OPERATIONS COMMITTEE JULY 19, 2007

SUBJECT:

METRO FREEWAY SERVICE PATROL SUPER BEAT PILOT

PROGRAM

ACTION:

EXECUTE TWO PILOT SUPER BEAT CONTRACTS FOR THE

METRO FREEWAY SERVICE PATROL PROGRAM

RECOMMENDATION

Authorize the Chief Executive Officer to execute two pilot Super Beat Metro Freeway Service Patrol (FSP) contracts for a total amount not-to-exceed \$5,922,067, inclusive of a 7% contingency, to the following contractors:

Beat	Contractor	Amount	Contract Period
50	Hollywood Car Carrier	\$2,587,023	01/01/08 - 12/31/10
51	ABA	\$3,335,044	11/01/07 - 10/31/11
	Total Amount Not-to-Exceed	\$5,922,067	

RATIONALE

The two contracts being recommended are pilot Super Beat contracts for beats 50 & 51 with 3 and 4-year contract terms respectively. The award of the two Super Beat contracts will allow the FSP Program to continue assisting stranded freeway motorists along designated beats (refer to Attachment B FSP Beat Map for beat locations) in Los Angeles County. The beats used for this pilot are a combination of previously existing FSP Beats. Beat 50 is a six truck beat with one backup truck and will operate on the 2 and 134 freeways. It is a combination of former beats 22 and 35 both of which were three truck beats with one backup truck each. Beat 51 is also a six truck beat with one backup truck and will operate on the 91 freeway. It is a combination of former beats 15 and 26 which were also three truck beats with one backup truck each.

In January 2007, the Board approved the pilots for the Super Beats, including a 4-year contract term on beat 51. The pilot Super Beat combines two adjacent beats into one larger beat and enables the elimination of a back-up truck from each Super Beat; currently each beat is required to have at least one backup truck. The reduction of a backup truck and the addition of another year of service were anticipated to lower the overall hourly rate for providing the service. In addition, it is anticipated that administrative efficiencies will be realized with the implementation of a Super Beat.

1

A comparison of the recommended Super Beat contract rates compared to the recommended traditional FSP beat rates show that the Super Beat rates are lower than most of the traditional FSP beat rates. These comparisons are judged to be relevant as the rates were obtained from two concurrent Invitations for Bid, one released for the 16 traditional FSP beats and the other released for the 2 Super Beats. There was also a significant difference in the hourly rates between the two Super Beats. The rate for beat 51, the 4-year contract, is lower than rate for beat 50. The lower pricing received for beat 51 may indicate that bidders are more willing to submit lower bids when they are able to spread their costs over four years. Staff will continue to evaluate the results and performance of the Super Beat and 4-year pilot programs to better determine and develop solutions to improve the effectiveness and efficiency of the overall program.

As with all current FSP contracts, the contracts recommended for award include a 7% contingency. This contingency allows for minor service adjustments needed to address long-term incidents, special events, extended holiday hours, fleet redeployment, traffic pattern changes, and other operational issues that may arise during the term of the contract.

FINANCIAL IMPACT

The funding of \$990,000 for the recommended FSP service is included in the FY08 budget in cost center 3352, Freeway Service Patrol under project 300070, Freeway Service Patrol and line item 50320, Contract Services. Since these are multi-year contracts, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost for future years.

ALTERNATIVES CONSIDERED

The Board may decide to stop contracting for new FSP service. This option is not recommended as this program has proven to be an important strategy in reducing freeway congestion and is highly appreciated by the motoring public.

ATTACHMENT (S):

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

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Ted Sparkuhl, Contracts Administrator

Carolyn Flowers
Interim Chief Operations Officer

Roger Snoble Chief Executive Officer

ATTACHMENT A PROCUREMENT SUMMARY

METRO FREEWAY SERVICE PATROL SUPERBEATS

1.	Contract Number: Various				
2.	Recommended Bidders: See Attachment A-2				
3.	Cost/Price Analysis Infor	mation:			
	A. Bid/Proposed Price:		Recommen	ded Pr	ice:
	\$5,922,067		\$5,922,067		
	B. Details of Significant V				
4.	Contract Type: Firm fixed	l hourly rat	es over a three-y	ear pe	riod
5.	Procurement Dates:				
	A. Issued: 03/23/07	•••••			
****	B. Advertised: 03/29/07				
	C. Pre-bid Conference: 0	4/05/07		_	
	D. Bids Due: 04/25/07				
	E. Pre-Qualification Completed: 06/11/07				
	F. Conflict of Interest For			·	
6.	Small Business Participat	ion: No go			
	A. Bid Goal:			ate Small Business Evaluation	
	0.0%		Completed:	N/A	
	A. Small Business Comm	nitment: N	I/A		
7.	Invitation for Bid Data:				
	Notifications Sent:	Bids/Prop	oosals Picked	Bids/	Proposals Received:
	10	up: 2			10
8.	Evaluation Information:				
	A. Bidders/Proposers Nat	mes:	Bid/Proposal		Best and Final
			Amount: Of		Offer Amount:
	List of bidders is in Attacl	nment			N/A
	A-2			1	
	B. Evaluation Methodology: Lowest responsive and responsible bidder & Price				
	Analysis				
9.	Protest Information:				
	A. Protest Period End Date: 07/24/07				
	B. Protest Receipt Date: (
	C. Disposition of Protest	Date: 04/2		1	
10.	Contract Administrator:		Telephone Number:		
11	Ted Sparkuhl	922-7399			
11.	Project Manager:		Telephone Number:		
	John Takahashi		922-6346		

ATTACHMENT A-1 PROCUREMENT HISTORY

METRO FREEWAY SERVICE PATROL SUPERBEATS

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 Metro Experience
	1.	Hollywood Car Carrier Service	Yes
	2.	ABA	Yes

B. Procurement Background

J & M Towing protested Metro's criteria for acquiring Freeway Service Patrol (FSP) Super Beat Towing Services for Beats 50 and 51. J & M's protest was denied after staff determined that the requirements and qualifications were fair and consistent with maintaining free and open competition for the FSP pilot program.

The recommended bid price of \$5,922,067 for a three-year and four-year period is based on hourly unit rates stated in different bids received from 10 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.	FSP07P-50	\$48.88	\$45.71	\$3.17
2.	FSP07P-51	\$47.26	\$46.20	\$1.06

ATTACHMENT A-2 LIST OF RECOMMENDED BIDDERS

Beat	Contractor	MBE/WBE
50	Hollywood Car Carrier Service	No
51	ABA Towing	No

LIST OF BIDDERS

No.	Contractor
1.	ABA Towing
2.	Classic Tow, Inc.
3.	Girard & Peterson, Inc.
4.	Hollywood Car Carrier Service
5.	Jon's Towing
6.	Kenny's Auto Service
7.	Mid Valley Towing, Inc.
8.	Navarro's Towing
9.	Pepe's Towing
10.	Safeway Towing Service, Inc.