



March 1, 2021

To: Regional Planning and Highways Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Agreements for Freeway Service Patrol Services

Overview

On October 12, 2020, the Board of Directors approved the release of a request for proposals for freeway service patrol services for six service areas consisting of six all-day beats, 12 peak-hour beats, three weekend beats, and one construction support beat. Proposals were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute agreements for these service areas.

Recommendations

- A. Approve the selection of Veterans Towing, LLC, to provide freeway service patrol services for service area 1.
- B. Approve the selection of California Coach Orange, Inc., to provide freeway service patrol services for service areas 3, 5, and 10.
- C. Approve the selection of California Roadside Service, LLC, to provide freeway service patrol services for service area 6.
- D. Approve the selection of Beach Town Towing, LLC, doing business as Orange County Motor Club, to provide freeway service patrol services for service area 8.
- E. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2721 between the Orange County Transportation Authority and Veterans Towing, LLC, in the amount of \$3,984,992, to provide freeway service patrol services for service area 1 from October 2, 2021 through October 2, 2027.

- F. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-1-3311 between the Orange County Transportation Authority and California Coach Orange, Inc., in the amount of \$16,170,275, to provide freeway service patrol services for service areas 3 and 10 from October 2, 2021 through October 2, 2027, and service area 5 from December 4, 2021 through October 2, 2027.
- G. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-1-3312 between the Orange County Transportation Authority and California Roadside Service, LLC, in the amount of \$4,868,234, to provide freeway service patrol services for service area 6 from October 2, 2021 through October 2, 2027.
- H. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-1-3313 between the Orange County Transportation Authority and Beach Town Towing, LLC, doing business as Orange County Motor Club, in the amount of \$5,431,156, to provide freeway service patrol services for service area 8 from December 4, 2021 through October 2, 2027.

Discussion

The Orange County Transportation Authority (OCTA) contracts with private tow service firms to provide freeway service patrol (FSP) services that comply with standard operating guidelines developed by the California Highway Patrol (CHP) and OCTA. Through these contracts, the tow service firms provide all necessary tow trucks, personnel, uniforms, equipment, and fuel for assisting motorists. The private tow service firms retain the title and physical ownership of the tow trucks purchased at the inception of the contract. OCTA pays a flat revenue vehicle hour (RVH) rate during actual hours of FSP service. The RVH rate includes FSP operator initial training and certification, daily vehicle inspections, travel time to and from the beats, required safety meetings, required quarterly training, and vehicle maintenance in addition to other costs of providing these services.

The FSP tow contracts are competitively procured following OCTA procurement policies. OCTA currently has six agreements with three different tow service firms to provide the FSP. Procurement for new agreements are completed for approximately half of the service areas every three years. The overall number of service areas and agreements change over time to reflect changes in the program and actual contract awards. At present, there are ten service areas operated through six agreements, with contract terms expiring in October and December 2021 and in December 2023.

Since FSP service is significantly different than typical towing services, contractors that have never operated FSP service are limited to one service area

comprised of no more than four beats in the initial award. If the contractor is in good standing, the contractor will then be eligible to compete and potentially be awarded additional service areas when subsequent procurements are released.

In February 2020, the Board of Directors (Board) approved a ten-month extension to two FSP agreements to realign procurement dates and allow staff to more effectively group and distribute work among the FSP agreements. The current procurement includes the reconfiguration of existing beat boundaries and the creation of all-day roving beats that patrol across beat boundaries to provide coverage when an operator is on break or busy assisting a motorist, expands the provision of midday service throughout the county, and allow for additional early morning and later evening sweeps through specific service areas. All-day roving patrols will be accomplished through a combination of service beat realignments and funds that are available through SB 1 (Chapter 5, Statutes of 2017), which added funding through Chapter 2, Section 2032d of the California Streets and Highway Code. Although the recommended reconfiguration provides increased service levels during certain hours of the day, the net result is an 11 percent reduction in weekday FSP hours. Staff intends to continue to reconfigure service beats in a similar manner for future procurements as we continue to monitor the effects of the coronavirus pandemic and other factors that impact traffic in Orange County.

This project is for FSP services in six service areas, consisting of six all-day beats, 12 peak-hour beats, three weekend beats, and one construction support beat. These services are currently being provided under separate agreements that expire on October 2, 2021 and December 3, 2021. Attachment A lists the FSP beats for this procurement.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Award is recommended to the firms offering the most comprehensive overall proposal considering such factors as staffing and project organization, prior experience with similar projects, work plan, as well as a fair and reasonable price structure.

On October 12, 2020, the Board authorized the release of Request for Proposals (RFP) 0-2574, which was issued electronically on CAMM NET. This RFP was subsequently cancelled due to unclear CHP guidelines for suspending or terminating a firm from a California FSP program or CHP Rotation Tow program, which inadvertently resulted in exclusion of some firms being able to submit a proposal to the RFP.

On December 3, 2020, a new RFP was issued, RF 0-2721, with updated and well-defined guidelines for the eligibility to participate in the FSP program. The RFP was advertised in a newspaper of general circulation on December 4 and 7, 2020. A pre-proposal conference was held on December 10, 2020 via Skype conference, with six firms attending. One addendum was issued to make available the pre-proposal conference registration sheet and presentation, as well as to respond to questions.

On December 29, 2020, five proposals were received. Two firms submitted proposals for all six service areas; the other firms submitted for one or more service areas. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management and Motorist Services departments, as well as external representatives from CHP, Riverside County Transportation Commission, and San Bernardino Associated Governments met to review all proposals received. The proposals were evaluated based on the following Board-approved evaluation criteria and weightings:

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|-------------------------------------|------------|
| • Qualifications of the Firm | 30 percent |
| • Staffing and Project Organization | 30 percent |
| • Work Plan | 15 percent |
| • Cost and Price | 25 percent |

Several factors were considered in developing the evaluation criteria weightings. FSP contractors must meet stringent state and local guidelines in order to operate as an FSP provider. To ensure these standards are met, qualifications of the firm was weighted at 30 percent. Staffing and project organization was also assigned 30 percent because the service patrol operator's ability to comply with state and local guidelines and remain in good standing are critical to successfully fulfilling the requirements set forth for the FSP program. The service being sought is so highly regulated by Caltrans and the CHP that there is no ability for an FSP provider to deviate from the scope of services; therefore, the work plan was assigned the lowest weight at 15 percent. Cost and price was weighted at 25 percent to ensure that OCTA receives value for the services provided by obtaining competitive pricing to accomplish the requested services.

On January 12, 2021, the evaluation committee used a two-step evaluation approach by first evaluating the technical proposals, reviewing the qualifications of firms, staffing and project organization, and work plan. Based on the total scores of the technical evaluation criteria for each proposal, a short-list of firms was developed. The evaluation committee conducted interviews with the following short-listed firms specified in alphabetical order:

Firm and Location

Beach Town Towing, LLC,
Doing business as Orange County Motor Club (OCMC)
Lake Forest, California

California Coach Orange, Inc. (Cal Coach)
Orange, California

California Roadside Service, LLC (CRS)
Anaheim, California

Veterans Towing, LLC (Veterans)
Fullerton, California

On January 14, 2021, the evaluation committee conducted interviews via Skype conference with the four short-listed firms. During the interview, each firm had the opportunity to demonstrate its knowledge and understanding of OCTA's requirements, as well as present its approach for accomplishing the requested services, project team qualifications, and respond to evaluation committee questions. Firms were asked to discuss their pre-employment processes, including operator background checks, driving record checks, and drug and alcohol testing, as well as how each service area will be monitored on an ongoing basis. Firms were also required to describe the key elements of the Orange County FSP program and identify areas that would be critical for success. All firms also answered specific questions to each firm's proposal relative to OCTA's requirements specified in the scope of work.

After interviews, the evaluation committee met to complete the evaluation. The pricing submitted as a separate file by the short-listed firms were then opened and RVH rates were scored. All firms were evaluated based on technical merit, information gathered during interviews, and proposed RVH rates. In addition, all short-listed firms were requested to submit a best and final offer (BAFO) to provide more competitive RVH rates.

After considering the responses to the questions asked during the interviews and BAFOs, the evaluation committee reconvened and adjusted the individual scores of the short-listed firms. The overall ranking of the firms remained unchanged.

Based on the evaluation of the written proposals, information obtained from the interviews, and the BAFOs, the evaluation committee recommends the selection of the following firms to provide FSP services in the service areas listed as follows:

Service Area 1:	Veterans
Service Area 3:	Cal Coach
Service Area 5:	Cal Coach
Service Area 6:	CRS
Service Area 8:	OCMC
Service Area 10:	Cal Coach

Following is a brief summary of the evaluation results:

Qualifications of the Firm

All short-listed firms have at least three years of towing experience as required in the RFP. Two of the firms have previous Orange County FSP experience, and two firms will be new to the FSP program but demonstrated experience providing similar towing services.

Cal Coach has extensive experience in the towing industry. Cal Coach has been in the towing industry over 20 years and currently provides rotation tow services for the CHP, City of Orange, Los Angeles County Sheriff's Department, and OCTA FSP programs. Cal Coach has provided services for the Orange County FSP program since 1998. Cal Coach's proposal demonstrated a thorough knowledge and understanding of the service requirements. The firm's presentation and comprehensive responses to the interview questions reflected a high level of experience to provide the services. Cal Coach is located in close proximity to service areas 3, 5, and 10.

OCMC has been in the towing industry since 1989 and currently provides tow services for OCTA's FSP program, the CHP rotation tow, Orange County Sheriff's Department, and the Automobile Club of Southern California (AAA). OCMC's extensive relevant experience in the towing industry and proven track record of effectively managing FSP projects to consistently meet or exceed program requirements was clearly demonstrated through its proposal and during the interview. OCMC is located in close proximity to service area 8.

Veterans was established in 2016 with the purpose of providing towing service and creating employment opportunities for transitioning veterans. Veterans' customers include CHP and Orange County Public Works, as well as local businesses in the Orange County area, such as roadside assistance companies and insurance companies. Veterans provides light duty, medium duty, heavy duty roadside assistance, and equipment transportation and hauling. The firm's proposal and interview demonstrated a thorough knowledge and understanding of the service requirements. Although Veterans has never participated in OCTA's FSP program, it demonstrated capability to perform these services. Veterans is located in close proximity to service area 1. Veterans is new to FSP

program and based on the program's guidelines, is eligible to be awarded one service area.

CRS demonstrated its abilities and experience in the towing industry through the written proposal and interview. CRS was founded in 2012 and demonstrated experience providing government agencies, as well as private companies, with towing and roadside services similar to the requested FSP program specified in the scope of services. The firm has an established track record providing rotational towing services to CHP and County of Orange Sheriff's Department. CRS is also a primary contractor with AAA. Although CRS has never participated in OCTA's FSP program, it demonstrated capability to perform these services. CRS is located in close proximity to service area 6. CRS is new to the FSP program and based on the program's guidelines, is eligible to be awarded one service area.

Staffing and Project Organization

The short-listed firms proposed knowledgeable project teams with demonstrated experience in towing services.

Cal Coach proposed key personnel that have extensive FSP technical and administrative experience and demonstrated a high level of competence and commitment to the success of this project during the interview. As the current provider for several service areas, Cal Coach currently has FSP program certified staff that will be available to perform the required services. Cal Coach also has cross-trained drivers, all of whom maintain a valid FSP certification.

OCMC's proposed project team has demonstrated experience in the towing industry and well-rounded experience in the FSP program. OCMC currently has FSP program certified staff that will be available to perform the required services. OCMC proposed to manage the FSP program with the same experienced project team. Key personnel in attendance during the interview responded to all questions competently and effectively demonstrated their approach to meeting the program requirements.

Veterans proposed a project team with relevant experience in towing services. The key personnel present during the interview responded to all questions thoroughly and in a professional manner and will oversee all aspects of running a successful FSP program, ranging from scheduling beats to maintenance of vehicles, payroll, training, safety, quality assurance, and contract compliance.

CRS proposed key personnel have extensive experience in the towing service with thorough knowledge of FSP program requirements. The project organization plan proposed by CRS detailed the level of commitment for the team members for this project. Furthermore, information discussed during the

interview regarding key elements of the Orange County FSP program was adequately and clearly addressed.

Work Plan

The work plan proposed by Cal Coach thoroughly addressed every aspect in the scope of services and demonstrated exceptional knowledge and understanding of OCTA's requirements. The work plan includes a detailed acquisition plan for purchase of vehicles and equipment, daily task outline, project schedule, and hiring process. Cal Coach uses a maintenance software program that provides alerts to important maintenance information to reduce vehicle downtime.

The work plan proposed by OCMC demonstrated an in-depth and excellent understanding of the requirements for the requested services. OCMC's approach for meeting regulatory requirements and their employee pay and benefit structure were thoroughly addressed in the work plan and described during the interview. OCMC's work plan also includes elements in the scope of work, such as vehicle procurement plan, daily schedule and hiring process.

Veterans' work plan displayed knowledge and understanding of the services specified in the scope of work. The firm's approach to meeting regulatory requirements was thoroughly addressed in the written proposal and further described during the interview. Veteran's work plan also includes details on week-by-week project scheduling plan, as well as methods to ensure safety and standard operating guidelines are met.

CRS' work plan conformed to the scope of services identified in the RFP, and addressed and responded to elements mentioned in the scope of services, such as recruitment process, equipment maintenance, and service compliance. It also provides details on employee selection and training. CRS proposed tracking devices to monitor location and speed with real time data for their vehicles.

Cost and Price

The firms were asked to provide RVH rates based on various fuel price ranges. The proposed RVH rates were scored using an average cost at the fuel rate range of \$3.01 - \$4.00 per gallon. Pricing scores were based on a formula, which assigned the highest score to the lowest RVH rate and scored the other proposed RVH rates based on their relation to the lowest RVH rate.

The short-listed firms submitted pricing that was competitive and within the OCTA's project manager's independent cost estimate.

Procurement Summary

Based on the evaluation of the written proposals, the qualifications of the firms, the information obtained from the interviews, and the BAFOs, the evaluation committee recommends the selection of Veterans, Cal Coach, CRS, and OCMC to provide FSP services.

All firms demonstrated a comprehensive knowledge and understanding of OCTA's requirements and expectation in providing the requested services in their proposals and during the interviews. All firms' work plans show a thorough approach and demonstrated the ability to meet or exceed all aspects of the service requirements addressed in the RFP.

Fiscal Impact

The project is included in the OCTA Fiscal Year 2020-21 Budget, Motorist Services Department - Service Authority for Freeway Emergencies Fund, Account No. 0013-7629-S1002-AVX, and funded through the State Highway Account and Road Repair and Recovery Act of 2017 Account, with at least a 25 percent match provided by OCTA through local Service Authority for Freeway Emergencies and Measure M2 funding. Future year funding will be included in each year's operating budget.

Summary

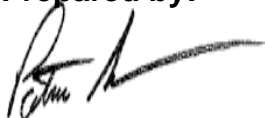
Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute the following agreements with the Orange County Transportation Authority:

- Agreement No. C-0-2721 with Veterans Towing, LLC, in the amount of \$3,984,992, for FSP services in service area 1 from October 2, 2021 through October 2, 2027;
- Agreement No. C-1-3311 with California Coach Orange, Inc., in the amount of \$16,170,275, for FSP services in service areas 3 and 10 from October 2, 2021 through October 2, 2027 and service area 5 from December 4, 2021 through October 2, 2027;
- Agreement No. C-1-3312 with California Roadside Service, LLC, in the amount of \$4,868,234, for FSP services in service area 6 from October 2, 2021 through October 2, 2027; and
- Agreement No. C-1-3313 with Beach Town Towing, LLC, doing business as Orange County Motor Club, in the amount of \$5,431,156, for FSP services in service area 8, from December 4, 2021 through October 2, 2027.

Attachments

- A. Orange County Freeway Service Patrol Service Areas
- B. Review of Proposals, RFP 0-2721 Freeway Service Patrol Services
- C. Proposal Evaluation Criteria Matrix (Short-Listed Firms), RFP 0-2721: Freeway Service Patrol Services
- D. Contract History for the Past Two Years, RFP 0-2721 Freeway Service Patrol Services

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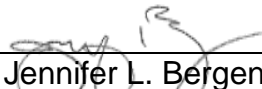
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