



METROPOLITAN  
TRANSPORTATION  
COMMISSION  
SERVICE AUTHORITY  
FOR FREEWAYS  
AND EXPRESSWAYS

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Operations Committee

DATE: January 4, 2013

FR: Executive Director

W.I.: 6032

RE: Contracts – Freeway Service Patrol (FSP) Towing Services: Various Tow Contractors (\$18,485,835)

This memorandum seeks Committee authorization to enter into contracts for 16 Freeway Service Patrol (FSP) beats with the various tow contractors as listed in the attached “Request for Committee Approval” in a total amount not to exceed \$18,495,835 for four fiscal years, or \$4,623,959 per fiscal year, subject to annual approval of the SAFE budget.

### **Background**

The FSP is a congestion relief and safety program that provides free assistance to stranded motorists during commute hours. The Bay Area FSP program currently operates 80 trucks patrolling 35 beats (or freeway segments) along 550 miles of freeway. In FY 2012, the program provided over 130,000 assists to Bay Area motorists, with an average wait time of 8 minutes.

Existing contracts for 16 FSP beats expire in June 2013. The next round of contracts covers a four-year period from July 2013 through July 2017 and requires annual SAFE budget authorization. The contracts are funded with a combination of Federal, State, and local funds.

### **Procurement Process**

On September 24, 2012, MTC SAFE issued a Request for Qualifications Bid Invitation (RFQBI) to over 300 tow operators in the Bay Area for the 16 beats shown on Attachment 1 (map). This is the second time in which MTC SAFE released a procurement that consisted of a three-step qualifications-based, low bid process. Bidders had to meet all qualifications and inspection requirements in order to submit a price proposal. In the final step of the procurement, recommendations for contract awards were based on the lowest responsive and responsible bid, and were subject to beat limitations designed to ensure contractors will not be overextended.

The three primary steps were:

- Step 1: Review qualifications of proposers to determine which tow contractors met the minimum qualifications (MQs).
- Step 2: Site visits, which involved vehicle and facility inspections conducted by California Highway Patrol (CHP) and MTC SAFE.
- Step 3: Bidders that met the MQs and passed the site inspections were invited to submit a price proposal.

MTC SAFE received 19 proposals under Step 1, eight of which were from new or non-current contractors. In the Step 1 evaluation, one bidder failed to have the minimum number of experience years while the remaining 18 bidders were eligible to proceed to the next step in the procurement process. As part of Step 2, the partner agencies conducted inspections on the bidder's office facility and tow vehicles. One bidder was disqualified by CHP for a discrepancy during the vehicle inspection and subsequently submitted a protest as allowed under the RFQBI. After an independent review of the protest by the assigned staff protest review officer, the bidder's disqualification was overturned. As a result, 18 bidders were eligible to move onto Step 3, submittal of price proposals. At the close of Step 3, MTC SAFE received price proposals from 17 bidders; most bidders bid on multiple beats. One bidder chose not to move forward in the RFQBI process.

Staff from MTC SAFE and its FSP partners Caltrans and CHP, met on December 18, 2012 to discuss recommendations for contract awards. Of the 16 beats available for contract awards, MTC SAFE recommends that 13 beats be awarded to the lowest bidder. The rationale for award of the three remaining beats to the second lowest bidder, as permitted in the RFQBI, is as follows:

- The lowest bidder for Beat 25 (K&S, Inc./All Counties Towing) was found to be nonresponsive for failing to submit a \$1,000 cashier's check as a bid guaranty, as required by the RFQBI. Staff recommends Beat 25 be awarded to the second lowest bidder, American Tow.
- The lowest bidder for both Beats 4 and 26 (Myers Towing) exceeded the applicable beat limitations designed to ensure that contractors are not overextended beyond their capabilities. (Myers was the sole bidder on Beats 14, 18, and 21 and is recommended for award on these 3 beats.) Staff recommends that Beats 4 and 26 be awarded to the second lowest bidder, Palace Garage, Inc.

Of the contractors recommended for awards, one is a new contractor and one is returning to the program after a two year absence. The remainder are existing FSP contractors.

### **Recommendation**

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into contracts with the tow contractors as listed in the attached "Request for Committee Approval" in the respective not to exceed amounts specified therein for a total amount not to exceed \$4,623,959 per fiscal year (beginning with FY 2013-14) or a four-year total of \$18,495,835, subject to the approval of the MTC SAFE annual operating budget in each fiscal year.



---

Steve Heminger

SH: SP

J:\COMMITTEE\Operations\2013 Operations Comm Packet\01\_Ops\_Jan2013\FSP Tow Contracts\_Pow\_OGC.doc

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contracts

Work Item No.: 6032

Work Project Title: FSP Tow Operations

Purpose of Project: To provide Freeway Service Patrol service during Fiscal Years 2013-2014 through 2016-2017 on 16 tow services beats, as designated in the Request for Qualifications Bid Invitation (RFQBI) dated September 24, 2012, as subsequently amended on October 11, 2012 under the 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	Four Year Contract Amount*	Annual Contract Amount*
1	Ken Betts Towing Service	\$1,019,349	\$254,837
2	Redhill Towing Inc.	\$1,637,600	\$409,400
4	Palace Garage Inc.	\$1,274,781	\$318,695
6	Atlas Towing Services Inc.	\$1,345,241	\$336,310
7	Atlas Towing Services Inc.	\$919,218	\$229,805
8	Lima Towing and Transportation	\$1,883,542	\$470,885
12	American Tow	\$1,050,050	\$262,512
14	Myers Towing	\$847,489	\$211,872
18	Myers Towing	\$908,937	\$227,234
19	Campbell's Towing Inc.	\$1,208,672	\$302,168
21	Myers Towing	\$1,280,098	\$320,025
23	Campbell's Towing Inc.	\$809,953	\$202,488
25	American Tow	\$1,888,366	\$472,092
26	Palace Garage Inc.	\$827,111	\$206,778
28	Redhill Towing Inc.	\$780,381	\$195,095
32	Bob's Towing	\$815,046	\$203,762
	<b>Total</b>	<b>\$18,495,835</b>	<b>\$4,623,959</b>

*\*Contract amounts are based on submitted hourly rates and estimated contract hours and includes contingency funds and are subject to the annual budget approval process of the MTC SAFE*

Project Cost Not to Exceed: \$18,495,835 for Fiscal Years 2013-14 through 2016-17; \$4,623,959 per fiscal year; individual maximum contract amounts are as specified above.

Funding Source: STP, State, SAFE

Fiscal Impact: Funding subject to approval of the FY 2014, FY 2015, FY 2016, and FY 2017 MTC SAFE operating budgets.

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 in the respective maximum amounts specified above for the purposes described herein and the Executive Director's January 4, 2013 memorandum, and that the Chief Financial Officer is authorized to set aside \$4,623,959 per fiscal year for such contracts in each of FY 2014, FY 2015, FY 2016, and FY 2017 subject to approval of each year's annual MTC SAFE operating budget.

Operations Committee:

---

Jake Mackenzie, Chair

Approved:

Date: January 11, 2013

# ATTACHMENT 1

## FSP Tow Contract Procurement Map

### Freeway Service Patrol - Beats up for Bid

