



METROPOLITAN  
TRANSPORTATION  
COMMISSION  
SERVICE AUTHORITY  
FOR FREEWAYS  
AND EXPRESSWAYS

**Agenda Item 2h**

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*Memorandum*

TO: Operations Committee

DATE: September 7, 2018

FR: Executive Director

W.I.: 6032

RE: Contract – Freeway Service Patrol Towing Services: Redhill Towing and Auto Repair Inc. (\$235,000)

This memorandum seeks Committee approval of a contract with Redhill Towing and Auto Repair Inc. (Redhill Towing) in an amount not to exceed \$235,000 to provide Freeway Service Patrol (FSP) service on Beat 13 in Marin County from October 1, 2018 through June 30, 2019.

**General Background**

Increasing insurance rates and a very tight labor market have greatly impacted the towing industry. The low unemployment rate in the Bay Area has made it difficult for tow contractors to recruit new FSP drivers and costly to retain existing FSP drivers. Additionally, many of MTC SAFE's tow contractors have experienced a very large increase in their insurance rates due to many insurers leaving the towing industry. These issues have caused several FSP contractors to withdraw from their contracts including the previous Beat 13 contractor, Bill's Towing.

**Contract Background**

Beat 13 FSP coverage is in Marin County along US-101 from Alexander Avenue to Ignacio Blvd. and on I-580 from US-101 to San Quentin. On January 2, 2015, this Committee awarded a four-year contract to Bill's Towing to provide service on Beat 13. However, on August 13, 2018, MTC SAFE terminated Bill's Towing's Beat 13 contract for failure to provide services under the terms and conditions of the contract.

**Procurement Process**

On August 17, 2018, MTC SAFE issued an Invitation for Bids (IFB) to bidders that had passed the final qualification step from the FY 2016-19 FSP tow procurement and that currently operate FSP certified tow yards within 30 minutes driving time from Beat 13. Two existing FSP tow contractors, both of which met the above qualifications, submitted bids for Beat 13. The IFB required the awarded contractor to provide two FSP vehicles to service Beat 13 from 6:00-10:00 AM and 2:30-6:30 PM, Monday through Friday.

The IFB was a one-step process that required qualified bidders to submit a price proposal. The bidder with the lowest, responsive bid would be recommended for contract award. Two bids were received, both responsive. Redhill Towing submitted the lowest bid at \$79.88 per truck service hour, while Ken Betts Towing submitted a bid price of \$119.17. Redhill Towing is neither a small business enterprise nor a disadvantaged business enterprise and currently has no subcontractors.

**Recommendation**

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract with Redhill Towing in an amount not to exceed \$235,000 to provide tow service on Beat 13 from October 1, 2018 through June 30, 2019.



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Steve Heminger

SH: gd

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## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract

Work Item No.:	6032
Work Project Title:	FSP Tow Operations
Consultant:	Redhill Towing and Auto Repair Inc. San Rafael, CA
Purpose of Project:	To provide Freeway Service Patrol service on Beat 13 during FY 2018-19 as designated in the IFB dated August 17, 2018 under the terms and conditions as specified.
Brief Scope of Work:	Provide tow services during hours of congestion as specified by the FSP Partnership, which includes MTC SAFE, Caltrans, and CHP.
Project Cost Not to Exceed:	\$235,000
Funding Source:	STP, State, SAFE
Fiscal Impact:	\$235,000 is available in the FY 2018-19 budget.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract with Redhill Towing and Auto Repair Inc. for the purposes described herein and in the Executive Director's September 7, 2018 memorandum and that the Chief Financial Officer is authorized to set aside funds in the amount of \$235,000 for such contract.
Operations Committee:	<hr/>
	Dave Cortese, Chair
Approved:	Date: September 14, 2018