



Metro

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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**SAFE BOARD MEETING
JUNE 27, 2019**

SUBJECT: LA SAFE FISCAL YEAR BUDGET

ACTION: ADOPT THE FISCAL YEAR 2019-2020 BUDGET

RECOMMENDATION

ADOPT the Fiscal Year 2019-2020 (FY20) budget in the amount of \$8,122,141 for the operation and administration of the Los Angeles County Service Authority for Freeway Emergencies (LA SAFE). This budget amount includes the annual funding allocation for the agreement with the Public Transportation Services Corporation (PTSC) for direct labor and administrative support services in the amount of \$1,757,141.

ISSUE

LA SAFE was created in 1988, pursuant to California Streets and Highway Code Section 2550 et.seq., and is responsible for providing motorist aid services in Los Angeles County. To fulfill its mission, LA SAFE needs an annual budget and requires administrative support services, which is provided via a Memorandum of Understanding (MOU), with the PTSC. A summary of the proposed FY20 budget is provided as Attachment A.

DISCUSSION

During FY19, LA SAFE continued to fund, develop, implement and operate a variety of motorist aid services, programs, and activities. These services, programs, and activities include:

- Operation, maintenance, and restructuring of the Kenneth Hahn Call Box System
- Operation of Southern California 511 system
- Initiation of a Quality Control/Quality Assurance program to support program improvements
- Coordination with Metro, Caltrans and California Highway Patrol (CHP) on the operation and development of the Regional Integration of Intelligent Transportation Systems (RIITS)
- Coordination with CHP and Caltrans to integrate SoCal 511 operations into the Los Angeles Regional Traffic Management Center (LARTMC)

For FY20, LA SAFE will be working on the following projects and activities:

- Continued operation and maintenance of the existing Call Box System and implementation of

- any Board approved Call Box System restructuring.
- Continued operation of SoCal 511
- Investigation and development of new features, services, and possible service expansion/merger of SoCal 511
- Development and implementation of strategic plans for LA SAFE, SoCal 511, and RIITS
- Collaborating with Metro and Caltrans on the continued development and improvements to RIITS, which includes securing new transportation data sources and developing new mobility improving applications
- Working with Metro, Caltrans, CHP and the City of Los Angeles to initiate the operation and future phases of integrating services and functions into the LARTMC
- Collaborating with regional partners to identify and implement improvements to existing programs and develop new services that will improve mobility within the region - including Intelligent Transportation Systems (ITS), connected vehicle, and corridor management projects

The FY20 budget of \$8.1 million represents a decrease of approximately \$71,000 or 0.9% compared to the adopted FY19 budget. Specifically, the FY20 budget variances for each major budget category are as follows:

<u>Category</u>	<u>Increase/ (Decrease)</u>
Administration	\$ 0
Direct Labor	\$ (241,188)
Programs & Services	\$ 170,000

The Administration budget is proposed to remain unchanged. This category covers the general administrative costs for LA SAFE and includes the budget for general office and computer supplies, insurance, business travel, workshops and training.

The Direct Labor budget covers the costs for obtaining staff (full-time and as-needed) from the PTSC. This category includes the costs for direct labor, as-needed, allocated overhead, fringe and other labor related costs. This budget is proposed to decrease by approximately \$241,189. This decrease is due to a reduction in as-needed labor and overhead allocation budgets.

The Programs & Services category provides the funding needed to operate, maintain, improve, and develop the variety of motorist aid services supported by LA SAFE. These FY20 projects include Call Box support, SoCal 511 operations, SoCal 511 development, mobile services, and the possible implementation of other strategic programs. The budget for this category is proposed to increase by \$170,000.

The summary and breakdown of the FTE allocation, are provided as part of the Five-Year Financial Forecast (Attachment B).

DETERMINATION OF SAFETY IMPACT

The budget is used in support of the continued safe and reliable operation of the Call Box System and Southern California 511. Both systems support motorists by providing a service from which motorists can request assistance and also obtain transportation-related information, which can improve the overall safety and reliability of the transportation network.

FINANCIAL IMPACT

Funding in the amount of \$8,122,141 has been included in the FY20 proposed budget in project 300209 and allocated to cost centers 2220 (Congestion Reduction), 3351 (LA SAFE), 1210 (County Counsel) and 7140 (Marketing). The Five-Year Financial Forecast demonstrates the financial capacity of LA SAFE to use its existing fund balance and projected revenue to fully fund the proposed FY20 budget.

ALTERNATIVES CONSIDERED

The Board may elect not to adopt the proposed budget. This alternative is not recommend as it would result in the discontinuation of LA SAFE operations and its programs. Without the budget, LA SAFE will be unable to administer its programs and fulfill its statutory motorist aid mission.

The Board could choose to make a modification, either a decrease or an increase, to the proposed budget. This alternative is not recommended since the proposed budget was developed to ensure that LA SAFE is sufficiently funded for FY20. The proposed budget ensures LA SAFE's ability to properly fulfill its mission and comply with all existing legal and statutory requirements.

NEXT STEPS

Upon approval of the proposed FY20 budget, staff will begin implementation of FY20 projects and efforts. Staff will monitor the budget and projects to ensure LA SAFE meets all its requirements in a fiscally responsible manner.

ATTACHMENTS

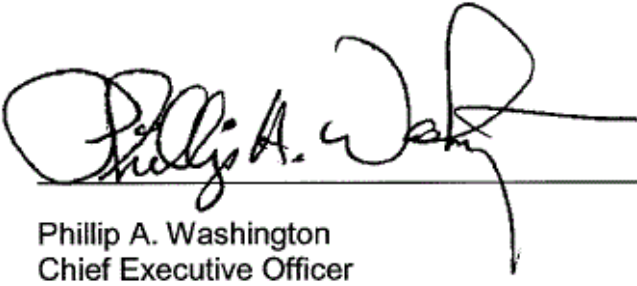
Attachment A - Proposed Fiscal Year 2019-2020 Budget Summary

Attachment B - Five Year Financial Forecast

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