

## Memorandum

METROPOLITAN TRANSPORTATION COMMISSION SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS Agenda Item 2b Bay Area Metro Center

Bay Area Metro Center 375 Beale Street, Suite 800 San Francisco, CA 94105 TEL 415.778.6700 WEB www.mtc.ca.gov

TO:	Operations Committee	DATE:	April 6, 2018
FR:	Executive Director	W.I.:	6032

RE: <u>Contract Amendments – Freeway Service Patrol (FSP) Senate Bill 1(SB1) Expanded</u> <u>Towing Services: Beat 6 Atlas Tow (\$390,000), Beat 19 Campbell's Tow (\$520,000),</u> <u>Beat 25 Pizzagoni's Tow (\$830,000), and Beat 26 Palace Garage (\$258,000) (Total:</u> <u>\$1,998,000)</u>

This memorandum seeks Committee authorization to amend four FSP contracts for services on FSP Beats 6, 19, 25 and 26 with their respective contractors in the total combined amount of \$1,998,000 over three years, subject to annual approval of the MTC SAFE budget during Fiscal Years 2018-2019 through 2020-2021.

## Background

Since 2007, MTC SAFE has reduced FSP hours and cut back on service areas due to increased costs while funding remained static. Tow contractors have simultaneously faced large and rapid increases in operational and insurance costs. Funding from SB1, the Road Repair and Accountability Act of 2017, provides MTC SAFE with an annual allocation of approximately \$4,900,000 solely for Bay Area FSP Services. MTC SAFE will use the allocation for SB1 allowable uses including inflation adjustments on all beats, increasing service hours on most beats in FY 2018-19, and providing new and expanded FSP service in FY 2019-20.

### **Contract Amendments**

Beat 6 is located on US-101 between the San Francisco City limits and SR-92. In July 2017, mid-day FSP service for this area was eliminated. The proposed amendment in the amount of \$390,000 would restore mid-day service through June 30, 2021, the term of the contract with Atlas Tow.

Beat 19 is located on SR-237 from US-101 to I-880, on I-880 from SR-237 to I-280 and on CA-17 from I-280 to the Santa Cruz County line. With past service cuts, this beat had both its morning and afternoon shift hours reduced from four hours to three hours. The proposed amendment in the amount of \$520,000 would restore each shift to four hours and will also create new mid-day service through June 30, 2021, the term of the contract with Campbell's Tow.

Beat 25 is located on CA-4 from Hillcrest Ave. in Antioch to Alhambra Ave in Martinez and on the entirety of CA-242 in Concord. In July 2017 the third and fourth FSP trucks on this beat were eliminated as a cost-saving measure. The proposed amendment in the amount of \$830,000 would restore a third FSP tow truck during morning and afternoon service hours through June 30, 2021, the term of the contract with Pizzagoni's Tow.

Beat 26 is located on I-580 from CA-24 to CA-238. With past service cuts, this beat had both its morning and afternoon shift hours reduced from four hours to three hours. The proposed amendment in the amount of \$258,000 would restore each shift to four hours through June 30, 2021, the term of the contract with Palace Garage.

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Funding from SB1 is also being utilized by MTC SAFE to immediately amend contracts to expand peak commute service hours on 13 additional beats throughout the Bay Area. In July, 2018 MTC SAFE will issue a competitive procurement that includes an expansion of the FSP coverage area that will include new service on CA-37 from I-80 to Mare Island, new service on portions of I-780 in Vallejo, new service on portions of I-680 in Cordelia, new service on I-80 from Vacaville to Davis, new service on I-280 from I-380 to CA-92 and new service on portions of US-101 from Gilroy to South San Jose.

MTC SAFE commenced a Small Business Enterprise (SBE) preference on all new FSP procurements in October 2017 with a 5 percent bid preference awarded to SBE certified vendors. Due to recent MTC outreach efforts, Atlas Tow, Campbell's Tow, Pizzagoni's Tow and Palace Garage are each in the process of obtaining SBE certification with the State of California. These contractors are not currently certified as Disadvantaged Business Enterprises (DBEs), although some contractors may receive DBE certification during the SBE certification process.

#### Recommendation

Staff recommends that this Committee authorize the Executive Director or his designee to negotiate and enter into a three-year contract amendment with Atlas Tow for Beat 6 in an amount not to exceed \$390,000, Campbell's Tow for Beat 19 in an amount not to exceed \$520,000, Pizzagoni's Tow for Beat 25 in an amount not to exceed \$830,000 and Palace Garage for beat 26 in an amount not to exceed \$258,000. These request are not to exceed amounts will be divided evenly for each contractor for each Fiscal Year. All amended contracts are subject to annual approval of the MTC SAFE budgets during Fiscal Years 2018-2019 through 2020-2021.

Steve Heminger

#### Attachment:

• Attachment A: Map of FSP SB1 Amendments FY 2019-2021

#### SH:gd

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## REQUEST FOR COMMITTEE APPROVAL Summary of Proposed Contract Amendments

Work Item No.:	6032		
Work Project Title:	Freeway Service Patrol (FSP) Tow Operations		
Consultants:	Atlas Tow of San Francisco, Campbell's Tow of San Jose, Pizzagoni's Tow of Brentwood and Palace Garage of San Leandro		
Purpose of Project:	To provide enhanced Freeway Service Patrol service during Fiscal Year (FY) 2018-2019 through 2020-2021 on Beats 6, 19, 25 and 26 as designated in their respective 2016 Request for Qualifications Bid Invitations (RFQBI) 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.		
Project Cost Not to Exceed:	\$1,998,000		
Funding Source:	STP, State, SAFE		
Fiscal Impact:	<ul><li>\$666,000 is subject to inclusion in FY 2018-19 budget.</li><li>\$666,000 is subject to inclusion in FY 2019-20 budget.</li><li>\$666,000 is subject to inclusion in FY 2020-21 budget.</li></ul>		
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into contract amendment not to exceed the amounts indicated with Atlas Tow (\$390,000), Campbell's Tow (\$520,000), Pizzagoni's Tow (\$830,000) and Palace Garage (\$258,000) for the purposes described herein and in the Executive Director's April 6, 2018 memorandum and that the Chief Financial Officer is authorized to set aside funds in the amount of \$1,998,000 for such contract amendments in the yearly amounts provided above, with such amounts subject to inclusion in such fiscal years' budgets.		
Operations Committee:			
	Dave Cortese, Chair		
Approved:	April 13, 2018		

### **Attachment A**

# FSP SB1 Amendments FY 2019-2021

