



**METROPOLITAN
TRANSPORTATION
COMMISSION
SERVICE AUTHORITY
FOR FREEWAYS
AND EXPRESSWAYS**

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Memorandum

TO: SAFE Operations Committee

DATE: February 6, 2009

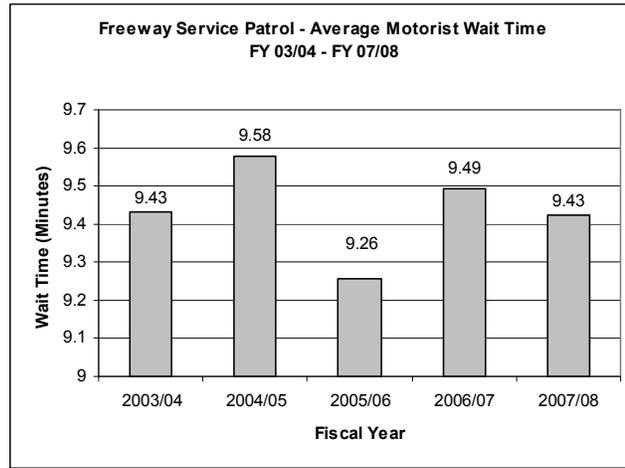
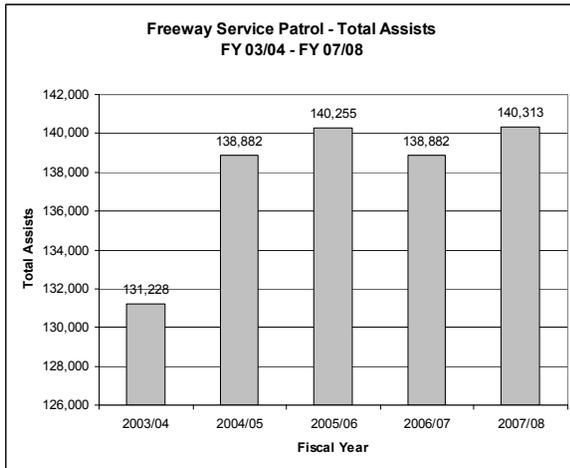
FR: Executive Director

W.I.: 1232

RE: Contracts – Freeway Service Patrol (FSP) Towing Services

Background

The Freeway Service Patrol (FSP) is a congestion relief and safety program that provides free assistance to stranded motorists during commute hours. The Bay Area FSP program was started in 1992 with 12 tow trucks patrolling about 55 miles of freeway. The program now operates 83 trucks patrolling 35 beats (or freeway segments) along 540 miles of freeway. In 2008, the program provided over 140,000 assists to Bay Area motorists, with an average wait time of only 9.4 minutes. The five-year trend is illustrated below.



Existing contracts for approximately one-half of the FSP beats are due to expire on June 30, 2009. Prior to issuing the 2009 Request for Proposal (RFP), staff conducted an evaluation of the service levels for the beats that would be included in the RFP. This evaluation took into consideration, the number of trucks on the beat, number of miles traveled, and number of assist per hour per truck. The goal was to determine where reduction in service could be made without a negative impact on the service levels. From this evaluation, staff recommends a reduction of one truck from each of the four (4) beats with the lowest assists per hour coupled with the lowest miles traveled.

On September 30, 2008, MTC SAFE issued a Request for Proposal (RFP) to over 400 tow operators in the Bay Area for the 16 Beats shown on Attachment 1. Forty-two proposals were received from 20 tow companies. These proposals were evaluated by a panel of representatives from MTC SAFE, Caltrans, and CHP, who are the partner agencies that jointly operate the FSP program. The contracts cover the four-year period from FY 2009-10 through FY 2012-13 and are funded with a combination of Federal, State, and Regional funds.

Contractor Recommendations

The evaluation panel reviewed the proposals and scored them based on the following evaluation factors, all of which were approximately of equal importance: Price, Management, and Quality of Tow Service. Qualitative ratings range from “Exceptional” to “Unacceptable”. Staff also conducted site visits of the facilities for all 20 proposers, including interviews with the appropriate management and administrative staff. Based on the initial proposals, site visits, and negotiations related to the price proposals, the evaluation panel unanimously recommends awarding contracts to the companies and in the amounts listed on the attached “Request for Committee Approval.” The evaluation panel also recommends the approval of awards to alternate contractors in the event that the primary contractors are unable during the first year of the contract to enter into or fulfill their contract obligations.

Beats 8 and 28 each received only one bid. The evaluation panel found the price proposals for these single-bid beats to be fair and reasonable and also found the proposers to be capable of providing the quality of service required.

Recommendations for Non Low Bid

In almost all cases, the evaluation panel is recommending that the contractors that submitted the lowest cost proposal for a given beat be awarded that beat. However, the panel is recommending awarding four beats to tow contractors that did not submit the lowest price proposal. These are further described in Attachment 2.

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to:

1. Negotiate and enter into contracts with the tow contractors as listed in the attached “Request for Committee Approval” in a total amount not to exceed \$16,853,828; and
2. Negotiate and enter into contracts with the alternate contractors to perform the beat operations if the recommended contractors are for any reason unable to perform. The maximum cost if all alternate contractors were used would be an additional \$131,000.

Steve Heminger

SH: RO

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contracts

Work Item No.: 1232

Work Project Title: FSP Tow Operations

Purpose of Project: To provide Freeway Service Patrol as specified on the 16 Beats designated in the RFP dated September 30, 2008 and as subsequently amended on November 5, 2008 with terms and conditions as specified.

Brief Scope of Work: Provide tow services during hours of congestion and special events as specified by the FSP Partnership, which includes MTC SAFE, Caltrans, and CHP.

Beat	Tow Contractor	*Not to Exceed Amount	Alternate Tow Contractors
1 & 2	Redhill	\$2,413,517	
4	Ken Betts	\$1,042,692	\$44,530
6	Atlas	\$2,269,505	-\$35,320
8 & 19	Campbell's	\$2,619,715	
14	Myers	\$976,734	
18	Myers	\$976,734	
20	Sideline	\$354,233	-\$5,806
21	Matos	\$1,371,179	
23	Campbell's	\$857,516	-\$17,278
25	K & S	\$1,303,670	\$86,470
26	Ken Betts	\$772,876	
28	Bills	\$425,231	
31	Courtesy	\$800,692	
32	Courtesy	\$669,137	
	Total	\$16,853,430	\$131,000 additional

Project Cost Not to Exceed: As listed above

Funding Source: SAFE, State

Fiscal Impact: Project is consistent with current budget (FY 2008-09); funding for subsequent years to be proposed for inclusion in FY 2010, FY 2011, FY 2012, and FY 2013 budgets, respectively.

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into agreements with each of the above-named tow contractors, or if necessary alternate contractors, in the maximum amounts specified to provide tow service on the designated FSP Beats, and that the Chief Financial Officer is authorized to set aside funds for such agreements in the amounts specified, as such funds become available in subsequent years' operating budgets.

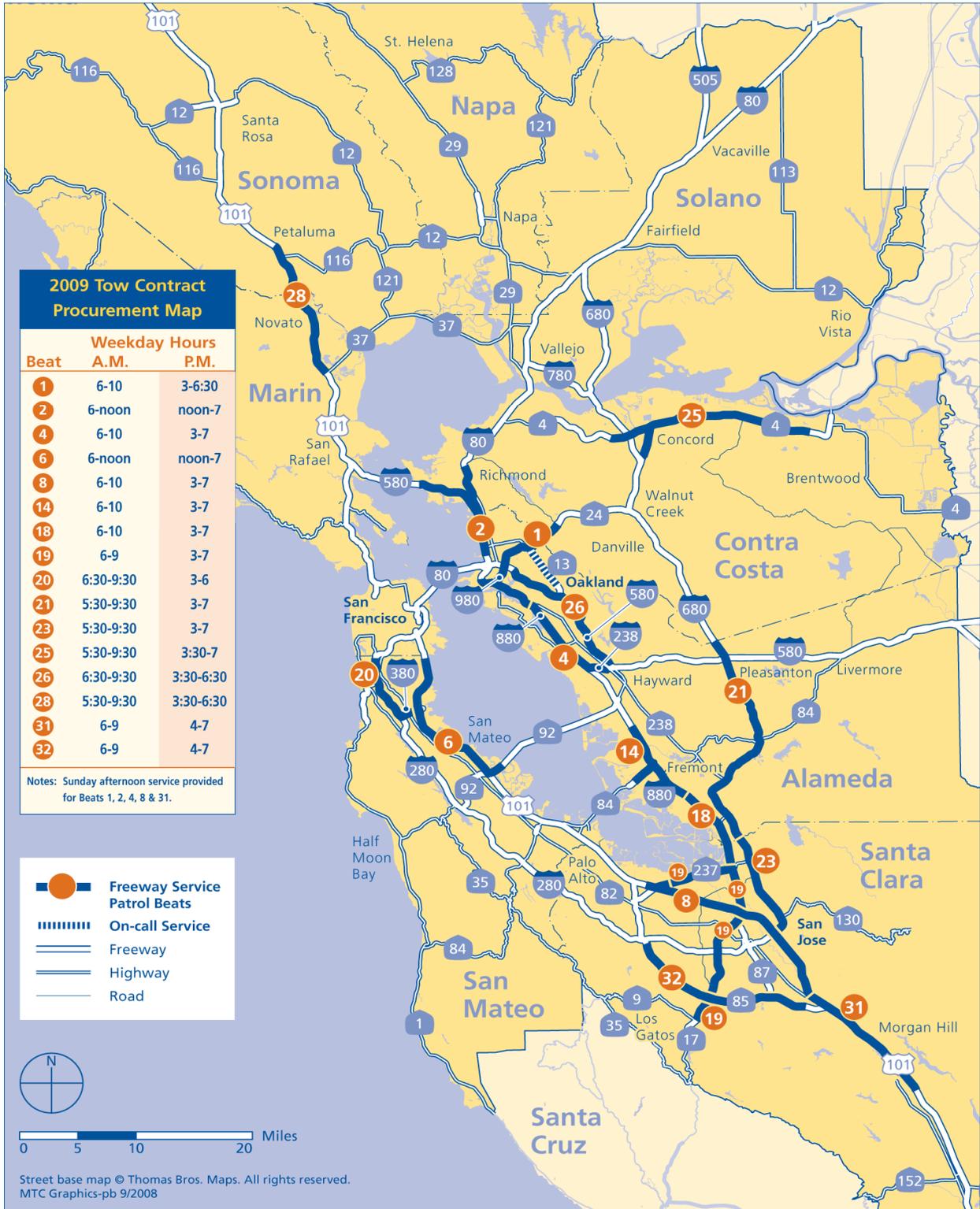
Operations Committee:

Sue Lempert, Chair

Approved: Date: February 13, 2009

Attachment 1

2009 Tow Contract Procurement Map



Attachment 2
2009 Tow RFP
Awards to Non-Lowest Bidder

Beat 6. The evaluation panel recommends Atlas Towing Services at a net cost of \$2,121,033 for Beat 6. Beat 6 covers US-101 on the Peninsula between Highway 80 through Hwy 92, and is one of the most important in the FSP program because of its proximity to SFO and the high number of service hours, trucks and back-up service requirements. Although Nelson's Towing provided the lowest price (\$2,010,446), they received "Marginal" scores on the Management and Quality of Tow Service Criteria, indicating deficiencies with their proposal.

Action Towing submitted the second lowest cost bid (\$2,088,108), and received a rating of "Good" in the Management and Quality of Tow Service criteria. However, this contractor has not worked previously in the FSP program. Only one of their three references responded to our inquiries and consequently, the panel could not make a well informed judgment about their quality of tow service. As a result, the panel recommends Atlas Towing Services for this Beat. Atlas Towing Services was rated "Exceptional" both in Management and for Quality of Tow Service for Beat 6. This contract will cost the program an additional \$27,600 over a four-year period. Should Atlas not be able to perform during the first year of the contract, Action Towing is recommended as back-up.

Beat 20. Nelson's Tow provided the lowest price proposal for this Beat, at \$338,279. However, given Nelson's low ratings of "Marginal" on both Management and Quality of Tow Service criteria, the Evaluation Panel believes that the cost savings of approximately \$1,400 per year over a four year period is not enough to justify awarding the contract to Nelson's when Sideline Towing received higher ratings in both categories. Sideline is new to the FSP program, and based on proposal, site interviews and references, the Evaluation Panel believes that Sideline can manage one truck and provide acceptable service. Should Sideline not be able to perform during the first year of the contract, Nelson is recommended as back-up.

Beat 23. Matos Towing and Transportation submitted the lowest price proposal for this Beat of \$815,765. However, Campbell's Towing has demonstrated an outstanding record of excellent service over the years. The panel believes that the additional \$4,200 per year is justified to get "Exceptional" or the highest quality of service for this Beat. In the event that Campbell's is unable to perform during the first year, Matos Towing is recommended as a back up.

Beat 25. Bradley's Specialty Tow, a start up company with only one truck and one driver, was the lowest bidder at \$1,249,028, or \$4,200 per year under the bid submitted by K & S Towing. However, Bradley's received only "Marginal" ratings. As a result, the evaluation panel recommends contracting with K & S. In the event that K&S is unable to perform during the first year, B&D Towing is recommended as a back up, at a total cost of \$1,349,639.