

AGENDA: March 6, 2008

TO: Regional Transportation Commission
FROM: Grace Blakeslee, Transportation Planner
RE: Freeway Service Patrol Program on Highway 1 Contract Amendment

RECOMMENDATIONS

The Budget and Administration/Personnel Committee and staff recommend that the Regional Transportation Commission (RTC), serving as the Service Authority for Freeway Emergencies (SAFE), authorize the Executive Director to amend the agreement with Ladd's Autobody and Towing to extend the Highway 1 Freeway Service Patrol (FSP) contract for 1 year until July 3, 2009 and increase the contract by \$106,000 to cover the additional year of service (Attachment 1).

BACKGROUND

As the SAFE, SCCRTC operates the Freeway Service Patrol (FSP) program in Santa Cruz County. This program consists of two tow trucks patrolling Highway 1 from Highway 9 to State Park Drive and Highway 17 from Granite Creek Road to the Santa Clara County Line. Both highway segments are patrolled for three hour periods during weekday morning and evening commute times. The Highway 17 segment is also patrolled on Sundays from 1:00 pm to 7:00 pm all year round and Saturdays from 1:00 pm to 7:00 pm during the spring and summer tourist periods. The FSP program is designed to reduce congestion, improve safety, and reduce fuel consumption and auto emissions by minimizing the congestion associated with collisions, disabled vehicles and other incidents. FSP services are contracted to a private tow company. Tow truck drivers are trained and supervised by the California Highway Patrol (CHP) and assist stranded motorists, clear collisions and remove debris from the roadway to keep traffic moving. The services offered by the FSP are free to the motorists.

DISCUSSION

Four-Year FSP Contracts

The RTC entered into a three-year contract with Ladd's Autobody and Towing for FSP tow services on Highway 1 beginning on July 1, 2005. The contract is set to expire on June 30, 2008. The Budget and Administration and Personnel Committee and staff recommend extending the contract for one year changing the contract term from a three-year period to a four-year period. A four-year contract period can result in cost savings associated with spreading fixed costs over a longer period and reducing the staff time needed to procure new contracts. A four-year contract term for FSP services is now the standard for the Metropolitan Transportation Commission's FSP Program and many FSP Programs throughout the state. The RTC's FSP tow contract for services on Highway 17 was established as a four-year contract beginning July 6, 2007 and ending July 11, 2011.

Contract Amendment

Ladd's Towing has provided FSP towing services on Highway 1 since July 1999 and is currently the towing service operator for the FSP program on Highway 1 and Highway 17. Ladd's Towing has a good FSP record on both Highway 1 and Highway 17. If approved by the RTC, Ladd's Towing has agreed to extend the FSP contract for service on Highway 1 for one year until July 3, 2009 at the existing base contracted hourly rate of \$65.25 (Attachment 2), and upward fuel adjusted rate of \$69.00 (Attachment 3). The fuel adjustment clause was activated on November 13, 2007 and the contract hourly rate was increased to \$69.00. The higher rate will remain in effect until the average fuel price is 30% below the base fuel price of \$2.51 for 60 consecutive days.

Funding

The SCCRTC SAFE FSP program is funded through a combination of Caltrans, SAFE funds and State Transportation Improvement Program (STIP) funds. There are adequate funds in the Commission's budget to extend this contract, if the RTC secures the funds proposed in the *2008 State Transportation Improvement Program (STIP)*. SAFE Reserve funds may be used to backfill funding for the FSP program temporarily if *2008 STIP* funds are not secured. However, there are insufficient funds in the SAFE Reserve fund to sustain the FSP program on an ongoing basis.

SUMMARY

As the regional SAFE, SCCRTC operates the Freeway Service Patrol (FSP) program in Santa Cruz County. The FSP contract on Highway 1 has a three-year term and will expire on June 30, 2008. This amendment would extend the contract period one year. Four year contracts also allow RTC staff to schedule FSP contract procurements every other year and achieve time savings associated with less frequent procurement processes.

Attachment 1: Resolution Authorizing the Executive Director to Amend the Contract with Ladd's Autobody and Towing to Extend the Contract Term for One Year

Attachment 2: Highway 1 Price Breakdown- Base Hourly Rate

Attachment 3: Contract Provisions for Compensation and Fuel Adjustment Clause