



OPERATIONS COMMITTEE
APRIL 20, 2006

SUBJECT: METRO FREEWAY SERVICE PATROL

ACTION: AUTHORIZE THE CEO TO EXECUTE THREE CONTRACTS FOR THE METRO FREEWAY SERVICE PATROL PROGRAM.

RECOMMENDATION

Authorize the Chief Executive Officer to execute three Metro Freeway Service Patrol (FSP) contracts for a total amount not-to-exceed \$4,176,751 to the following contractors:

<u>Beat</u>	<u>Contractor</u>	<u>Amount</u>	<u>Contract Period</u>
2	So Coast, East Los Angeles	\$ 1,496,545	08/01/06 - 07/31/09
36	Lara's Towing, Vernon	\$ 1,393,006	08/01/06 - 07/31/09
42	Jon's Towing, San Fernando	\$ 1,287,200	08/01/06 - 07/31/09
	Total Amount Not-to-Exceed	\$ 4,176,751	

RATIONALE

The three contracts being recommended for Board approval will allow the FSP Program to continue assisting stranded freeway motorists along designated beats (refer to Attachment C FSP Beat Map for beat locations) for three years. Two of the three beats (Beats 36 & 42) are new to program and the third beat (Beat 2) is currently in operation with and expiring contract term.

The two new beats will provide FSP service on I-5 (Santa Clarita) and along Route 210 (Pasadena to San Fernando). These two new service areas are being recommended in conjunction with grant funding provided by the South Coast Air Quality Management District (AQMD) that will provide the majority (60%) of the new service area cost for the contract term.

FSP contractors are awarded three-year contracts and are given a three-month period to complete the fleet initiation and radio installation process. Before the radio communications and inspections can take place, contractor start-up tasks (hiring and training drivers, procuring and equipping new tow trucks, installing FSP-required decal and signage for all trucks, etc.) must be completed. CHP conducts a final inspection and certification of the trucks/drivers prior to the first day of service.

As with all current FSP contracts, the contracts being recommended for award include a 7% contingency. This contingency allows for minor service adjustments needed for long-term incidents, special events, extended holiday hours, redeployment of backup trucks on other beats when necessary, traffic pattern changes, etc.

FINANCIAL IMPACT

Funding of \$1,400,000 (approximately one-third of the three-year contracted amount) for the recommended FSP service is included in the proposed FY07 budget in cost center 3352 under project 300070, Freeway Service Patrol. Since these are multi-year contracts, the cost center manager and Deputy Chief Executive Officer will be accountable for budgeting the cost for future years.

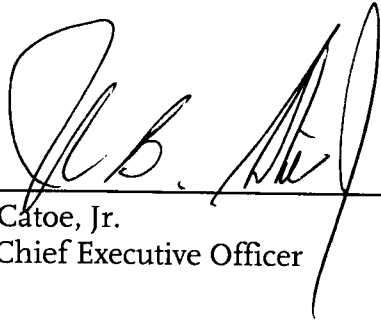
ALTERNATIVES CONSIDERED

Metro can decide to stop contracting for new FSP service. This option is not recommended as this program has proven to be a cost effective strategy in reducing freeway congestion and is highly appreciated by the motoring public. Furthermore, with the approximate \$1.4M grant funding provided by AQMD, one-third of the total recommended contract award is fully reimbursed.

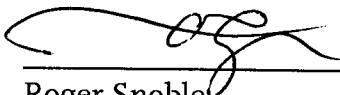
ATTACHMENTS

- A Procurement Summary
- A-1 Procurement History
- A-2 List of Recommended Bidders
- B FSP Beat Map

Prepared by: John Takahashi, Transportation Planner II
Ted Sparkuhl, Contract Administrator



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**ATTACHMENT A
PROCUREMENT SUMMARY**

METRO FREEWAY SERVICE PATROL, 3 BEATS

1.	Contract Number: Various		
2.	Recommended Bidders: See Attachment A-2		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$4,176,751	Recommended Price: \$4,176,751	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm fixed hourly rates over a three-year period		
5.	Procurement Dates:		
	A. Issued: 12-06-05		
	B. Advertised: 12-06-05		
	C. Pre-bid Conference: 12-12-05		
	D. Bids Due: 01-19-06		
	E. Pre-Qualification Completed: 02-03-06		
	F. Conflict of Interest Form Submitted to Ethics: 02-23-06		
6.	Small Business Participation: No goal recommended		
	A. Bid Goal: 0.0%	Date Small Business Evaluation Completed: N/A	
	A. Small Business Commitment: N/A		
7.	Invitation for Bid Data:		
	Notifications Sent: 398	Bids/Proposals Picked up: 38	Bids/Proposals Received: 12
8.	Evaluation Information:		
	A. Bidders/Proposers Names: List of bidders is in Attachment A-2	<u>Bid/Proposal Amount:</u> \$4,176,751	<u>Best and Final Offer Amount:</u> N/A
	B. Evaluation Methodology: Lowest responsive and responsible bidder & Price Analysis		
9.	Protest Information:		
	A. Protest Period End Date: 03-27-06		
	B. Protest Receipt Date: 03-22-06		
	C. Disposition of Protest Date: In process		
10.	Contract Administrator: Ted Sparkuhl	Telephone Number: 922-7399	
11.	Project Manager: John Takahashi	Telephone Number: 922-6346	

**ATTACHMENT A-1
PROCUREMENT HISTORY**

METRO FREEWAY SERVICE PATROL, 3 BEATS

A. Background on Contractors

All contractors have been in the towing business for at least three years. Each contractor must meet certain vehicle and facility qualifications in order to be considered for contract award. All contractors recommended for award have met the facility and vehicle inspection requirements.

Contractors are limited to an award of no more than two contracts (beats) each.

	Contractor	Previous MTA Experience
1.	South Coast Towing	Yes
2.	Jon's Towing	Yes
3.	Lara's Towing	No

B. Procurement Background

Hollywood Car Carrier Services (HCCS) protested the IFB solicitation requirements and qualifications prior to the bid due date. That protest was denied after staff determined that the IFB requirements and qualifications were fair and consistent with maintaining free and open competition.

Metro received a second protest from HCCS dated March 22, 2006. Metro Procurement is currently responding to this protest.

Three bidders were disqualified resulting from suspensions from Tow Service Agreements with the CHP Rotation Tow.

The bidding process resulted in two (2) equally low or tied responsive and responsible bidders for FSP06 Beat No. 2. The equally low bids were resolved by a drawing of lots in accordance with established Metro procedures as delineated in the Metro Procurement Policy Manual.

The recommended bid price of **\$4,176,751** for a three-year period is based on hourly unit rates stated in different bids received from 12 contractors. These unit rates were determined to be fair and reasonable based on price analysis selection of the lowest responsible and responsive bidders.

The Diversity and Economic Opportunity Department (DEOD) did not recommend a Voluntary Anticipated Level of Participation (VALP) goal for this procurement. The

contract services required for the Metro Freeway Service Patrol (FSP) Program do not involve subcontracting opportunities. Based on industry practices, it is expected that the Prime FSP Contractor will provide all the services, equipment and/or supplies required on this contract. Notwithstanding, DEOD records show that thirty percent (30%) of the Metro Freeway Service firms participating in the program are owned and operated by Minority Business Enterprises.

C. Evaluation of Bids

All bidders recommended for award are in full compliance with the technical and bid specifications.

D. Cost/Price Analysis Explanation of Variances

The recommended unit rates are higher on average than the current historical unit rates due to escalation and increases in the cost of labor, insurance and the uncertainty of fuel prices over the three-year term of the contract. The unit rates were determined to be fair and reasonable based upon selection of the lowest, responsive, responsible bidders.

	CONTRACT	RECOMMENDED UNIT RATE	HISTORICAL UNIT RATE	PRICE VARIANCE
1.	FSP06-2	\$ 45.00	\$ 41.24	\$ 3.76
2.	FSP06-36	\$ 52.47	New Beat	N/A
3.	FSP06-42	\$ 48.48	New Beat	N/A

**ATTACHMENT A-2
LIST OF RECOMMENDED BIDDERS**

Beat	Contractor	MBE/WBE
2	South Coast Towing	No
36	Lara's Towing	No
42	Jon's Towing	No

LIST OF BIDDERS

No.	Contractor
1.	ABA Towing
2.	Allstar Towing
3.	Bob's Towing
4.	City Terrace Service
5.	Cliff's Towing
6.	Hollywood Car Carrier
7.	Jon's Towing
8.	Lara's Towing
9.	Larry's Towing (Kapp Tow)
10.	Mid Valley Towing
11.	Pepe's Towing
12.	South Coast Towing

