



# Metro

## Board Report

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

File #: 2020-0564, File Type: Budget

Agenda Number: 3.

**SAFE BOARD MEETING  
SEPTEMBER 24, 2020**

**SUBJECT: LA SAFE FISCAL YEAR BUDGET**

**ACTION: ADOPT THE FISCAL YEAR 2020-2021 BUDGET**

### **RECOMMENDATION**

ADOPT the Fiscal Year 2020-2021 (FY21) budget in the amount of \$7,436,043 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 \$1,303,543.

### **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 FY21 budget is provided as Attachment A.

### **DISCUSSION**

During FY20, 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 and maintenance of the Kenneth Hahn Call Box System;
- Operation of Southern California 511 regional traveler information system (SoCal511);
- Completion of a quality assessment which will lead to actions designed to improve service to the public;
- Initiation of the LA SAFE Strategic Plan to assess current operation and develop a five-year strategic roadmap;
- 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 for the ongoing integration of SoCal 511 operations into the Los Angeles Regional Traffic Management Center (LARTMC)

For FY21, LA SAFE will be working on the following projects and activities:

- Continue operation and maintenance of the Kenneth Hahn Call Box System;
- Conduct a review of the Kenneth Hahn Call Box System to identify any recommendations regarding future operations and status;
- Continue operation of SoCal 511;
- Deployment of Spanish language services on the SoCal 511 Interactive Voice Response (IVR) phone service;
- Continue collaboration and discussion with the Inland Empire 511 for possible integration into SoCal 511;
- Continue investigation and development of new features, services and expansion of SoCal 511;
- Completion of the LA SAFE strategic plan and implementation of approved recommendations;
- Continue collaboration with Metro and Caltrans on the development and operation of RIITS, which includes securing new transportation data sources and developing new mobility improving applications;
- Continue collaborating with regional partners to identify and implement improvements to programs and develop new services that will enhance mobility within the region - including Intelligent Transportation Systems (ITS), Connected Vehicle, and corridor management projects

The FY21 budget of \$7.4 million represents a decrease of approximately \$686,000 or 8.4% compared to the adopted FY20 budget. Specifically, the FY21 budget variances for each major budget category are as follows:

<u>Category</u>	<u>Increase/ (Decrease)</u>
Administration	\$ ( 27,500)
Direct Labor	\$ (453,598)
Programs & Services	\$ (205,000)

The Administration budget covers the general administrative costs for LA SAFE and includes the budget for general office and computer supplies, insurance, business travel, workshops and training. This category is proposed to be decrease by \$27,500 or 16.7% as a result of cost-cutting measures in response to the COVID-19 pandemic and ensuing economic crisis. Specifically, budget allocations to travel and training have been eliminated while general supplies have been reduced by 50%.

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 proposed budget reflects a reduction of approximately \$454,000 or 25.8% in direct labor from the previous year's budget. This decrease is due to a reduction in as-needed budget, a slight reduction in the FTE allocation and a reduction in other labor and formula allocation costs as provided by PTSC.

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The Programs & Services category provides the funding needed to operate, maintain, improve, and develop the variety of motorist aid services supported by LA SAFE. The FY21 programs and services include Kenneth Hahn Call Box System support, SoCal 511 operations and development, and the completion of the LA SAFE strategic review and implementation of the approved recommendations. The budget for this category is proposed to be decreased by \$205,000 or 3.3%.

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 \$7,436,043 has been included in the FY21 proposed budget in project 300209 and allocated to cost centers 2220 (Congestion Reduction), 3351 (LA SAFE), 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 FY21 budget.

### **ALTERNATIVES CONSIDERED**

The Board may elect not to adopt the proposed budget. This alternative is not recommended 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 FY21. 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 FY21 budget, staff will begin implementation of FY21 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 2020-2021 Budget Summary

Attachment B - Five Year Financial Forecast

Prepared by: Melissa Park, Principal Transportation Planner

(213) 418-3318

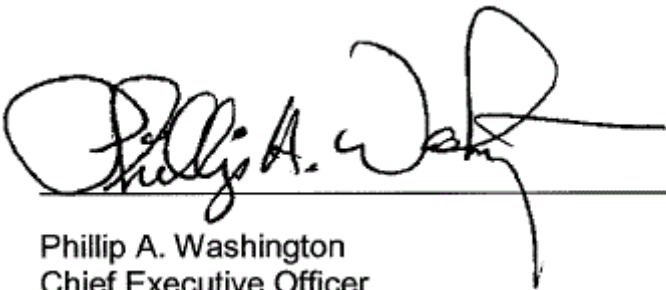
Adrian Ziemer, Sr. Mgr. Transportation Planning

(213) 922-5587

Kenneth Coleman, DEO Congestion Reduction Programs

(213) 922-2951

Reviewed by: Shahrzad Amiri, Executive Officer Congestion Reduction Programs (213) 922-3061



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Phillip A. Washington  
Chief Executive Officer