

**REVISED**

**PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 21, 2002**

SUBJECT: METRO FREEWAY SERVICE PATROL

Metropolitan
Transportation
Authority

**ACTION: AUTHORIZE THE CEO TO EXECUTE ~~THIRTEEN~~ TWELVE
CONTRACTS AND ONE AMENDMENT FOR THE METRO
FREEWAY SERVICE PATROL PROGRAM**

One Gateway Plaza
Los Angeles, CA
90012-2952

RECOMMENDATION

- A. Authorize the CEO to execute twelve three-year Metro Freeway Service Patrol (FSP) contracts to eight contractors for a total amount not-to-exceed \$15,878,771.
- B. Authorize the CEO to execute a contract amendment to Contract 01FSP-25 for \$150,000.

Beat	Contractor	Amount	Contract Period
1	Frank Scotto Towing, Torrance	\$1,573,053	9/1/02 - 8/31/05
5	Classic Club Service Inc., Van Nuys	\$1,410,231	9/1/02 - 8/31/05
9	S&W Towing, Hawthorne	\$1,511,556	9/1/02 - 8/31/05
13	City Terrace Services, Los Angeles	\$1,487,723	9/1/02 - 8/31/05
21	California Coach Auto Body, Walnut	\$1,198,139	9/1/02 - 8/31/05
27	South Coast Towing, Los Angeles	\$1,472,759	7/1/02 - 6/30/05
28	California Coach Auto Body, Walnut	\$1,199,748	9/1/02 - 8/31/05
29	Classic Club Service Inc., Van Nuys	\$1,574,566	7/1/02 - 6/30/05
30	Frank Scotto Towing, Torrance	\$1,231,651	7/1/02 - 6/30/05
33	TG Towing Service, Canyon Country	\$1,123,071	7/1/02 - 6/30/05
34	TG Towing Service, Canyon Country	\$1,097,601	7/1/02 - 6/30/05
37	Navarro's Towing, Monterey Park	\$998,673	7/1/02 - 6/30/05
43	Tow Masters, Los Angeles	\$1,328,176	9/1/02 - 8/31/05
Total		\$15,878,771	17,206,947

RATIONALE

The Los Angeles County Metro FSP is the largest program of its kind in the nation. The Metro FSP helps improve mobility on freeways throughout the metropolitan Los Angeles County area by reducing the time to respond and clear freeway incidents. The program consists of 40 beats (designated freeway segments) served by 145 tow trucks that patrol over 400 miles of congested freeways during weekday peak hours, and, on selected beats, during the weekday midday and weekends. Eighteen different private contractors perform this service for the Los Angeles County Metro FSP program. The Metro FSP operators in 2001 provided an average of nearly 30,000 assists per month.

Metro FSP data sources show that wait time for FSP service is less than 5 minutes on over 70% of all vehicle assists. Metro FSP is first on the scene for 85% of freeway incidents that occur during FSP service hours. Metro FSP service hours are typically: Monday through Friday 6-10am and 3-7pm; reduced service during midday 10am-3pm; and on weekends 10am-6:30pm. The latest benefit-cost analysis developed by UC Berkeley in October 2000 documented an average benefit-cost ratio of almost 15:1 for the Los Angeles Program, which is among the highest in the State.

Contracts are awarded for a three-year period. The existing Metro FSP contracts are due to expire this fiscal year. The twelve recommended contracts are awarded on a competitive basis to ensure MTA maximizes resources through a competitive bid process. The new contractors cannot begin operation until July 1, 2002 and September 1, 2002 to accommodate contract start-up tasks including: hire and train drivers, procure and equip tow trucks and install MTA provided Metro FSP communications equipment.

The amendment to Contract FSP01-25 will increase the contract from \$859,724 to \$1,009,724. The \$150,000 increase is due to an administrative re-calculation of the weekend service hours, which provide tow service in the downtown loop area for eight hours per day on weekends instead of the typical five-hour midday shift over the three-year term of the contract.

FINANCIAL IMPACT

Funding of \$16,000,000 for FSP service is included in the FY02 budget in cost center 3352, Freeway Service Patrol, Project 300070. Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years. In FY01, \$14,329,000 was expended on this line item.

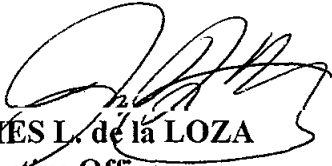
ALTERNATIVES CONSIDERED

MTA can decide to extend existing contracts under the current terms and conditions for the three-year period. This option is not recommended because the cost effectiveness of an aging vehicle fleet decreases significantly after the third year due to increased vehicle maintenance and would have a negative impact on the operation.

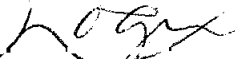
Attachments:

- A. Procurement Summary
- B. Contract Cost Summary
- C. FSP Beat Map

Prepared by: Al Martinez, FSP Program Manager
Ed Kichi, Sr. Contract Administrator



JAMES L. de la LOZA
Executive Officer
Countywide Planning and Development



ROGER SNOBLE
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

Metro Freeway Service Patrol, 12Beats

1.	Contract Number: See Attachment A-1.D		
2.	Recommended Vendors: See Attachment A-2		
3.	Cost/Price Analysis Information:		
	A. Bid Price: \$15,878,771	Recommended Price: \$15,878,771	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: IFB, firm fixed hourly rates over a three year period		
5.	Procurement Dates:		
	A. Issued: 11-07-01		
	B. Advertised: 11-06-01		
	C. Pre-proposal Conference: 11-19-01		
	D. Proposals Due: 12-20-01		
	E. Pre-Qualification Completed: 01-28-02		
	F. Conflict of Interest Form Submitted to Ethics: 01-10-02		
6.	Small Business Participation: No goal recommended		
	A. Bid Goal: 0.0%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 617	Bids/Proposals Picked up: 26	Bids/Proposals Received: 11; See Attachment A-3
8.	Evaluation Information:		
	A. Bidders Names: List of bidders are in Attachment A-3	Bid/ Amount: \$15,878,771 N/A	Best and Final Offer Amount: N/A
	B. Evaluation Methodology: Price comparison		
9.	Protest Information:		
	A. Protest Period End Date: 02-21-02		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Ed Kichi	Telephone Number: 922-3647	
11.	Project Manager: Al Martinez	Telephone Number: 922-2956	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

Metro Freeway Service Patrol, 12 Beats

A. Background on Contractors

All contractors have been in the towing business for at least three years. In addition, their business locations have been inspected by the California Highway Patrol and Caltrans. Further, each must meet certain equipment and facilities qualifications such as number of dedicated parking areas with striped borders, condition of present vehicles, etc.

Eight of the contractors will be awarded a total of twelve contracts. Contractors are limited to an award of no more than two contracts (beats) each.

	Contractor	Years in Business	Previous MTA experience	New to MTA
1.	California Coach Auto Body	15	Yes	
2.	City Terrace Services	35	Yes	
3.	Classic Club Service Inc	14	Yes	
4.	Frank Scotto Towing,	27	Yes	
5.	Navarro's Towing	10	Yes	
6.	S&W Towing	20	Yes	
7.	South Coast Towing	19	Yes	
8.	TG Towing Service	22	Yes	

B. Procurement Background

The recommended bid price of \$15,878,771 for a three-year period is based on hourly unit rates stated in 12 different bids received from 8 contractors. These unit rates were determined to be fair and reasonable based on price analysis selection of the lowest responsible and responsive bidders.

The Small Business Diversity (SBD) Unit did not recommend a Small Business Enterprise (SBE) participation goal for this procurement. The contract services required for the Metro FSP Program does not involve subcontracting opportunities. Based on industry practices, it is expected that the Prime FSP Contractor will perform all services without any subcontracting. Small business participation data shows that 44% of Metro Freeway Service providers participating in the program are minority-owner operators. Notwithstanding, pursuant to the SBE Program, if the awardee proposes to utilize the services of subcontractors, Primes are expected to afford maximum opportunities to SBEs in all subcontractor and supplier service areas. Upon MTA's request, Primes are required to submit documentation to demonstrate that good faith efforts were made to utilize SBEs throughout the life of the contract.

The recommended bid price of \$15,878,771 for a three-year period is based on hourly unit rates as stated in 8 different contractors' bids.

C. Evaluation of Proposals

One contractor was judged non-responsible and another was judged non-responsive:

1. "Just For You Towing Company" was suspended from the California Highway Patrol tow rotation program for unsatisfactory performance and they were therefore, judged non-responsible.
2. "Cities Towing and Storage" did not submit the required information for pre-qualification certification and was also considered non-responsive.

On beat 11, no bidder was judged responsible due to either failure of Pre-Qualification, voluntary withdrawal from the bid, or number of beats allowed at any one time (beat cap). Therefore, beat 11 will be re-bid and scheduled for recommendation for award at the April 2002, Board meeting.

On beat 43, Tow Masters was awarded the beat however, they subsequently withdrew their bid due to their expansion program placing a burden on their resources. This beat will be re-bid and scheduled for recommendation for award at the April 2002, Board meeting.

D. Cost/Price Analysis Explanation of Variances

In most instances the current bid unit rates are higher than the unit rates in the existing contracts due to increases in the cost of labor, insurance and the uncertainty of fuel prices over the three-year term of the contract. These unit rates were determined to be fair and reasonable based on price analysis selection of the lowest responsive and responsible bidders.

On the whole, the MTA will realize a \$3.02 per hour increase over the previous contracts. The average hourly price for the twelve contracts is \$42.92 (\$39.89 for expiring contracts), which is slightly higher than the engineer's estimate of \$42.30 per hour, and is therefore considered fair and reasonable based on price competition.

	CONTRACTOR	CONTRACT	RECOMMENDED UNIT RATE	HISTORICAL UNIT RATE	PRICE VARIANCE
1.	Frank Scotto Towing	FSP02-1	\$46.94	\$43.50	\$3.44
2.	Classic Club Service Inc,	FSP02-5	\$42.45	\$39.85	\$2.60
3.	S&W Towing,	FSP02-9	\$45.50	\$41.01	\$4.40
4.	City Terrace Services	FSP02-13	\$39.75	\$37.25	\$2.50
5.	California Coach Auto Body	FSP02-21	\$44.69	\$35.79	\$8.90
6.	South Coast Towing	FSP02-27	\$36.89	\$39.85	-\$2.96
7.	California Coach Auto Body	FSP02-28	\$44.75	\$36.16	\$8.59
8.	Classic Club Service Inc	FSP02-29	\$42.40	\$41.49	\$0.91

	CONTRACTOR	CONTRACT	RECOMMENDED UNIT RATE	HISTORICAL UNIT RATE	PRICE VARIANCE
9.	Frank Scotto Towing	FSP02-30	\$45.94	\$42.94	\$3.00
10.	TG Towing Service	FSP02-33	\$41.89	\$40.99	\$0.90
11.	TG Towing Service	FSP02-34	\$40.94	\$39.99	\$0.95
12.	Navarro's Towing	FSP02-37	\$37.25	\$37.75	-\$0.50

Bid Amount	MTA Estimate	Recommended Amount
\$15,878,771	\$15,875,190	\$15,878,771

FSP01-25, Amendment 1

There is no change in the hourly rate only an increase in the number of working hours per day. Increase the Not-To-Exceed (NTE) amount from \$859,724 by \$150,000 to \$1,009,724

CONTRACT	Hourly rate	Original hours	Hours increased	Re-calculated hours
FSP01-25	\$37.90	22,684	3,958	26,642

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

Metro Freeway Service Patrol, 12Beats

Prime Contractor

Beat	Contractor
21	California Coach Auto Body, Walnut
28	California Coach Auto Body, Walnut
13	City Terrace Services, Los Angeles
5	Classic Club Service Inc., Van Nuys
29	Classic Club Service Inc., Van Nuys
1	Frank Scotto Towing, Torrance
30	Frank Scotto Towing, Torrance
37	Navarro's Towing, Monterey Park
9	S&W Towing, Hawthorne
27	South Coast Towing, Los Angeles
33	TG Towing Service, Canyon Country
34	TG Towing Service, Canyon Country

Small Business Commitment		Other Subcontractors
N / A		N / A
Total Commitment	N/A	

**BOARD REPORT ATTACHMENT A-3
LIST OF SUBCONTRACTORS**

Metro Freeway Service Patrol, 12Beats

List Of Bidders

1.	Antonio Garcia/T. G. Towing Service
2.	California Coach Tow
3.	Cities Towing and Storage
4.	City Terrace Service Inc
5.	Classic Club Service, Inc
6.	Dbas Frank Scotto Towing/MightyTransport
7.	Just for You
8.	Navarro's Towing
9.	S & W Towing Storage Corp.
10.	South Coast Towing
11.	Tow Masters