



February 9, 2023

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendments to Agreements for Towing Services

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is positioned above the "From:" field of the memo.

Overview

On April 1, 2020, the Orange County Transportation Authority entered into agreements with P & H Enterprises, Inc., doing business as Anaheim Fullerton Towing, and Aliso Viejo Towing and Recovery, Inc., to provide bus towing services. Staff is requesting Board of Directors' approval to extend both agreements for two months, from April 1, 2023, through May 31, 2023.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-9-1757 between the Orange County Transportation Authority and P & H Enterprises, Inc., doing business as Anaheim Fullerton Towing, in the amount of \$65,000, to extend bus towing services from April 1, 2023 through May 31, 2023. Amending this agreement will increase the aggregate maximum payment obligation of the agreement to a total contract value of \$305,000.

- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2175 with Aliso Viejo Towing and Recovery, Inc., in the amount of \$65,000, to extend bus towing services from April 1, 2023 through May 31, 2023. Amending this agreement will increase the aggregate maximum payment obligation of the agreement to a total contract value of \$305,000.

Discussion

On April 1, 2020, the Orange County Transportation Authority (OCTA) entered into agreements with P & H Enterprises, Inc., doing business as (dba) Anaheim Fullerton Towing (Anaheim Fullerton Towing), and Aliso Viejo

Towing and Recovery, Inc. (Aliso Viejo Towing), to provide bus towing services on an as-needed basis with no guarantee of usage in an aggregate maximum payment obligation amount of \$240,000 to be shared by both firms. The agreements will expire on March 31, 2023, and the maximum payment obligation was reached prior to contract expiration due to a greater-than-average number of bus road calls requiring tow services. A new procurement is underway and will be in place by June 1, 2023.

OCTA currently operates 299 buses that have reached or are near the end of their useful life and are experiencing an increase in engine failures. As a result, the need for bus towing services has increased, reaching the maximum payment obligation sooner than planned. A replacement bus order for 36 new buses is underway and new buses have begun arriving on property. The 299 buses that have reached or are near the end of their useful lives are expected to be retired in early 2024, which will result in a decrease in road calls and subsequently a decrease in towing services.

Amendments to both existing agreements for towing services to increase the aggregate maximum cumulative payment obligation by \$65,000 and extend the contract term by two months is required to continue bus towing services without interruption while a new bus towing contract is procured.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board of Directors-approved policies and procedures for professional services procurement.

Amending both agreements will increase the aggregate maximum payment obligation by \$65,000, bringing the total contract value to \$305,000. This increase will allow additional bus towing services through May 31, 2023. A budget of \$65,000 for additional towing services is deemed fair and reasonable as it is based on the rates identified in the agreement and expected usage. In addition, the proposed cost is consistent with the OCTA project manager's independent cost estimate.

During the term of these agreements, both Anaheim Fullerton Towing and Aliso Viejo Towing have been performing in accordance with the performance standards set forth in the agreement.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2022-23 Budget, Maintenance Resource Management Department, Account Nos. 2162-D2108-2QL-7613 and 2168-D2108-2S1-7613 and is funded through the Local Transportation Fund.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-9-1757 between the Orange County Transportation Authority and P & H Enterprises, Inc., doing business as Anaheim Fullerton Towing, and Amendment No. 1 to Agreement No. C-0-2175 between Orange County Transportation Authority and Aliso Viejo Towing and Recovery, Inc., in the amount of \$65,000 for each agreement, to extend bus towing services from April 1, 2023 through May 31, 2023.

Attachments

- A. P & H Enterprises, Inc., doing business as Anaheim Fullerton Towing, Agreement No. C-9-1757 Fact Sheet
- B. Aliso Viejo Towing & Recovery, Inc., Agreement No. C-0-2175 Fact Sheet

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