



METROPOLITAN
TRANSPORTATION
COMMISSION
SERVICE AUTHORITY
FOR FREEWAYS
AND EXPRESSWAYS

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Memorandum

TO: Operations Committee

DATE: November 5, 2010

FR: Executive Director

W.I.: 1232

RE: Contract - Freeway Service Patrol (FSP) Tow Service Beat 10: Atlas Towing Services, Inc.

Background

On October 14, 2010, pursuant to MTC SAFE Resolution No. 44, the Executive Director requested and received approval of the Chair of MTC SAFE to waive formal competitive procurement requirements in order to enter into an emergency contract for \$250,000 with Atlas Towing Services, Inc. to provide towing services on Beat 10 from November 1, 2010 to June 10, 2011.

MTC SAFE Resolution No. 44, Revised, Attachment A, Item 6, provides:

The Executive Director is hereby authorized to waive competitive procurement requirements for emergency contracts and purchase orders, with the approval of the Authority Chair, or in his/her absence, the Vice Chair, provided that funds for the contract or purchase order are available in the adopted agency budget. "Emergency" contract is defined as a contract necessary to deal with Acts of God or other threats to public safety or well-being when the delay caused by waiting for the next meeting of the Committee or Authority would increase that threat. Any contract or purchase order in excess of \$100,000 shall be ratified by the appropriate authorizing Committee or Authority at the next regular meeting.

Justification

On September 29th, 2010, Sunrise Enterprise 87, the current Freeway Service Patrol (FSP) tow contractor for Beat 10, informed MTC SAFE staff they are declaring bankruptcy and would cease operations after October 31, 2010. Beat 10 is located on Highway 101 between SR 92 and SR 85 in San Mateo County. This contract would have expired on June 10, 2011 and is included in the upcoming FSP contract procurement. Consequently, coverage is required from November 1, 2010 through June 10, 2010. The timeframe necessary to conduct a formal competitive procurement for this eight-month period would leave a gap in time through at least mid-December in which a busy freeway corridor would be without tow coverage.

Although there was insufficient time to conduct a formal procurement in time to have a contractor commence service by November 1, staff did telephone three well qualified FSP tow contractors in the area to gauge their willingness to provide the service. Staff requested one-page proposals with their plans to provide FSP trucks and drivers, and their hourly rates for this service. The FSP Partners (CHP, Caltrans and MTC SAFE) met on October 11, 2010 to discuss the three proposals solicited from Campbell's Towing, B&A Towing, and Atlas Towing and decide which plan would be most advantageous to the FSP program and the motoring public.

Atlas Towing proposed to purchase Sunrise's trucks and hire Sunrise's drivers for an hourly rate of \$63.50. Campbell's Towing Inc. proposed using existing back-up trucks for the service or extending adjacent beats 6 and 8; while this approach would have cost less (by providing a reduced level of service), this plan would stretch our resources too thin and adversely affect service to the motoring public. B&A Towing proposed the use of older trucks for an hourly rate of \$65.60. Of the three proposals, the FSP Partners agreed that the Atlas plan will provide the smoothest transition for a fair price.

In order for services to commence on November 1, 2010, the contract had to be awarded as soon as possible to allow a transition period. For example, Altas Towing needed to procure the vehicles and ensure that inspections and equipment installations took place before November 1st. There was a public exigency for Beat 10 tow services and the threat to public safety would be increased by waiting for this November Operations Committee meeting.

Recommendation

Pursuant to MTC SAFE Resolution No. 44, staff requests that this Committee ratify the eight-month emergency contract approved on October 14, 2010 with Atlas Towing Services, Inc. for \$250,000 from November 1, 2010 to June 10, 2011 at a base rate of \$63.50 per hour. Funds are available in the adopted MTC SAFE Budget.

Steve Heminger

SH: NR

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.: 1232

Contractor: Atlas Towing Services, Inc.
San Francisco, California

Work Project Title: Freeway Service Patrol (FSP) Tow Service

Purpose of Project: Provide tow service for Beat 10 for the FSP Program from November 1, 2010 - June 10, 2011

Brief Scope of Work: Provide tow service for Beat 10 during peak hours of congestion.

Project Cost Not to Exceed: \$250,000

Funding Source: SAFE

Fiscal Impact: Funding is included in current budget (FY 2010-11)

Motion by Committee: Ratification of the Executive Director's emergency authorization (with the approval of the MTC SAFE Chair) of a contract with Atlas Towing Services, Inc. to provide FSP tow services for the remainder of FY 2010-11, pursuant to MTC Resolution No. 3619, Attachment A 6, and direct to the Chief Financial Officer to set aside funds for FY 2010-11.

Operations Committee: _____
Amy Rein Worth, Chair

Approved: Date: November 12, 2010