



Board Report

File #: 2020-0019, **File Type:** Contract

Agenda Number:

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE FEBRUARY 20, 2020

SUBJECT: METRO FREEWAY SERVICE PATROL

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. FS66316000-34 to Disco Auto Sales, Inc., dba Hollywood Car Carrier, the lowest responsive and responsible bidder, for Metro Freeway Service Patrol (FSP) towing services in the amount of \$3,567,060 or Beat 34 and Contract No. FS66316001-71 for \$8,515,325 for Beat 71 for 56 months, subject to resolution of protest(s), if any; and,
- B. AWARD a firm fixed unit rate Contract No. FS66316002-10 to Hovanwil, Inc., dba Jon's Towing, the lowest responsive and responsible bidder, for Metro Freeway Service Patrol (FSP) towing services in the amount of \$4,306,768.50 for Beat 10 for 56 months, subject to resolution of protest(s), if any; and,
- C. AWARD a firm fixed unit rate Contract No. FS66316003-9 to Sonic Towing, Inc., the lowest responsive and responsible bidder, for Metro Freeway Service Patrol (FSP) towing services in the amount of \$3,765,230 for Beat 9 and Contract No. FS66316004-12 for \$3,898,346.88 for Beat 12 for 56 months, subject to resolution of protests(s), if any; and,
- D. AWARD a firm fixed unit rate Contract No. FS66316005-21 to South Coast Towing, Inc., the lowest responsive and responsible bidder, for Metro Freeway Service Patrol (FSP) towing services in the amount of \$3,460,726 for Beat 21 and Contract No. FS66316006-70 for \$6,824,652 for Beat 70 for 56 months, subject to resolution of protests(s), if any; and,
- E. DO NOT AWARD contracts for the following beats as solicited in IFB No. FS66316. Beats 18, 20, 24, 28, 33, 36, 37, 38, 41, & 42; and,
- F. INCREASE Contract Modification Authority (CMA) to 32 existing Freeway Service Patrol

contracts as delineated below for an aggregate amount of \$8,200,000 thereby increasing the CMA amount from \$25,317,555 to \$33,517,555 and extend the periods of performance as follows:

- Beat no. 1: All City Tow Contract No. FSP2828200FSP141, for \$190,000 for up to 4 months
- Beat no. 2: Citywide Towing Contract No. FSP2785600FSP142, for \$340,000 for up to 4 months
- Beat no. 3: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$240,000 for up to 6 months
- Beat no. 5: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$490,000 for up to 6 months
- Beat no. 6: Neighborhood Towing 4 U Contract No. FSP3469600B6, for \$500,000 for up to 6 months
- Beat no. 7: Girard & Peterson Contract No. FSP3469900B7/11, for up to 8 months
- Beat no. 8: Citywide Towing Contract No. FSP2825800FSP148, for \$215,000 for up to 4 months
- Beat no. 10: Neighborhood Towing 4 U Contract No. FSP3848100FSP1410, for \$320,000 for up to 3 months
- Beat no. 11: Girard & Peterson Contract No. FSP3469900B7/11, for up to 8 months
- Beat no. 12: Tip Top Tow Contract No. FSP2826700FSP14, for \$125,000 for up to 3 months
- Beat no. 13: Reliable Delivery Service Contract No. FSP2831500FSP1413, for \$300,000 for up to 4 months
- Beat no. 17: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$475,000 for up to 6 months
- Beat no. 18: Bob & Dave's Towing, Inc. Contract No. FSP2690300FSP1418, for \$280,000 for up to 4 months
- Beat no. 20: Bob's Towing Contract No. FSP2836600FSP1420, for \$200,000 for up to 4 months
- Beat no. 21: Bob's Towing Contract No. FSP2839000FSP1421, for \$110,000 for up to 3 months
- Beat no. 24: T.G. Towing, Inc. Contract No. FSP2833200FSP1424, for \$580,000 for up to 4 months
- Beat no. 27: Hovanwil, Inc. dba Jon's Towing Contract No. FSP3470400B27/39, for \$355,000 for up to 8 months
- Beat no. 28: Hadley Tow Contract No. FSP3847300FSP1428, for \$145,000 for up to 4 months
- Beat no. 29: Platinum Tow & Transport, Inc. Contract No. FSP3470600B29, for up to 6.5 months
- Beat no. 31: Navarro's Towing Contract No. FSP3470700B31/50, for \$375,000 for up to 6.5 months
- Beat no. 33: Mid Valley Towing Contract No. FSP2851900FSP1433, for \$180,000 for up to 4 months
- Beat no. 34: South Coast Towing, Inc. Contract No. FSP2839600FSP1434, for \$270,000 for up to 3 months
- Beat no. 36: Hadley Tow Contract No. FSP2841400FSP1436, for \$105,000 for up to 4 months
- Beat no. 37: Reliable Delivery Service Contract No. FSP3696000FSP1437, for \$200,000 for

up to 4 months

- Beat no. 38: Steve's Towing Contract No. FSP38468001438, for \$215,000 for up to 4 months
- Beat no. 39: Hovanwil, Inc. dba Jon's Towing Contract No. FSP5966400FSPB39, for \$470,000 for up to 6 months
- Beat no. 42: Platinum Tow & Transport Contract No. FSP2842100FSP1442, for \$100,000 for up to 4 months
- Beat no. 43: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$300,000 for up to 6 months
- Beat no. 50: Navarro's Towing Contract No. FSP3470700B31/50, for \$220,000 for up to 6.5 months
- Beat no. 70: Tip Top Tow Contract No. FSP3471300B70, for \$260,000 for up to 3 months
- Beat no. 71: Bob & Dave's Towing, Inc. Contract No. FSP3471500B71, for \$250,000 for up to 3 months
- Region 1: Kenny's Auto Service Contract No. FSP13-R1 for \$390,000 for up to 4 months

ISSUE

The award of 7 FSP light duty tow service contracts in Recommendations A, B, C, and D is intended to replace expired or expiring contracts.

Due to an insufficient number of eligible bidders and very high hourly rates that were bid, Recommendation E withdraws the following beats from IFB FS66316 - Beats 18, 20, 24, 28, 33, 36, 37, 38, 41, 42. These beats will be included in the next solicitation for FSP light duty tow services.

Recommendation F authorizes contract modification authority (CMA) in the aggregate amount of \$8,200,000 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). Each weekday, 170 tow and

service trucks are deployed during peak commuting hours.

The annual benefit of the program is as follows:

- For individual beats, an annual Benefit to Cost Ratio of 12:1 - For every \$1 spent there is a \$12 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

Award of contracts for beats 9, 10, 12, 21, 34, 70, and 71 will replace expired or expiring contracts. The beats are comprised of a total of 76.9 centerline miles of freeway using a combination of 33 tow, flatbed, and service trucks. There were 4 responsive and responsible bidders that were eligible for two beats each, for a total of 8 beats; however, only 7 beats are recommended for award due to the higher prices bid. Staff did not recommend the award of the 8th beat given the hourly cost associated with the beat as it was not in the best interest of the Agency or the best use of public funds. Beats not awarded in IFB FS66316 will be included in the next solicitation for FSP light duty tow service.

Within the past 4 years, the towing industry has been greatly impacted by rising liability and workers compensation insurance premiums as well as a steady increase in the price of fuel, tow trucks, maintenance and repairs due to changing emissions standards. This coupled with Metro's living wage and minimum insurance limits with minimum insurer ratings requirements has increased the cost of service and appears to have reduced the number of tow service providers bidding on FSP contracts. Without sufficient bidders, costs could continue to escalate.

Once contracts are awarded, Contractors will have a 12 to 16-week mobilization period to complete the required startup activities to begin service. The following list comprises the majority of the activities that must be completed in order to provide FSP service:

- Purchase vehicle chassis and beds
- Build vehicles to FSP specifications (6-8 weeks)
- Metro Radio Shop installation of communications equipment (2-3 weeks)
- Hire and train prospective FSP drivers
- CHP testing and certification of FSP drivers
- Obtain program supplies
- CHP inspection and certification of contract vehicles

Additional funds are needed to extend and replenish existing FSP contracts, in anticipation of the phased startup of the seven contracts (Recommendations A, B, C, and D) and the award and startup of additional individual beat contracts in FY2021.

Authorizing contract modification authority and extending the period of performance will ensure seamless and efficient operation of the FSP program. Increased CMA will also provide funds to address increased operating costs such as insurance and fuel 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 \$75,000 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, 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 \$1,765,000 for CMA, and first year startup and operational costs of \$715,377 for beats 9, 10, 12, 21, 34, 71, & 71 is included in the FY20 budget in cost center 3352, Metro Freeway Service Patrol, under project number 300070. Since this action includes multi-year contracts, the cost center manager and Executive Officer, Congestion Reduction will be responsible for budgeting funds in future years.

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 award the contracts or 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

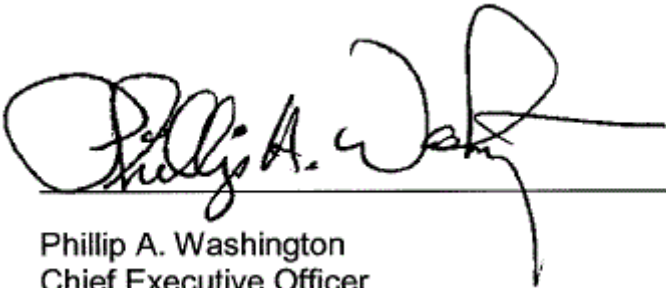
Upon Board approval, staff will execute the necessary contracts to assure efficient and seamless delivery of the FSP program.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Procurement Summary (Various Beats)
Attachment C - Contract Modification Authority Summary
Attachment D - Contract Modification/Change Order Log
Attachment E - DEOD Summary
Attachment F - FSP Beat Map

Prepared by: John Takahashi, Senior Highway Operations Manager, (213) 418-3271

Reviewed by: Shahrzad Amiri, Executive Officer, Congestion Reduction, (213) 922-3061
Debra Avila, Chief Vendor/Contract Management, (213) 418-3051



Phillip A. Washington
Chief Executive Officer