



Board Report

File #: 2020-0070, File Type: Contract

Agenda Number: 17.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MARCH 19, 2020

SUBJECT: PURCHASE OF THREE 35 TON TOW TRUCKS

ACTION: APPROVE CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed price contract OP66644000 to Los Angeles Truck Centers, LLC the lowest responsive and responsible bidder for three (3) 35-ton tow trucks for a firm fixed price of \$1,069,966.24 inclusive of sales tax.

ISSUE

The existing tow truck fleet has been in operations for 17 years; due to usage and deterioration throughout the years the fleet is in need of replacement. The tow trucks are rotated between 11 operating divisions.

BACKGROUND

The tow trucks are mainly used for towing and recovery of Metro buses assigned to 11 bus operating divisions, and for training purposes at Metro's Central Maintenance Facility. These trucks are required to support directly operated bus operations throughout the Metro system which includes over 2,300 buses.

DISCUSSION

The three new tow trucks will replace trucks that have been in operation since 2003. In the last few years, these trucks have experienced reduced reliability and have now surpassed their useful life and require replacement. The purchase of these three 35-ton tow trucks will provide the Metro Bus Operations and Metro Bus Maintenance Departments with the necessary equipment for the consistent, timely and effective support and maintenance of Metro bus fleet for the next 12-15 years.

The recommended bidder, Los Angeles Truck Centers, has its operating and headquarter facility in Los Angeles County, in the city of Whittier, California. Metro's Diversity and Economic Opportunity Department (DEOD) did not establish a goal for this solicitation and a search of the Small/Disabled Veteran Business Enterprise (SBE/DVBE) directories revealed there are no certified SBE/DVBE firms that can supply these vehicles.

DETERMINATION OF SAFETY IMPACT

The approval of this recommendation will have positive impact on safety as the new tow trucks will maximize operator safety. Due to newer and more stringent emission standards, the new tow trucks will improve Metro's carbon footprint throughout Los Angeles County.

FINANCIAL IMPACT

The funding of \$1,069,966.24 is included in Cost Center 3790, Maintenance Administration; Project 208604, FY20 Non-Revenue Vehicles and Equipment; Account 53106, Acquisition of Service Vehicle.

Since this is a multi-year project, the cost center manager and Chief Operating Officer will ensure that all related costs are budgeted in future Fiscal Years.

Impact to Budget

The current source of funds for this action is Transportation Development Act (TDA) Article 4. Using this funding source maximizes the project funding allocations allowed by approved provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal 2) Providing outstanding trip experiences for all. New tow trucks improve safety and enhance the ability to respond to downed buses and continue delivering world-class bus service.

ALTERNATIVES CONSIDERED

Staff does not recommend leasing equipment and/or contracting out tow services as this is an in-house task currently performed by ATU contract personnel. Contracting out this service would conflict with the current Metro/ATU Collective Bargaining Agreement. Additionally, the cost of towing services for one tow truck would equal or exceed the full purchase price of one tow truck in the first five years of operation.

The alternative of retaining the existing tow truck fleet for primary tow services is not recommended. Diminished reliability, high maintenance costs and frequent repairs over the past several years has rendered the use of the existing tow truck fleet a poor alternative for continued operation.

Not purchasing the recommended tow trucks will significantly reduce Metro's ability to effectively provide world-class transportation for all.

NEXT STEPS

Upon Board approval, the vendor will begin the manufacturing process and provide Metro with a production schedule to identify milestones consistent with the scheduled delivery of the equipment 12 months after the award of the contract.

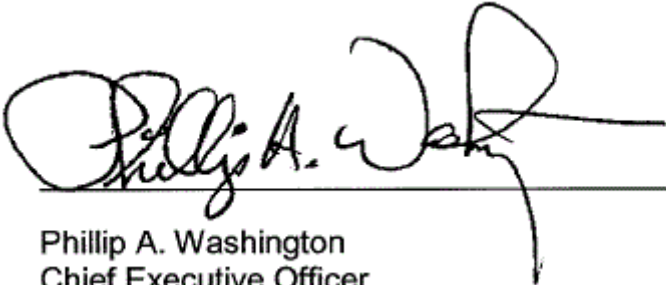
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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