



Board Report

File #: 2020-0434, File Type: Contract

Agenda Number: 6.

FINANCE, BUDGET, AND AUDIT COMMITTEE OCTOBER 14, 2020

SUBJECT: METRO FREEWAY SERVICE PATROL

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

A. INCREASE Contract Modification Authority (CMA) to 27 existing Freeway Service Patrol (FSP) contracts as delineated below for an aggregate amount of \$8,915,000 thereby increasing the CMA amount from \$20,004,130 to \$28,919,130 and extend the periods of performance as follows:

- Beat no. 3: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$210,000 for up to 7 months
- Beat no. 5: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$240,000 for up to 7 months
- Beat no. 6: Neighborhood Towing 4 U Contract No. FSP3469600B6, for \$180,000 for up to 7 months
- Beat no. 7: Girard & Peterson Contract No. FSP3469900B7/11, for \$245,000 for up to 7 months
- Beat no. 10: Neighborhood Towing 4 U Contract No. FSP3848100FSP1410, for \$440,000 for up to 8 months
- Beat no. 11: Girard & Peterson Contract No. FSP3469900B7/11, for \$270,000 for up to 7 months
- Beat no. 12: Tip Top Tow Contract No. FSP2826700FSP14, for \$460,000 for up to 8 months
- Beat no. 17: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$230,000 for up to 7 months
- Beat no. 18: Bob & Dave's Towing, Inc. Contract No. FSP2690300FSP1418, for \$315,000 for up to 7 months
- Beat no. 20: Bob's Towing Contract No. FSP2836600FSP1420, for \$460,000 for up to 7 months
- Beat no. 21: Bob's Towing Contract No. FSP2839000FSP1421, for \$535,000 for up to 8 months

- Beat no. 24: T.G. Towing, Inc. Contract No. FSP2833200FSP1424, for \$410,000 for up to 7 months
- Beat no. 27: Hovanwil, Inc. dba Jon's Towing Contract No. FSP3470400B27/39, for \$295,000 for up to 7 months
- Beat no. 28: Hadley Tow Contract No. FSP3847300FSP1428, for \$445,000 for up to 7 months
- Beat no. 29: Platinum Tow & Transport, Inc. Contract No. FSP3470600B29, for \$170,000 for up to 7 months
- Beat no. 31: Navarro's Towing Contract No. FSP3470700B31/50, for \$360,000 for up to 7 months
- Beat no. 33: Mid Valley Towing Contract No. FSP2851900FSP1433, for \$325,000 for up to 7 months
- Beat no. 34: South Coast Towing, Inc. Contract No. FSP2839600FSP1434, for \$495,000 for up to 8 months
- Beat no. 36: Hadley Tow Contract No. FSP2841400FSP1436, for \$510,000 for up to 7 months
- Beat no. 37: Reliable Delivery Service Contract No. FSP3696000FSP1437, for \$330,000 for up to 7 months
- Beat no. 38: Steve's Towing Contract No. FSP38468001438, for \$475,000 for up to 7 months
- Beat no. 39: Hovanwil, Inc. dba Jon's Towing Contract No. FSP5966400FSPB39, for \$170,000 for up to 7 months
- Beat no. 42: Platinum Tow & Transport Contract No. FSP2842100FSP1442, for \$345,000 for up to 7 months
- Beat no. 43: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$240,000 for up to 7 months
- Beat no. 50: Navarro's Towing Contract No. FSP3470700B31/50, for \$280,000 for up to 7 months
- Beat no. 70: Tip Top Tow Contract No. FSP3471300B70, for \$260,000 for up to 8 months
- Beat no. 71: Bob & Dave's Towing, Inc. Contract No. FSP3471500B71, for \$220,000 for up to 8 months

ISSUE

Recommendation A authorizes increasing contract modification authority (CMA) in the aggregate amount of \$8,915,000 to execute contract modifications to existing FSP light duty tow service contracts and extend periods of performance.

BACKGROUND

FSP is a congestion mitigation program managed in partnership with Metro, CHP and Caltrans serving motorists on all major freeways in Los Angeles County. The Los Angeles County FSP program has the highest benefit to cost ratio of all the statewide FSP programs.

The program utilizes a fleet of roving tow and service trucks designed to reduce traffic congestion by efficiently rendering disabled vehicles operational or by quickly towing those vehicles from the

freeway to a designated safe location. Quick removal of motorists and their disabled vehicles from the freeway reduces the chances of further incidents caused by onlookers and impatient drivers. FSP helps save fuel and reduce air polluting emissions by reducing stop-and-go traffic. The service is free to motorists and operates seven days a week during peak commuting hours.

Metro contracts with independent tow service providers for light duty tow service on general purpose lanes on all major freeways in Los Angeles County, 2 light duty contracts on the ExpressLanes (I-110 and I-10), and 2 heavy duty (Big Rig) contracts (I-710 and SR-91).

The annual benefit of the program is as follows:

- For individual beats, an annual Benefit to Cost Ratio of 10:1 - For every \$1 spent, there is a \$10 benefit to motorists.
- 325,000 motorist assists
- 9,727,671 hours motorists saved from sitting in traffic
- 16,721,867 gallons of fuel savings
- Approximately 147,000,000 kg of CO2 reductions
- The average motorist wait time for FSP service is 7 minutes (the average wait time for other roadside service is over 30 minutes)
- The Los Angeles County FSP program generates one-half of the cumulative benefits of the 14 FSP programs in the state.

DISCUSSION

In response to the COVID-19 pandemic and its impact on funding and freeway congestion levels, the FSP program reduced tow service on all beats beginning in April 2020 with ongoing monitoring by the CHP to ensure adequate service provision to address needs. In FY20 Q4, FSP's operating budget was reduced by 40% with additional reductions of 40% in Q1, 25% in Q2, and 10% in Q3 & Q4 in FY21. In order to ensure that the program continues to operate at necessary service levels and within budget, the decision was made to delay operations of seven recently awarded FSP contracts and delay the procurement of additional new contracts which are anticipated to have higher operating costs since with each procurement, hourly rates have increased. In lieu of initiating scheduled new solicitations, staff decided to pursue contract extensions which enables continued provision of this vital service to Los Angeles County motorists at the required levels and a reasonable cost.

Authorizing increased contract modification authority and extending the periods of performance will ensure seamless and efficient operation of the FSP program. Increased CMA will also provide funds to address operating costs not recovered by contractors due to the reduction in service levels, increased insurance premiums, major maintenance expenses, fluctuating fuel prices, and will also replenish funding to contracts that provide support to Caltrans construction projects through a Cooperative Agreement which reimburses Metro for FSP support. The FSP program currently expends up to \$60,000 each month to support Caltrans construction projects.

DETERMINATION OF SAFETY IMPACT

The FSP Program enhances safety on Los Angeles County freeways by assisting motorists with disabled vehicles, by towing vehicles from freeway lanes to prevent secondary accidents and removing debris/obstacles from lanes that can be a hazard to motorists.

FINANCIAL IMPACT

The amount of \$8,915,000 for CMA is included in the FY21 budget in cost center 3352, Metro Freeway Service Patrol.

Impact to Budget

The FSP program is funded through a combination of dedicated state funds, SB1 funding and Proposition C 25% sales tax. These funds are not eligible for Metro Bus and Rail Operating and Capital expenses. Metro is also reimbursed for the services provided to support Caltrans construction projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The FSP Program aligns with Strategic **Goal 1: Provide high quality mobility options that enable people to spend less time traveling.** The program mitigates congestion on all major freeways in Los Angeles County.

ALTERNATIVES CONSIDERED

The Board may decide not to authorize the increase in contract modification authority. This alternative is not recommended as it will adversely impact the existing contracts and the level and quality of FSP service provided in Los Angeles County.

NEXT STEPS

Upon Board approval, staff will execute the necessary contract modifications to assure efficient and seamless delivery of the FSP program. Staff will work on new procurements to address needs beyond FY21. Barring additional unforeseen impacts, staff will return to the Board at the appropriate time to secure approval for new contracts with services to commence in July 2021.


ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification Authority (CMA) Summary
Attachment C - Contract Modification/Change Order Log
Attachment D - FSP Beat Map

Attachment E - DEOD Summary

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