------

	SBE Subcontractors	% Committed
1.	Hovanwil, Inc, dba Jon’s Towing (SBE Prime)	94%
	Total SBE Commitment	94%

	DVBE Subcontractors	% Committed
1.	Oasis Fuel, Inc.	3.60%
	Total DVBE Commitment	3.60%

B. Small Business Participation (Modification)

Of the 19 FSP contracts included in this modification, Contractors made Small Business Enterprise (SBE) commitments for 15 Beats, 9 of which are meeting or exceeding their SBE commitment(s) and 9 of which are SBE Primes.

The FSP Contractors for Beats 27, 33, 38, and 39 did not make SBE commitments and have no SBE participation. These contracts were procured prior to the 2016 legislative change to the Public Utilities Code that authorized meeting the SBE goal as a condition of award for non-federal IFB procurements.

The FSP Contractors for Beats 3, 31, 43, 50, 60, and 61 have participation levels below their respective commitment levels and are in shortfall. Metro’s Project Manager worked closely with DEOD in reviewing corrective action plans submitted by these Contractors, and confirmed that service increases as proposed toward a return to pre-pandemic levels should significantly improve participation of small business subcontractors.

For Beats 3 and 43, Disco Auto Sales dba Hollywood Car Carrier (HCC) made a 10.20% SBE commitment on each, which are 93% and 100% complete, respectively. Current SBE participation is 0.85% and 0.72%, representing shortfalls of 9.35% and 9.48%, respectively. HCC explained that their shortfalls result from their SBE firm being decertified prior to the execution of a sub agreement. To mitigate the shortfalls, HCC added an SBE tire provider and an SBE fuel supplier/broker which increased their level of participation from 0.11% to 0.85% and 0.00 to 0.72% for both beats, respectively. As of September 23, 2021, Oasis Fuels added Fuel Wholesalers NAICS codes to their SBE certification. HCC will receive 60% SBE credit for their fuel supplies (applicable to all FSP Contractors using Oasis Fuels) and projects that it will meet its SBE commitment by the end of contract.

For Beats 31 and 50, Navarro’s Towing made a 6.00% SBE commitment on each, which are 99% and 92% complete, respectively. Current SBE participation is 2.30% and 3.46%, representing shortfalls of 3.70% and 3.46%, respectively. Navarro’s

Towing became SBE certified June 22, 2021 and is in the process of adding a certified fuel supplier, which will significantly increase their level of participation on both beats.

For Beat 60, Freeway Towing made a 7.23% SBE and 3.42% DVBE commitment. The project is 67% complete. Current SBE participation is 5.38% and DVBE participation is 3.67%, representing an SBE shortfall of 1.85% while exceeding the DVBE commitment by 0.25%. Freeway Towing explained that their SBE subcontractor, Casanova Towing Equipment, Inc.'s services were impacted by mobility restrictions due to COVID-19, which delayed post-warranty repairs for their trucks. Freeway Towing further explained that their FSP trucks are due for maintenance services and expects to meet its SBE commitment.

For Beat 61, All City Tow Service, made a 7% SBE and 3.24% DVBE commitment. The project is 45% complete. Current SBE participation is 0.00% and current DVBE participation is 0.08%, representing shortfalls of 7% SBE and 3.16% DVBE. All City Tow Service explained that their shortfall resulted from their SBE firm being decertified prior to the execution of a sub agreement. All City Tow Services is in the process of adding an SBE Insurance Broker and an additional SBE fuel supplier. All City Towing further explained that DVBE subcontractor, Arciero & Sons Inc.'s services were impacted by mobility restrictions (60% service reduction) due to COVID-19, which delayed post-warranty repairs for their trucks. The Prime also stated that while the reduction in services eliminated the need to purchase uniforms in the past 2 years, it will continue to work with DVBE subcontractor Image Gear dba Reflective Stripe to procure uniforms during the proposed contract extension.

Notwithstanding, Metro Project Managers and Contract Administrators will continue to meet bi-monthly with DEOD and the FSP Contractors in shortfall to review participation levels and ensure that they are on schedule to meet or exceed their SBE/DVBE commitments. These key stakeholders have access to Metro's online monitoring system and will make real-time recommendations to correct any future issues impeding achievement of SBE/DVBE commitments.

Beat 3 – Disco Auto Sales dba Hollywood Car Carrier

	SBE Contractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuels	10.20%	0.00%
2.	Hunter Tires	Added	0.13%
3.	Oasis Fuels	Added	0.19%
4.	Manatek Commercial Insurance Services	Added	0.53%
	Total	10.20%	0.85%

Beat 5 – Sonic Towing, Inc.

	SBE Contractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Sonic Towing, Inc. (SBE Prime)	-	76.33%
	Total	16.70%	76.33%

Beat 6 – Neighborhood Towing 4U

	SBE Contractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Neighborhood Towing 4U, Inc. (SBE Prime)	-	54.66%
	Total	16.70%	54.66%

Beat 17 – Sonic Towing, Inc.

	SBE Contractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Sonic Towing (SBE Prime)	-	74.73%
	Total	16.70%	74.73%

Beat 18 – Bob & Dave’s Towing

	SBE Contractor(s)	% Commitment	% Participation
1.	Deborah Dyson Electrical	4.95%	7.42%
2.	JCM & Associates	0.07%	0.44%
	Total	5.02%	7.86%

Beats 20 – Safeway Towing Services, Inc. dba Bob’s Towing

	SBE Contractor(s)	% Commitment	% Participation
1.	Bob’s Towing (SBE Prime)	100%	100%
	Total	100%	100%

Beat 24 – T.G. Towing, Inc.

	SBE Contractor(s)	% Commitment	% Participation
1.	T. G. Towing, Inc. (SBE Prime)	100%	100%
	Total	100%	100%

Beats 29 and 42 – Platinum Tow & Transport

	SBE Contractor(s)	% Commitment	% Participation
1.	Platinum Tow & Transport (SBE Prime)	100%	100%
	Total	100%	100%

Beat 31 – Navarro’s Towing, LLC

	SBE Contractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	6.00%	0.00%
2.	Navarro’s Towing, LLC (SBE Prime)	Added	2.30%
	Total	6.00%	2.30%

Beat 37 – Reliable Delivery Service

	SBE Contractor(s)	% Commitment	% Participation
1.	Reliable Delivery Service (SBE Prime)	100%	100%
	Total	100%	100%

Beat 43 – Disco Auto Sales dba Hollywood Car Carrier

	SBE Contractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	10.20%	0.00%
2.	Hunter Tires	Added	0.11%
3.	Oasis Fuels	Added	0.16%
4.	Manatek Commercial Insurance Services	Added	0.45%
	Total	10.20%	0.72%

Beat 50 – Navarro’s Towing, LLC

	SBE Contractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	6.00%	0.00%
2.	Navarro’s Towing, LLC (SBE Prime)	Added	2.54%
	Total	6.00%	2.54%

Beat 60 – Freeway Towing, Inc.

	SBE Contractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment, Inc.	6.79%	4.93%
2.	Manatek Commercial Insurance Services, Inc.	0.44%	0.45%
	Total	7.23%	5.38%

	DVBE Subcontractor(s)	% Commitment	% Participation
1.	Oasis Fuels, Inc.	3.42%	3.67%
	Total	3.42%	3.50%

Beat 61 – All City Towing

	SBE Contractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment, Inc.	7.00%	0.00%
	Total	7.00%	0.00%

	DVBE Subcontractor(s)	% Commitment	% Participation
1.	Arciero and Sons	1.39%	0.00%
2.	Image Gear dba Reflective Stripe	0.56%	0.02%
3.	Oasis Fuels, Inc.	1.29%	0.06%
	Total	3.24%	0.08%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$22.67 per hour (\$17.00 base + \$5.67 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy).

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.