



Board Report

File #: 2024-0292, File Type: Contract

Agenda Number: 28.

REVISED
OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
JUNE 20, 2024

SUBJECT: METRO FREEWAY SERVICE PATROL

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003000-13A to Neighborhood Towing 4U, Inc. for Metro Freeway Service Patrol (FSP) towing services for Beat 7 and Beat 29 in the amount of \$9,432,184, effective July 2024, subject to resolution of any properly submitted protest(s), if any;
- B. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003001-13B to Reliable Delivery Service, Inc., DBA R.D.S. Towing, for FSP towing services for Beat 11 and Beat 28 in the amount of \$8,596,062.16, effective July 2024, subject to resolution of any properly submitted protest(s), if any;
- C. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003002-13C to Hovanwil, Inc., DBA Jon's Towing, for FSP towing services for Beat 24 and Beat 41 in the amount of \$10,212,384.70, effective July 2024, subject to resolution of any properly submitted protest(s), if any;
- D. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003003-13D to Disco Auto Sales, DBA Hollywood Car Carrier Service, for FSP towing services for Beat 27 and Beat 33, in the amount of \$8,623,240.45, effective July 2024, subject to resolution of any properly submitted protest(s), if any;
- E. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003004-13E to Sonic Towing, Inc. for FSP towing services for Beat 36 and Beat 42, in the amount of \$7,837,402.68, effective July 2024, subject to resolution of any properly submitted protest(s), if any; and
- F. AWARD a 54-month firm fixed unit rate Contract No. FS118013-C0003005-13F to Safeway Towing Services, Inc., DBA Bob's Towing, for FSP towing services for Beat 50, in the amount of

\$4,449,861.00, effective July 2024, subject to resolution of any properly submitted protest(s), if any.

HORVATH AMENDMENT: For the upcoming RFP, evaluate the feasibility of a pilot program that includes battery-powered, Level 2 EV charging capabilities as a feature to assist motorists.

ISSUE

The award of six Freeway Service Patrol (FSP) light duty tow service contracts (11 beats) is intended to replace expired or expiring contracts to prevent gaps in service provision.

BACKGROUND

The FSP program is a congestion mitigation program managed in partnership with Metro, CHP, and Caltrans, serving motorists on all major freeways in Los Angeles County. The program began as a pilot in LA County in 1991 and is now the largest FSP program of its kind in the nation. Metro's FSP program has performed over 9,500,000 assists to date and maintains the highest Benefit to Cost (B/C) ratio of all 14 FSP programs within California.

The program utilizes a fleet of roving tow and service trucks designed to reduce traffic congestion by efficiently rendering disabled vehicles operational by changing out flat tires, providing a jump start, adding water to the radiator, taping leaking hoses, providing a gallon of gas and/or quickly towing those vehicles from the freeway to a designated safe location. These services are free to motorists. Removing motorists and their disabled vehicles from the freeway reduces the chances of further incidents caused by onlookers and impatient drivers. FSP helps save fuel and reduce air polluting emissions by reducing stop-and-go traffic through the provision of free services to motorists and operates seven days a week during peak commuting hours.

Metro contracts with independent tow service providers for Freeway Service Patrol Light Duty (FSPLD) tow service on general purpose lanes on all major freeways in Los Angeles County, two Freeway Service Patrol ExpressLanes (FSPEL) contracts on the I-110 and I-10, and two Freeway Service Patrol Heavy Duty (FSPHD) contracts (I-710 and SR-91) to assist large commercial vehicles (Attachment C). 138 tow and service trucks are deployed each weekday during peak commuting hours.

FSP light duty contracts are re-procured approximately every four years to replace aging vehicles, encourage competition by providing tow service contractors the opportunity to bid on new contracts and allow new contracts to reset rates using current industry prices.

The annual benefits of the program are as follows:

- For individual beats, an annual B/C Ratio of 6:1 - For every \$1 spent, there is a \$6 benefit to motorists
- 238,000 motorist assists
- 3,824,756 hours motorists saved from sitting in traffic
- 6,574,756 gallons of fuel savings

- Approximately 57,726,359 kg of CO2 reductions
- The average motorist wait time for FSP service is 10 minutes (the average wait time for other roadside services is over 30 minutes)
- The Los Angeles County FSP program generates one-half of the cumulative benefits of the 14 FSP programs in the state.

DISCUSSION

The award of contracts for beats 7 and 29, 11 and 28, 24 and 41, 27 and 33, 36 and 42, and 50 will replace expiring and vacant contracts. The beats are comprised of 179 centerline miles of freeway and will utilize a combination of 35 tow and service trucks to provide service.

Once contracts are awarded, contractors will have a mobilization period to complete the required startup activities to begin service. The following list summarizes the major activities that must be completed prior to FSP service operations:

- Purchase vehicle chassis and beds
- Build vehicles to FSP specifications (8-12 weeks)
- Metro Radio Shop installation of communications equipment (4-5 weeks)
- Hire and train prospective FSP drivers
- CHP testing and certification of FSP drivers
- Obtain program supplies
- CHP inspection and certification of contract vehicles

Increased Program Costs

Over the past four years, rising operating costs have significantly impacted the towing industry. This includes liability insurance premiums, which in some cases, have increased over 200%, the cost of new tow trucks increasing 100%, fuel costs (which is a major expenditure of FSP contractors) remaining at high levels for diesel, and the implementation of Living Wage Standards, which can increase the cost of labor up to 3% annually. Vehicle maintenance costs have also increased due to changing emissions standards and the lack of availability of replacement parts (related to supply chain issues), increasing prices for parts suppliers. These increased industry costs translate into higher hourly rate bids for FSP contracts. Between 2016 and 2021, hourly rates awarded increased approximately 33%, and for contracts recommended for award in this report, the hourly rates increased an additional 25% from 2021.

Cost Reduction Efforts

Staff continues to implement strategies to reduce program costs through various methods.

- Created FSP Regions - consolidating six beats into a single procurement with multiple contract awards and reducing the number of required backup trucks per beat.

- Outreach efforts to local firms and former contractors to obtain feedback and increase the number of firms bidding on FSP contracts to increase competition.
- FSP staff participation at the annual towing industry convention sponsored by the California Tow Truck Association. FSP agencies from across the state staff a booth to increase awareness of the FSP program and inform tow operators of contracting opportunities.
- Staff have created a bidders list of firms contacted at the annual convention, through local outreach, and through unsolicited requests for information about the FSP program from various tow firms. This list supplements the firms registered with Vendor Contract Management (VC/M) when releasing solicitations.
- Five of the contracts recommended for award in this report are two-beat contracts. Two-beat contracts were offered to reduce the number of backup trucks to reduce program costs. Usually, each beat will have its own backup truck, but combining two beats into a single contract could eliminate one backup truck to minimize program costs. Reducing one tow truck (each tow truck costs approximately \$170,000) for each of the five contracts should create a savings opportunity of approximately \$850,000.

Program Funding

Caltrans allocates and manages funding dedicated to FSP programs statewide from two funding sources each year. The first is through legislation (state highway funds) provided when the program was established.

The second funding source is Senate Bill 1 (SB-1), passed in 2017. Metro staff worked proactively to assure a discrete funding source for FSP during SB-1's development and, upon its passage, collaborated in developing guidelines for funding allocation.

LA County has the worst congestion in the nation, and Metro's FSP program is the largest in the state. In comparison to the state's other FSP programs, it consistently performs at the highest B/C ratio, generates approximately 50% of the state's performance metrics (number of assists, emissions/fuel/motorist delay savings), and does so while receiving only 31% of state allocated funds. While Metro must provide a 25% match to the state funds due to the congestion level and the program's size, Metro ultimately provides 59% of the total FSP program funding using local funds.

DETERMINATION OF SAFETY IMPACT

The FSP Program enhances safety on Los Angeles County freeways by assisting motorists with disabled vehicles, towing vehicles from freeway lanes to prevent secondary accidents, and removing debris/obstacles from lanes that can pose a hazard to motorists.

In February 2024, HAAS Alert, Safety Cloud was installed on all FSP vehicles. Safety Cloud sends a notification to WAZE and Apple Maps users within 30 seconds of approaching an FSP truck assisting a motorist on the freeway. The notification alerts the users that FSP is stopped ahead and to slow down. HAAS Alert provides this service primarily to first responders, FSPs, and tow operators responding to freeway incidents. There are many instances where motorists are stranded in traffic lanes and may not be visible to other motorists approaching at a high rate of speed. Safety Cloud can effectively reduce traffic

speeds in a specific area to enhance the safety of the FSP driver and the motorist they are assisting. In March 2024, there were 234,000 notifications to WAZE and Apple Maps users alerting motorists to FSP trucks stopped to assist motorists. HAAS Alert is working to expand the number of motorists it can alert by adding Safety Cloud to Google Maps.

FINANCIAL IMPACT

The first-year startup and operational costs of approximately \$3,576,700 for beats 7 and 29, 11 and 28, 24 and 41, 27 and 33, 36 and 42, and 50 are included in the FY25 budget in cost center 3352, Metro Freeway Service Patrol, under project number 300070. Since this action includes multi-year contracts, the cost center manager and Deputy Chief of Operations, Shared Mobility will be responsible for budgeting funds in future years.

Impact to Budget

The FSP program is funded through a combination of dedicated state funds, SB1 funding, and Metro Proposition C 25% sales tax revenues. These funds are not eligible for Metro Bus and Rail Operating and Capital expenses. Metro is also reimbursed for the services provided to support Caltrans construction projects.

EQUITY PLATFORM

Through Outreach efforts, the Diversity & Economic Opportunity Department (DEOD), FSP's program management, and contract administration staff have conducted targeted certification outreach events for Tow Service providers in an effort to increase the pool of certified Small Business Enterprise (SBE), Disabled Veteran Business Enterprise (DVBE), and Disadvantaged Business Enterprise (DBE) firms. Currently, 57% of the FSP Tow Service providers are SBE certified, and 20% are DBE certified.

In addition, FSP program management staff continue their outreach to the towing community and potential SBE/DVBE vendors to provide information on contracting opportunities in Metro's programs. These efforts include attending the largest towing convention on the West Coast (sponsored by the California Tow Truck Association), contacting local towing firms via phone or in person, and contacting former FSP tow contractors.

DEOD established a 6% SBE goal for this procurement. Five of the six awardees are SBE primes, and all six awardees made SBE/DVBE commitments that exceeded the goal.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The FSP Program aligns with Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The program mitigates congestion on all major freeways in Los Angeles County.

ALTERNATIVES CONSIDERED

The Board may decide not to authorize these awards. This alternative is not recommended as it could adversely impact the level and quality of FSP service provided in Los Angeles County.

NEXT STEPS

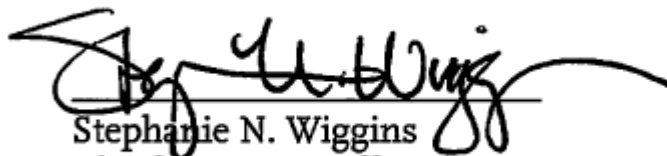
Upon Board approval, staff will execute Contract Nos. FS118013-C0003000-13A, FS118013-C0003001-13B, FS118013-C0003002-13C, FS118013-C0003003-13D, FS118013-C0003004-13E, and FS118013-C0003005-13F for FSP towing services to ensure efficient and seamless delivery of the FSP program. Staff will work on new procurements to address needs beyond FY25.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - DEOD Summary
- Attachment C - FSP Beat Map

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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

FSP LIGHT DUTY TOWING SERVICE 2024/FS118013-C0003000-13A THROUGH
FS118013-C0003005-13F

1.	Contract Numbers: FS118013-C0003000-13A, FS118013-C0003001-13B, FS118013-C0003002-13C, FS118013-C0003003-13D, FS118013-C0003004-13E, and FS118013-C0003005-13F	
2.	Recommended Vendors: (1) Neighborhood Towing 4U, Inc. (2) Reliable Delivery Service, Inc. (dba R.D.S. Towing) (3) Hovanwil, Inc., (dba Jon's Towing) (4) Disco Auto Sales (dba Hollywood Car Carrier Service) (5) Sonic Towing, Inc., and; (6) Safeway Towing Services, Inc. (dba Bob's Towing)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: November 29, 2023	
	B. Advertised/Publicized: November 28-30, 2023	
	C. Pre-Proposal Conference: December 13, 2023	
	D. Proposals Due: January 31, 2024	
	E. Pre-Qualification Completed: April 3, 2024	
	F. Ethics Declaration Forms submitted to Ethics: February 2, 2024	
	G. Protest Period End Date: June 25, 2024	
5.	Solicitations Picked up/Downloaded: 32	Bids/Proposals Received: 12
6.	Contract Administrator: Lily Lopez	Telephone Number: 213-922-4639
7.	Project Manager: John Takahashi	Telephone Number: 213-418-3271

A. Procurement Background

This Board Action is to approve Contract Nos. FS118013-C0003000-13A (Neighborhood Towing 4U, Inc.), FS118013-C0003001-13B (Reliable Delivery Service, Inc., dba R.D.S. Towing), FS118013-C0003002-13C (Hovanwil, Inc., dba Jon's Towing), FS118013-C0003003-13D (Disco Auto Sales, dba Hollywood Car Carrier Service), FS118013-C0003004-13E (Sonic Towing, Inc.) and FS118013-C0003005-13F (Safeway Towing Services, Inc., dba Bob's Towing) issued in support of the Freeway Services Patrol program light duty tow services for eleven beats for a 54-month contract term. These services will be performed on beats covering designated areas within Los Angeles County. Board approval of contract awards is subject to resolution of any properly submitted protest(s), if any.

The Lowest Price-Technically Acceptable Request for Proposals (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate. Proposers were required to commit to utilizing Small Business Enterprise (SBE) firms and Disabled Veteran Business Enterprise (DVBE) firms, in any combination, totaling at least 6% of the total contract price. It was

also subject to the Local Small Business Enterprise Preference (LSBE) program, which gives eligible LSBE proposers a 5% preference as a price reduction.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on December 12, 2023, updated the SBE/DVBE Program goal and updated the DEOD Forms revised.
- Amendment No. 2, issued on December 22, 2023, revised certain sections of the RFP documents, including; updating the Contract Administrator information to reflect reassignment of project, clarification to Submittal Requirements, revision to Proposal Letter, updating Evaluation Criteria, extended the deadline to submit questions, and extended the proposal due date from January 18, 2024, to January 31, 2024.

A total of 32 firms downloaded the RFP and were included in the planholders list. A virtual pre-proposal conference was held on December 13, 2023, attended by 169 participants from various firms. A total of 19 questions were asked and responses were released prior to the proposal due date.

A total of 12 proposals were received on January 31, 2024, from the following firms listed below in alphabetical order to cover the 11 towing beats:

1. Classic Tow, Inc. (dba Tip Top Tow Service)
2. Disco Auto Sales (dba Hollywood Car Carrier Service)
3. Freeway Towing, Inc.
4. Hovanwil, Inc. (dba Jon's Towing)
5. Metro Towing, Inc.
6. Mid Valley Towing, Inc.
7. Navarro's Towing
8. Neighborhood Towing 4U, Inc.
9. Reliable Delivery Service, Inc. (dba R.D.S. Towing)
10. Safeway Towing Services, Inc. (dba Bob's Towing)
11. Sonic Towing, Inc.
12. SouthCoast Towing

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Operations Department and the California Highway Patrol, was convened to conduct a comprehensive evaluation of the proposals received.

The proposals were evaluated based on the following Lowest Price-Technically Acceptable (Pass/Fail) evaluation criteria:

Pass/Fail Criteria

1. **Motor Carrier of Property Permit (MCP)** - Proposer shall submit with their proposal, clear and legible copies of California Department of Motor Vehicles (DMV) MCPs documenting continuous, uninterrupted permitting, from December 1, 2020 to November 30, 2023.

2. **Business Permits/Licenses** - Proposer shall submit with their proposal, clear and legible copies of business permits/licenses documenting continuous uninterrupted permits/licenses, from December 1, 2020 to November 30, 2023.
3. **Tow Experience – Minimum Three (3) Light or Medium Duty Tow/Flatbed Vehicles** - Proposer shall submit with their proposal, clear and legible copies of California DMV registration documenting continuous uninterrupted ownership/lease of three light/medium duty tow/flatbed trucks, from December 1, 2020 to November 30, 2023. AVRS and/or other third-party documents are not acceptable. Vehicles that are inoperable will not be considered as one of the three vehicles.
4. **Insurance Requirements** - Proposer shall submit with their proposal, clear and legible copies of insurance carrier generated policy documents for General/Garage Liability, On-Hook Tow, and Workers' Compensation Coverage policies documenting continuous uninterrupted coverage, from December 1, 2020 to November 30, 2023.
5. **Vehicle Inspection** - An unscheduled Vehicle Inspection will be conducted at the proposers operating facility in Los Angeles County (or within 15 miles of the county line) in accordance with the Vehicle Inspection Criteria.

Each proposer shall complete and submit with their proposal a complete fleet inventory list of light/medium duty tow and flatbed vehicles owned/leased and operated by the proposer. Vehicles included in this list shall be verified at the time of inspection. Vehicles with non-operations documentation from the California DMV may be considered exempt from inspection.

Only proposers who passed all evaluation criteria items were deemed technically acceptable and eligible for further consideration based on lowest price (subject to the LSBE Program) and meeting or exceeding the DEOD SBE/DVBE goal.

During the period of February 13, through March 14, 2024, the PET independently evaluated the technical proposals. Ten of the twelve proposals were deemed technically acceptable. Classic Tow was excluded due to failing to meet the DVBE goal requirement. Metro Towing, Inc. was excluded due to failing to meet the DVBE goal requirement and not meeting the Evaluation Criteria Pass/Fail requirements.

Neighborhood Towing 4U, Inc., Reliable Delivery Service, Inc. (dba R.D.S. Towing), Hovanwil, Inc. (dba Jon's Towing), Disco Auto Sales (dba Hollywood Car Carrier Service), Sonic Towing, Inc., and Safeway Towing Services, Inc. (dba Bob's Towing) are recommended for awards under the specified beats.

C. Price Analysis

13-A (Beats 7 and 29)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Neighborhood Towing 4U, Inc.	\$9,432,184.00	\$8,367,260.00	\$8,960,574.80	\$9,432,184.00
2	Sonic Towing, Inc.	\$9,528,027.16		\$9,051,625.80	
3	SouthCoast Towing	\$9,970,731.28		\$9,472,194.72	
4	Hovanwil, Inc. (dba Jon's Towing)	\$10,479,612.82		\$9,955,632.18	
5	Safeway Towing Services, Inc. (dba Bob's Towing)	\$10,509,278.56		\$9,983,814.63	
6	Mid Valley Towing, Inc	\$10,951,982.68		\$10,404,383.55	

The variance between Metro's Independent Cost Estimate (ICE) and the recommended price is attributable to the projected fluctuation in fuel prices, cost of insurance premiums, contractor's distance from the respective beat and availability of FSP operators.

13-B (Beats 11 and 28)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Reliable Delivery Service, Inc. (dba R.D.S. Towing)	\$8,596,062.16	\$8,430,950.00	\$8,166,259.05	\$8,596,062.16
2	Safeway Towing Services, Inc. (dba Bob's Towing)	\$8,658,585.65		\$8,225,656.37	
3	Neighborhood Towing 4U, Inc.	\$9,580,625.00		\$9,101,593.75	
4	Sonic Towing, Inc.	\$9,600,552.70		\$9,120,525.07	
5	SouthCoast Towing	\$10,196,850.80		\$9,687,008.26	
6	Hovanwil, Inc. (dba Jon's Towing)	\$10,559,381.65		\$10,031,412.57	
7	Navarro's Towing	\$11,841,652.50		\$11,249,569.88	
8	Mid Valley Towing, Inc.	\$12,348,275.95		\$11,730,862.15	

13-C (Beats 24 and 41)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Hovanwil, Inc. (dba Jon's Towing)	\$10,212,384.70	\$7,602,100.00	\$9,701,765.47	\$10,212,384.70
2	Neighborhood Towing 4U, Inc.	\$10,366,500.00		\$9,848,175.00	
3	Safeway Towing Services, Inc. (dba Bob's Towing)	\$10,546,877.10		\$10,019,533.25	
4	Sonic Towing, Inc.	\$10,591,798.60		\$10,062,208.67	
5	Mid Valley Towing, Inc.	\$12,658,187.60		\$12,025,278.22	

The variance between the Metro ICE and the recommended price is attributable to the projected fluctuation in fuel prices, cost of insurance premiums, contractor's distance from the respective beat and availability of FSP operators.

13-D (Beats 27 and 33)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Disco Auto Sales (dba Hollywood Car Carrier Service)	\$8,623,240.45	\$7,347,120.00	\$8,192,078.43	\$8,623,240.45
2	Neighborhood Towing 4U, Inc.	\$8,682,960.00		\$8,248,812.00	
3	Sonic Towing, Inc.	\$8,900,701.92		\$8,455,666.82	
4	SouthCoast Towing	\$8,950,128.00		\$8,502,621.60	
5	Hovanwil, Inc. (dba Jon's Towing)	\$9,201,933.84		\$8,741,837.15	
6	Safeway Towing Services, Inc. (dba Bob's Towing)	\$9,432,366.24		\$8,960,747.93	
7	Mid Valley Towing, Inc.	\$9,612,036.72		\$9,131,434.88	

The variance between the Metro ICE and the recommended price is attributable to the projected fluctuation in fuel prices, cost insurance premiums, contractor's distance from the respective beat and availability of FSP operators.

13-E (Beats 36 and 42)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Neighborhood Towing 4U, Inc.*	\$7,764,930.00	\$6,326,980.00	\$7,376,683.50	
2	Sonic Towing, Inc	\$7,837,402.68		\$7,445,532.55	\$7,837,402.68
3	Hovanwil, Inc. (dba Jon's Towing)	\$8,499,434.86		\$8,074,463.12	
4	Safeway Towing Services, Inc. (dba Bob's Towing)	\$8,799,103.64		\$8,359,148.46	
5	Mid Valley Towing, Inc.	\$9,265,574.62		\$8,802,295.89	
6	Freeway Towing Inc.**	\$9,030,326.00		\$9,030,326.00	

* Neighborhood Towing 4U, Inc. is not eligible for the award as it exceeds the two-beat contract limit.

** Per DEOD, Freeway Towing Inc. does not qualify for LSBE Preference.

The variance between the Metro ICE and the recommended price is attributable to the projected fluctuation in fuel prices, cost of insurance premiums, contractor's distance from the respective beat and availability of FSP operators.

13-F (Beat 50)

The recommended price has been determined to be fair and reasonable based on adequate price competition.

	Proposer Name	Proposal Amount	Metro ICE	LSBE Evaluation Amount	Recommended Amount
1	Safeway Towing Services, Inc. (dba Bob's Towing)	\$4,449,861.00	\$4,183,630.00	\$4,227,367.95	\$4,449,861.00
2	Neighborhood Towing 4U, Inc.	\$4,944,290.00		\$4,697,075.50	
3	Sonic Towing, Inc.	\$5,334,508.58		\$5,067,783.15	

4	Mid Valley Towing, Inc.	\$5,437,958.34		\$5,166,060.42	
5	SouthCoast Towing	\$5,657,028.42		\$5,374,177.00	
6	Disco Auto Sales (dba Hollywood Car Carrier Service)	\$5,665,822.77		\$5,382,531.63	
7	Navarro's Towing	\$5,876,098.50		\$5,582,293.58	
8	Hovanwil, Inc. (dba Jon's Towing)	\$6,000,466.41		\$5,700,443.09	

The variance between the Metro ICE and the recommended price is attributable to the projected fluctuation in fuel prices, cost of insurance premiums, contractor's distance from the respective beat and availability of FSP operators.

D. Background on Recommended Contractors

13A (Beats 7 and 29) - Neighborhood Towing 4U, Inc.

Neighborhood Towing 4 U, Inc. has been conducting business in Los Angeles since 2000. Neighborhood Towing 4U has certified Freeway Service Patrol (FSP) operators and has been a Metro contractor since 2008 and has performed satisfactorily.

13B (Beats 11 and 28) - Reliable Delivery Service, Inc. (dba R.D.S. Towing)

Reliable Delivery Service, Inc. (dba R.D.S. Towing) has been conducting business in Los Angeles since 1982. Reliable Delivery Service, Inc. has certified FSP operators and has been a Metro contractor since 2008 and has performed satisfactorily.

13C (Beats 24 and 41) - Hovanwil, Inc. (dba Jon's Towing)

Hovanwil, Inc. (dba Jon's Towing), located in Sun Valley, CA has been in business since 2000. Hovanwil, Inc. is a certified FSP operator and has been a Metro contractor since 2004, and has performed satisfactorily.

13D (Beats 27 and 33) - Disco Auto Sales (dba Hollywood Car Carrier Service)

Disco Auto Sales (dba Hollywood Car Carrier Services) located in Los Angeles has been in business for 44 years. The firm has been a Metro contractor since 2004, is a certified FSP operator and has performed satisfactorily.

13E (Beats 36 and 42) - Sonic Towing, Inc.

Sonic Towing, located in Los Angeles has been in business for 21 years. Sonic Towing has been a Metro contractor since 2004, is a certified FSP operator and has performed satisfactorily.

13F (Beat 50) - Safeway Towing Services, Inc. (dba Bob's Towing)

Safeway Towing, Inc., (dba Bob's Towing) is located in Rowland Heights, CA and has been in business since 2001. Safeway Towing has certified FSP operators, has been a Metro contractor since 2004 and has performed satisfactorily.

DEOD SUMMARY

**FSP LIGHT DUTY TOWING SERVICE 2024 / FS118013-C000300-13A THROUGH
FS118013-C0003005-13F**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 6% Small Business Enterprise (SBE) goal for this procurement. Proposers were required to meet the goal utilizing both SBE and DVBE firms, in any combination, totaling to at least 6% of the total contract price. Five of the six proposers are SBE primes. All proposers made SBE/DVBE commitments that exceeded the goal.

BEAT A – Neighborhood Towing 4 U, Inc.

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Neighborhood Towing 4 U, Inc. (SBE Prime)	98.30%	X	
	Total SBE Commitment	98.30%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Oasis Fuels, Inc.	1.70%	X	
	Total DVBE Commitment	1.70%		

BEAT B – Reliable Delivery Service, DBA R.D.S. Towing

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Reliable Delivery Service (SBE Prime)	94.00%	X	
	Total SBE Commitment	94.00%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	DVBE Suppliers	3.60%		X
	Total DVBE Commitment	3.60%		

BEAT C – Hovanwil, Inc., DBA Jon's Towing

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Hovanwil, Inc., DBA Jon's Towing (SBE Prime)	98.33%	X	
	Total SBE Commitment	98.33%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Oasis Fuels, Inc.	1.00%	X	
	Total DVBE Commitment	1.00%		

BEAT D – Disco Auto Sales DBA Hollywood Car Carrier

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Disco Auto Sales DBA Hollywood Car Carrier (SBE Prime)	90%	X	
	Total SBE Commitment	90%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Oasis Fuels, Inc.	6%	X	
	Total DVBE Commitment	6%		

BEAT E – Sonic Towing, Inc.

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Sonic Towing, Inc. (SBE Prime)	98.33%	X	
	Total SBE Commitment	98.33%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Oasis Fuels, Inc.	1.00%	X	
	Total DVBE Commitment	1.00%		

BEAT F – Safeway Towing Services Inc. DBA Bob's Towing

	SBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	JUNO Solutions, Inc.	30.34%	X	
	Total SBE Commitment	30.34%		

	DVBE Subcontractors	% Committed	LSBE	Non-LSBE
1.	Oasis Fuels, Inc.	6.07%	X	
	Total DVBE Commitment	6.07%		

B. Local Small Business Preference Program (LSBE)

Neighborhood Towing 4 U, Inc., Reliable Delivery Service, Hovanwil, Inc., Disco Auto Sales, and Sonic Towing, Inc., are LSBE primes and were eligible for the preference. Safeway Towing Services Inc., a non-LSBE prime, subcontracted at least 30% of its contract value with eligible LSBE firms and was eligible for the preference.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract/modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current

Living Wage rate of \$24.73 per hour (\$18.78 base + \$5.95 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification/contract.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.

