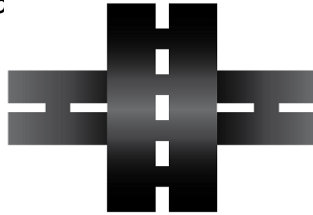


# Metro

*Los Angeles County Service Authority for Freeway Emergencies  
Motorist Aid*

*One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room*



**LA SAFE**

## Agenda - Final

**Thursday, June 23, 2016**

**9:00 AM**

**One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room**

### **LA SAFE**

*Mark Ridley-Thomas, Chair*

*John Fasana, 1st Vice Chair*

*Eric Garcetti, 2nd Vice Chair*

*Michael Antonovich*

*Mike Bonin*

*James Butts*

*Diane DuBois*

*Jacquelyn Dupont-Walker*

*Don Knabe*

*Paul Krekorian*

*Sheila Kuehl*

*Ara Najarian*

*Hilda Solis*

*Carrie Bowen, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

**METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES (ALSO APPLIES TO BOARD COMMITTEES)**

**PUBLIC INPUT**

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

**INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded on CD's and as MP3's and can be made available for a nominal charge.

**DISCLOSURE OF CONTRIBUTIONS**

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

**ADA REQUIREMENTS**

Upon request, sign language interpretation, materials in alternative formats and other accommodations are available to the public for MTA-sponsored meetings and events. All requests for reasonable accommodations must be made at least three working days (72 hours) in advance of the scheduled meeting date. Please telephone (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040.

**LIMITED ENGLISH PROFICIENCY**

A Spanish language interpreter is available at all Board Meetings. Interpreters for Committee meetings and all other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876.



**323.466.3876 x2**

*Español*

**323.466.3876 x3**

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Tiếng Việt	ភាសាខ្មែរ

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General Information/Rules of the Board - (213) 922-4600  
Internet Access to Agendas - [www.metro.net](http://www.metro.net)  
TDD line (800) 252-9040

**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

**CALL TO ORDER****ROLL CALL**

1. APPROVE **Minutes of the Regular Board Meeting** held October 22, 2015. [2015-1676](#)  
*Attachments:*     [MINUTES 20151022safe](#)
  
2. AUTHORIZE the **implementation of the next phase of the Board approved Call Box System restructuring**, which will result in the removal of an additional 534 Call Box locations. [2016-0091](#)  
*Attachments:*     [ATTACHMENT A-Call Box Assessment](#)
  
3. AUTHORIZE the Chief Executive Officer (CEO) to: [2016-0354](#)
  - A. AWARD a four-year firm fixed price, Contract No. PS5295500, to IBI Group Inc., in the amount of \$4,150,000 for the development, deployment and operation of the next generation **Southern California 511 (511) Interactive Voice Response (IVR) services**.
  - B. APPROVE Contract Modification Authority specific to Contract No. PS5295500 in the amount of \$1,000,000.  
*Attachments:*     [Attachment A Procurement Summary](#)  
                          [Attachment B DEOD Summary](#)
  
4. AUTHORIZE the Chief Executive Officer (CEO) to: [2016-0355](#)
  - A. AWARD a four-year firm fixed price contract, Contract No. PS5344000, to OZ Engineering, a small business prime, in the amount of \$3,000,000 for the development, deployment and operation of the **Next Generation 511 Dissemination Services (Web, Mobile Application, Social Media and Direct Messaging Services)**.
  - B. APPROVE Contract Modification Authority specific to Contract No. PS5344000, in the amount of \$1,000,000.  
*Attachments:*     [Attachment A - Procurement Summary](#)  
                          [Attachment B - DEOD Summary](#)

5. ADOPT the Fiscal Year 2016-2017 (FY17) budget in the amount of [2016-0436](#) \$14,073,870 for the operation and administration of the **Los Angeles County Service Authority for Freeway Emergencies (SAFE)**. This budget amount includes the annual funding allocations for:
- A. the agreement with the Public Transportation Services Corporation (PTSC) for direct labor and administrative support services in the amount of \$2,053,870; and
  - B. the agreement with the Los Angeles County Metropolitan Transportation Authority (MTA) for Freeway Service Patrol (FSP) in the amount of \$1,000,000.
- Attachments:**      [Attachment A](#)  
                                 [Attachment B](#)

## Adjournment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.



# Metro

## Board Report

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

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**File #:** 2015-1676, **File Type:** Minutes

**Agenda Number:** 1

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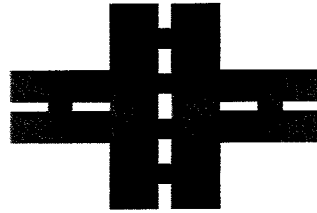
LA SAFE BOARD MEETING  
JUNE 23, 2016

APPROVE **Minutes of the Regular Board Meeting** held October 22, 2015.

Attachment A - LA SAFE Minutes - October 22, 2015

**Metro**

Los Angeles County Service Authority for Freeway Emergencies  
Motorist Aid  
One Gateway Plaza, Los Angeles, CA 90012,



**LA SAFE**

3rd Floor, Metro Board Conference Room

**MINUTES**

**Thursday, October 22, 2015**

**9:00 AM**

**One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room**

**LA SAFE**

**Mark Ridley-Thomas, Chair**

**John Fasana, 1st Vice Chair**

**Eric Garcetti, 2nd Vice Chair**

**Michael Antonovich**

**Mike Bonin**

**Jacquelyn Dupont-Walker**

**Paul Krekorian**

**Ara Najarian**

**Hilda Solis**

**Carrie Bowen, non-voting member**

**Phil Washington, Chief Executive Officer**

CALL TO ORDER at 9:14 a.m.

ROLL CALL

- 1. APPROVED Minutes of the Regular Board Meeting held June 25, 2015.2015-1147

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
A	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	A

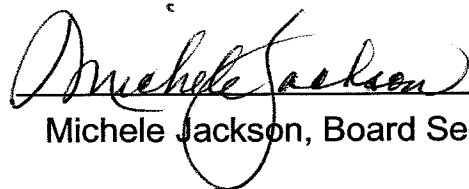
- 2. AUTHORIZED the Chief Executive Officer to award and execute a 2015-0888 three-year, firm fixed unit rate Contract No. PS330290011455 to Jennillian Corporation in the amount not-to-exceed \$623,598 for technical support services from November 1, 2015 through October 31, 2018.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
A	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	A

- 3. RECEIVED AND FILED status report on Next Generation Southern 2015-1561 California 511 Travelers Information System.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
A	A	P	P	P	P	P	P	P	A	P	P	A

ADJOURNED at 9:18 a.m.  
 Prepared by: Deanna Phillips, Board Specialist

  
 Michele Jackson, Board Secretary

\*\*\*\*\*

MA = M. Antonovich	MB = M. Bonin	DD = D. DuBois	AN = A. Najarian
PK = P. Krekorian	JF = J. Fasana	JDW = J. Dupont-Walker	
JB = J. Butts	EG = E. Garcetti	HS = H. Solis	
SK = S. Kuehl	MRT = M. Ridley-Thomas	DK = D. Knabe	

LEGEND: Y = YES, N = NO, C = HARD CONFLICT, S = SOFT CONFLICT ABS = ABSTAIN, A = ABSENT, P = PRESENT



# Metro

## Board Report

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

File #: 2016-0354, File Type: Contract

Agenda Number: 3

**REVISED**  
**SAFE BOARD MEETING**  
**JUNE 23, 2016**

**SUBJECT: SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM NEXT GENERATION 511 INTERACTIVE VOICE RESPONSE SERVICES**

**ACTION: APPROVE RECOMMENDATIONS**

### **RECOMMENDATIONS**

AUTHORIZE the Chief Executive Officer (CEO) to:

- A. AWARD a four-year firm fixed price, Contract No. PS5295500, to IBI Group Inc., in the amount of \$4,150,000 for the development, deployment and operation of the next generation **Southern California 511 (511) Interactive Voice Response (IVR) services.**
- B. APPROVE Contract Modification Authority specific to Contract No. PS5295500 in the amount of \$1,000,000.

### **ISSUE**

The current and initial 511 system was deployed in June 2010. Pursuant to Board action in June 2015, the existing contract was extended 24 months, to June 30, 2017, in order to accommodate the procurement, development and seamless transition to a new system. This recommendation ensures that SAFE will be able to deploy a new IVR service by June 30, 2017.

### **DISCUSSION**

#### **Background**

In July 2000, the Federal Communications Commission designated 511 as the national traveler information number. The purpose of 511 is to provide travelers with easy access to a variety of transportation related information. In 2005, the Federal government enacted the Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), which contained a mandate to deploy 511 systems nationwide.

In response to this requirement, LA SAFE partnered with the Los Angeles County Metropolitan Transportation Authority (Metro), Orange County Transportation Authority (OCTA), Ventura County



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Transportation Commission (VCTC), California Highway Patrol (CHP) and the California Department of Transportation (Caltrans) to develop and deploy the current Southern California 511 system. On February 28, 2008, the Board awarded a contract to IBI Group, Inc. for the development, deployment, operation and maintenance of the current 511 Motorist Aid and Traveler Information System (MATIS). 511 was deployed in June 2010 consisting of an automated IVR phone service and a website (Go511.com). The service provides users with real-time traffic information as well as transit, rideshare, and other related information. Since the deployment in June 2010, the system has supported over 18,000,000 users and has undergone a number of changes, such as the addition of real-time transit information, City of Los Angeles parking information and the deployment of a mobile app. In addition to the traveler information services, 511 also allows callers to request motorist assistance similar to using a roadside call box.

### Next Generation 511 IVR Services

Technology has progressed to a point where the current IVR system is becoming outdated, difficult to maintain and increasingly challenging to ensure an optimal level of service and quality to our users. As reported to the Board in October 2015, staff conducted an evaluation of the current 511 system and presented the strategy regarding the replacement of the system. The core of the strategy was to focus on improved customer experience, increased flexibility, greater innovation and deployment of the latest technology. The strategy also called for the separation of the 511 system into two main contracts - 1) IVR services; and 2) Web/Mobile/Social Media services. The separation of the contracts would enable each contract to obtain subject matter professionals to focus on their area of expertise and improve innovation, customer service and oversight of the system by LA SAFE. Additionally, the separation of the services was anticipated to generate greater competition, which it did as the procurement for the old/current contract generated three proposals, while the procurements for the separated next generation contracts generated a combined total of 12 proposals.

The recommended contractor, IBI Group, Inc., has experience with LA SAFE as the current 511 provider; however, in the current 511 system, IBI acts as the prime contractor focusing on data integration and web services, while the operation of the IVR is managed by its sub-contractor. As the current contractor, IBI Group has experienced both the ups and downs of developing and deploying a consolidated 511 system for the first time in this region. The current IVR, being an older system and managed by a sub-contractor, has experienced some issues with its voice/speech recognition as well as being agile and stable enough to implement timely improvements. Under the new IVR contract, IBI will be solely focused on providing and managing their own hosted IVR service, which they procured, developed and improved subsequent to being awarded the current contract. IBI's IVR service currently supports over five million annual users in New York, Massachusetts, and Alaska.

The award of this contract will ensure that LA SAFE is able to develop and deploy the next generation 511 IVR in a seamless manner by or before June 2017. The next generation IVR will utilize current and expandable technologies and be scalable to accommodate growth and other changes. The new IVR will be more agile, responsive, user-friendly and easier to maintain. In addition, the new system will be less costly to operate and maintain, saving approximately 25% compared to the currently monthly operating cost.

Some specific improvements to be realized with the next generation IVR service include:

- Personalization - ability of users to get more targeted/personalized information;
- Focus on “Transaction Completion Rate” - performance measure tracking the ability of the IVR to complete a caller’s request for information;
- Visual IVR - a new service allowing users to integrate the use of their smart phone with the IVR;
- Spanish IVR - development, testing and implementation of a Spanish language option on the IVR;
- Improve Speech Recognition - transitioning to the latest speech recognition platform;
- Improved Management and Administrative Controls - improves oversight of the operation of the system;
- Improved alert and emergency management capabilities;

LA SAFE has worked with and will continue to work with our stakeholder partner agencies in the development, deployment, management and operation of next generation 511 system. Involved stakeholders include Metro, Caltrans, CHP, OCTA, VCTC, Access Services, City of Los Angeles and Glendale BeeLine, City of Pasadena Transit and other regional agencies.

#### Contract Modification Authority

The increase of the delegated contract modification authority from \$500,000 to \$1,000,000 is requested to enable staff to respond to new and unforeseen developments during the term of this contract. The experiences of the current 511 system demonstrate that over the course of the term of the contract, any number of new issues may arise. For example, the initial 511 system did not include real-time transit or the City of Los Angeles ExpressPark information as they were not available at the time. The contract modification authority will enable LA SAFE to respond to the availability of new and relevant information as well as adapt to new technologies or services as they are identified.

#### DETERMINATION OF SAFETY IMPACT

A critical role of effectively managing freeway incidents is the prompt and accurate dissemination of information to the public. This action will enable NextGen 511 IVR Services to improve its operations and provide enhanced and more actionable information to the public thereby reducing congestion and possible safety impacts.

#### FINANCIAL IMPACT

Funding in the amount of \$3,535,000 in cost center 3351, project 300209, has been included in SAFE’s FY17 budget request. This funding is specially identified to support the development efforts and activities associated with the transition to the next generation 511 system. Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years.

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**ALTERNATIVES CONSIDERED**

The Board may elect not to approve these recommendations. This option is not recommended as SAFE will no longer be able to provide this service on which over 300,000 monthly users and many partner agencies rely.

**NEXT STEPS**

Upon approval by the Board, staff will execute Contract No. PS5295500 with IBI Group, Inc. to begin development, implementation and deployment of the Next Generation 511 IVR system.

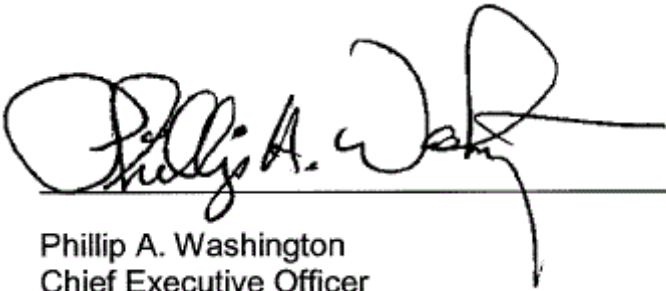
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by:       Iain Fairweather, Sr. Highway Operations Program Manager (213) 922-5650  
                          Kenneth Coleman, DEO Highway Operations  
                          (213) 922-2951  
                          Shahzad Amiri, Executive Officer Congestion Reduction,       (213) 922-3061

Reviewed by:       Ivan Page, Executive Director (Interim), Vendor/Contract Management, (213)  
                          922-6383  
                          Stephanie Wiggins, Deputy Chief Executive Officer  
                          (213) 922-1023



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM  
NEXT GENERATION 511 IVR SERVICES  
PS5295500**

1.	<b>Contract Number:</b> PS5295500	
2.	<b>Recommended Vendor:</b> IBI Group, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	A. <b>Issued:</b> October 27, 2015	
	B. <b>Advertised/Publicized:</b> October 28, 2015	
	C. <b>Pre-Proposal/Pre-Bid Conference:</b> November 16, 2015	
	D. <b>Proposals/Bids Due:</b> January 19, 2016	
	E. <b>Pre-Qualification Completed:</b> April 28, 2016	
	F. <b>Conflict of Interest Form Submitted to Ethics:</b> June 10, 2016	
	G. <b>Protest Period End Date:</b> July 5, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b> 42	<b>Proposals Received:</b> 3
6.	<b>Contract Administrator:</b> W. T. (Ted) Sparkuhl	<b>Telephone Number:</b> (213) 922-7399
7.	<b>Project Manager:</b> Iain Fairweather	<b>Telephone Number:</b> (213) 922-5650

**A. Procurement Background**

This Board Action is to approve Contract No. PS5295500 for professional services to provide industry leading and exceptional user focused interactive voice response (IVR) services for the next generation of the Southern California 511 system (NextGen 511).

The Request for Proposal (RFP) was issued in accordance with LA SAFE's Acquisition Policy and the contract type is firm fixed price. The RFP was issued with an SBE/DVBE goal of 25% (SBE 22% and DVBE 3%).

Seven amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 9, 2015, provided clarifications to the RFP document and added Excel spreadsheet files for proposer use.
- Amendment No. 2, issued on November 19, 2015, extended the proposal due date to December 21, 2015, provided proposers with answers to questions and pre-proposal conference materials.
- Amendment No. 3, issued on November 23, 2015, provided responses to questions and provided the planholders' list.
- Amendment No. 4, issued November 24, 2015, provided responses to questions relating to natural language IVR, data reporting and storage.

- Amendment No. 5, issued December 2, 2015, provided responses to questions relating to reports and the necessity for submitting them to Metro.
- Amendment No. 6, issued December 2, 2015, extended the proposal due date to January 11, 2016.
- Amendment No. 7, issued January 6, 2016, extended the proposal due date to January 29, 2016.

A pre-proposal conference was held on November 16, 2015, attended by 12 participants representing eight companies. There were 52 questions asked and responses were released prior to the proposal due date. A total of 42 firms downloaded the RFP and were included in the planholders' list. A total of three proposals were received on January 19, 2016.

## **B. Evaluation of Proposals**

The Proposal Evaluation Team (PET) consisting of staff from LA SAFE, Orange County Transportation Authority (OCTA), San Bernardino Associated Governments (SANBAG) and Riverside County Transportation Commission (RCTC) was convened and conducted a comprehensive technical evaluation of the proposals.

The proposals were evaluated based on the following evaluation criteria and weights:

- |   |            |
|---|------------|
| • Proposed Management Plan, Work Plan Approach and Schedule | 60 percent |
| • Experience, Qualification, and Past Performance           | 15 percent |
| • Price Proposal  | 25 percent |

The evaluation criteria are appropriate and consistent with criteria developed for similar professional services procurements. Several factors were considered when developing these weights, giving the greatest importance to the proposed management plan, work plan approach, and schedule.

Prior to proposals being distributed to the PET for evaluation, the Diversity & Economic Opportunity Department (DEOD) reviewed the three firms that submitted proposals to confirm that each of the firms met the 25% goal, inclusive of 22% SBE and 3% DVBE. Of the three proposals, LogicTree LLP was deemed non-responsive, as it did not meet the 25% goal.

On January 21, 2016, the two proposals deemed responsive by DEOD were distributed to the PET. During January 21, 2016 through April 1, 2016, the PET completed its independent evaluation of the proposals. The proposals were determined to be within the competitive range and are listed below in alphabetical order:

1. IBI Group, Inc.
2. Iteris, Inc.

On March 16, 2016, the PET interviewed the two firms. Each firm presented their respective qualifications and responded to questions posed by the PET. Generally, both firms elaborated on their scope of work assumptions and detailed their experience with IVR technology.

Further, the project manager and key personnel from each firm responded to the PET's inquiries regarding their approach to developing IVR technology and their ability to tailor their technology to meet LA SAFE's requirements, key personnel roles and responsibilities to complete the task, stakeholder coordination, and key performance indicators.

The final scoring, after interviews, determined IBI Group as the highest rated, most qualified proposer.

### **Qualifications Summary of Firms within the Competitive Range:**

#### **IBI Group (IBI)**

IBI was founded in 1974 to provide professional services in planning and design for urban development and transportation. Their professional staff has a broad range of backgrounds and experience in transportation engineering and traffic engineering. As a result, IBI possesses extensive knowledge of IVR technology. Their experience in this technology enabled IBI to develop their own Voice Services Software Platform; the Multichannel Communication Engine (MCE). IBI has extensive experience implementing 511 IVR programs with such agencies as New York State Department of Transportation, British Columbia Drive BC and Massachusetts 511 Traveler Information. IBI is the incumbent contractor on the existing Southern California 511 Traveler Information System and possesses an intimate knowledge of the LA SAFE system requirements.

The management plan presented an approach that focuses on consistent and sustained project management. Successful execution of all deliverables is achievable first and foremost with the commitment of an experienced program manager and supporting staff. IBI's plan provided practical solutions to assure timely completion of all deliverables. Overall, the proposal and interview presented a cohesive team with substantial experience in IVR technology, implementation and system maintenance.

### **Iteris, Inc. (Iteris)**

Iteris is a Santa Ana, California, based company dating back to 1993, and has worked globally in intelligent traffic management information, applying advanced technologies to plan, design, integrate and enable complete solutions that address significant needs in the traffic management market. Iteris has provided many similar IVR systems nationally and internationally. Iteris has developed and installed IVR systems for the Nevada Statewide 511 Advanced Traveler Information System, the San Diego Advanced Traveler Information System and the San Luis Obispo 511 System.

Iteris' proposal demonstrated good IVR experience and identified multiple IVR clients. The proposed project manager and project team showed significant experience in IVR systems. However, Iteris' response to the Spanish translation inquiry was not advantageous to LA SAFE.

The following is a summary of PET evaluation scores:

	<b>Firm</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
<b>1</b>	<b>IBI Group</b>				
<b>2</b>	Proposed Management Plan, Work Plan Approach and Schedule	72.01	60.0%	43.21	
<b>3</b>	Experience, Qualification and Past Performance	66.13	15.0%	9.92	
<b>4</b>	Price Proposal	100.00	25.0%	25.00	
<b>5</b>	<b>Total</b>		<b>100.00%</b>	<b>78.13</b>	<b>1</b>
<b>6</b>	<b>Iteris, Inc.</b>				
<b>7</b>	Proposed Management Plan, Work Plan Approach and Schedule	69.72	60.0%	41.83	
<b>8</b>	Experience, Qualification and Past Performance	65.56	15.0%	9.83	
<b>9</b>	Price Proposal	72.21	25.0%	18.05	
<b>10</b>	<b>Total</b>		<b>100.00%</b>	<b>69.71</b>	<b>2</b>

### **C. Cost Analysis**

The recommended price has been determined to be fair and reasonable based upon MAS audit findings, an independent cost estimate (ICE), cost analysis, technical evaluation, fact finding, and negotiations.

The negotiated amount includes clarifications to the RFP documents review and required deliverables. Metro staff successfully negotiated a cost savings of \$83,625 from the firm's proposed price. The negotiated amount is \$4,150,000.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
1.	IBI Group, Inc.	\$4,233,625	\$4,447,938	\$4,150,000
2.	Iteris, Inc.	\$5,863,072	\$4,447,938	N/A

#### **D. Background on Recommended Contractor**

The recommended firm, IBI, headquartered in Toronto, Canada, with a local office in Los Angeles, California, has been in business since 1974 providing professional services in planning and design for urban development and transportation. The proposed team is comprised of staff from IBI and one SBE subcontractor and one DVBE subcontractor. IBI's team has substantial experience in the development and implementation of IVR systems and technologies.

The proposed project manager has 16 years of experience in IVR and information technology, software development, development oversight, management of IVR requirements and business development. In addition, key staff has more than 40 years of experience in IVR development and system implementation.

With its extensive knowledge and experience, the IBI team demonstrates a thorough understanding of the IVR technology and implementation.



DEOD SUMMARY

LASAFE SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM  
 NEXT GENERATION 511 IVR SERVICES  
 PS5295500

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 25% goal, inclusive of 22% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. IBI Group exceeded the goal by making made a 25.4901% commitment, inclusive of a 22.00% SBE and a 3.4901% DVBE commitment.

<b>Small Business Goal</b>	<b>22% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>22.00% SBE 3.49<u>01</u>% DVBE</b>
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<b>SBE Subcontractors</b>	<b>% Committed</b>
Zcubed, Inc.	22.00%

<b>DVBE Subcontractors</b>	<b>% Committed</b>
Continental Interpreting Services, Inc.	3.49 <u>01</u> %

<b>Total SBE/DVBE</b>	<b>25.49<u>01</u>%</b>
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**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.



# Metro

## Board Report

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

File #: 2016-0355, File Type: Contract

Agenda Number: 4

### SAFE BOARD MEETING JUNE 23, 2016

**SUBJECT: SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM NEXT GENERATION 511 DISSEMINATION SERVICES (WEB, MOBILE APPLICATION, SOCIAL MEDIA AND DIRECT MESSAGING)**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATIONS**

AUTHORIZE the Chief Executive Officer (CEO) to:

- A. AWARD a four-year firm fixed price contract, Contract No. PS5344000, to OZ Engineering, a small business prime, in the amount of \$3,000,000 for the development, deployment and operation of the **Next Generation 511 Dissemination Services (Web, Mobile Application, Social Media and Direct Messaging Services)**.
- B. APPROVE Contract Modification Authority specific to Contract No. PS5344000, in the amount of \$1,000,000.

#### **ISSUE**

The current and initial 511 system was deployed in June 2010. Pursuant to Board action in June 2015, the existing contract was extended 24 months, to June 30, 2017, in order to accommodate the procurement, development and seamless transition to a new system. This recommendation ensures that LA SAFE will be able to deploy the new Dissemination (Web, Mobile Application, Social Media and Direct Messaging) service by June 30, 2017.

#### **DISCUSSION**

##### **Background**

In July 2000, the Federal Communications Commission designated 511 as the national traveler information number. The purpose of 511 is to provide travelers with easy access to a variety of transportation related information. In 2005, the Federal government enacted the Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), which contained a mandate to deploy 511 systems nationwide.

In response to this requirement, LA SAFE partnered with the Los Angeles County Metropolitan Transportation Authority (Metro), Orange County Transportation Authority (OCTA), Ventura County Transportation Commission (VCTC), California Highway Patrol (CHP) and the California Department of Transportation (Caltrans) to develop and deploy the current Southern California 511 system. On February 28, 2008, the Board awarded a contract to IBI Group, Inc. for the development, deployment, operation and maintenance of the current 511 Motorist Aid and Traveler Information System (MATIS). 511 was deployed in June 2010 consisting of an automated IVR phone service and a website (Go511.com). The service provides users with real-time traffic information as well as transit, rideshare, and other related information. Since the deployment in June 2010, the system has supported over 18,000,000 users and has undergone a number of changes, such as the addition of real-time transit information, City of Los Angeles parking information and the deployment of a mobile app. In addition to the traveler information services, 511 also allows callers to request motorist assistance similar to using a roadside call box.

### Next Generation 511 Dissemination Services

The initial development of the 511 system did not include mobile, messaging or other related services as they did not exist at the time. A mobile app was developed and deployed under a separate contract but development of other technologies has been delayed due to contract limitations. The current website and mobile application (Go511.com) recently implemented a responsive site update. However, with the impending end of the current contract, there is limited opportunity to improve or update either service. As reported to the Board in October 2015, staff conducted an evaluation of the current system and presented the strategy regarding how to proceed with replacing the system. The core of the strategy was to focus on improved customer experience, increased flexibility, greater innovation and deploying the latest technology. The strategy also called for the separation of the 511 system into two main contracts - 1) Web/Mobile/Social Media services; and 2) IVR services. The separation of the contracts would enable each subject matter expert contractor to focus on their area of expertise and improve innovation, customer service and oversight of the system by LA SAFE. Additionally, the separation of the services was anticipated to generate greater competition, which it did as the procurement for the old/current consolidated contract generated three proposals, while the procurements for the separated next generation contracts generated a combined total of 12 proposals.

The recommended contractor, OZ Engineering, has the expertise and experience to provide the comprehensive solution needed for this service. OZ Engineering, will perform the work as a small business prime and has experience supporting LA SAFE as a sub-contractor to the successful VetsGo511 website. The award of this contract will ensure that LA SAFE is able to develop and deploy the next generation 511 Dissemination services in a seamless manner by or before June 2017. The services will utilize current and expandable technologies and be scalable to accommodate growth and other changes. The Dissemination services will be more agile, responsive, user-friendly and easier to maintain. Improvements or services being provided include:

- A complete refresh of the website;
- Implementation of traveler information personalization services (i.e. My511);
- Update to the mobile application;
- Implementation of a direct messaging service;

- Integration of the VetsGo511 website;
- Improved content management and administrative capabilities;

In addition to the improved service, this contract provides savings on the overall on-going operation and maintenance cost as compared to the existing contract. The next generation Dissemination operating and maintenance cost are approximately 25% less than the current costs. While the cost may increase during the course of this contract, due to increased public participation/use, it is not anticipated to approach the cost for the current system.

LA SAFE has worked with and will continue to work with our stakeholder partner agencies in the development, deployment, management and operation of the 511 system. Involved stakeholders include Metro, Caltrans, CHP, OCTA, VCTC, Access Services, City of Los Angeles and other regional agencies.

#### Contract Modification Authority

The increase of the delegated contract modification authority from \$500,000 to \$1,000,000 is requested to enable staff to respond to new and unforeseen developments during the term of this contract. The experiences of the current 511 system demonstrate that over the course of the term of the contract any number of new issues may arise. For example, the initial 511 system did not include real-time transit or the City of Los Angeles ExpressPark information and a responsive website as they were not available at the time. The contract modification authority will enable LA SAFE to respond to the availability of new and relevant information as well as adapt to new technologies or services as they are identified

#### **DETERMINATION OF SAFETY IMPACT**

A critical role of effectively managing freeway incidents is the prompt and accurate dissemination of information to the public. This action will enable NextGen 511 Dissemination Services to improve its operations and provide enhanced and more actionable information to the public thereby reducing congestion and possible safety impacts.

#### **FINANCIAL IMPACT**

Funding in the amount of \$3,535,000 in cost center 3351, project 300209, has been included in SAFE's FY17 budget request. This funding is specially identified to support the development efforts and activities associated with the transition to the next generation 511 system. Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years.

#### **ALTERNATIVES CONSIDERED**

The Board may elect not to approve these recommendations. This option is not recommended as SAFE will no longer be able to provide this service on which over 300,000 monthly users and many partner agencies rely.

**NEXT STEPS**

Upon approval by the Board, staff will execute Contract No. PS5344000 with OZ Engineering to begin development, implementation and deployment of the Next Generation 511 Dissemination system.

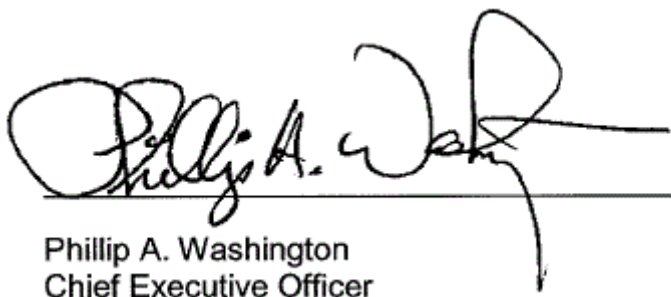
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by:       Iain Fairweather, Sr. Highways Operations Program Manager (213) 922-5650  
                          Kenneth Coleman, DEO Highway Operations  
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Reviewed by:       Ivan Page, Executive Director (Interim), Vendor/Contract Management, (213)922  
                          -6383  
                          Stephanie Wiggins, Deputy Chief Executive Officer  
                          (213) 922-1023



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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM  
NEXT GENERATION 511 DISSEMINATION SERVICES/PS5344000

1.	<b>Contract Number:</b> PS5344000	
2.	<b>Recommended Vendor:</b> OZ Engineering, LLC	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> October 30, 2015	
	<b>B. Advertised/Publicized:</b> October 30, 2015	
	<b>C. Pre-Proposal/Pre-Bid Conference:</b> November 16, 2015	
	<b>D. Proposals/Bids Due:</b> January 19, 2016	
	<b>E. Pre-Qualification Completed:</b> April 7, 2016	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> May 27, 2016	
	<b>G. Protest Period End Date:</b> July 5, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b>  72	<b>Bids/Proposals Received:</b>  9
6.	<b>Contract Administrator:</b> Ana Rodriguez	<b>Telephone Number:</b> (213) 922-1076
7.	<b>Project Manager:</b> Iain Fairweather	<b>Telephone Number:</b> (213) 922-5650

**A. Procurement Background**

This Board Action is to approve Contract No. PS5344000 for professional services to provide customer and user focused websites, mobile applications, social media and direct messaging methods to disseminate traveler information for the next generation of the Southern California 511 system on behalf of the Los Angeles County Service Authority for Freeway Emergencies (LA SAFE).

The Request for Proposals (RFP) was issued in accordance with LA SAFE's Acquisition Policy and the contract type is a firm fixed price contract. The RFP was issued under the Small Business Enterprise Set-Aside program and was open to Metro-certified small business enterprises only.

Five amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 12, 2015, provided the correct title for the procurement, a change to the Letter of Invitation to define "traveler information dissemination services," a link containing supplemental solicitation documents (Exhibit 1B, Requirements Traceability Matrix and Exhibit 1C, 511 Definitions), and a change to the submittal requirements;
- Amendment No. 2, issued on November 23, 2015, extended the proposal due date to December 21, 2015;
- Amendment No. 3, issued on December 3, 2015, extended the proposal due date to January 11, 2016;

- Amendment No. 4, issued on December 8, 2015, provided responses to questions submitted by proposers;
- Amendment No. 5, issued on January 6, 2016, extended the proposal due date to January 19, 2016.

A pre-proposal conference was held on November 16, 2015 and was attended by 20 participants representing 18 firms. There were 51 questions asked, and responses were released prior to the proposal due date. A total of 72 firms downloaded the RFP and were included on the planholders' list. A total of nine proposals were received on January 19, 2016.

## **B. Evaluation of Proposals**

The Proposal Evaluation Team (PET) consisting of staff from LA SAFE's Highway Operations, Riverside County Transportation Commission (RCTA), Orange County Transportation Authority (OCTA), and San Bernardino Associated Governments (SANBAG) was convened and conducted a comprehensive evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- Proposed Management Plan, Work Plan Approach and Schedule 60 percent
- Experience, Qualification, and Past Performance 15 percent
- Cost Proposal 25 percent

The evaluation criteria are appropriate and consistent with criteria developed for similar professional services procurements. Several factors were considered when developing the weights, giving the greatest importance to the Proposed Management Plan, Work Plan Approach, and Schedule.

Of the nine proposals received, one proposal, Kadambala Consulting, Inc., was deemed non-responsive to the RFP submittal requirements and eliminated from evaluation.

On January 21, 2016, the eight proposals deemed responsive were distributed to the PET. During January 21, 2016 through April 1, 2016, the PET completed its independent evaluation of the proposals.

The PET interviewed the eight responsive firms between March 10 and 30, 2016. Each firm presented their respective qualifications, elaborated on their understanding of the statement of work, and responded to the questions posed by the PET.

The proposals that were determined to be within the competitive range are listed below in alphabetical order:

1. Axiom xCell, Inc.
2. ThirdWave Corporation
3. OZ Engineering, LLC

The final scoring, after interviews, determined OZ Engineering LLC to be the highest qualified firm and best value to Metro. After receipt of the technical analysis and audit findings, negotiations were completed in June 2016.

### **Qualifications Summary of Firms Within the Competitive Range:**

#### **OZ Engineering, LLC (OZ)**

OZ provides systems integration, geographic information systems (GIS), custom software development, and security systems software services to agencies across the country. OZ and its team of subcontractors demonstrated that they are knowledgeable, experienced and the best qualified firm to perform the proposed scope of work.

The proposed project management team has extensive experience spanning more than 20 years in handling information systems within the transportation industry. Past projects include the design, development, deployment, and maintenance of traveler and traffic information and management systems for agencies such as the Arizona Department of Transportation, North Central Texas Council of Governments, the Nebraska Department of Roads, the Bay Area Metropolitan Transportation Commission (MTC), the Nevada Department of Transportation, Los Angeles County Metro, the County of Miami-Dade in Florida, the City of Austin in Texas, and the South African National Roads Agency. In addition, their team has participated in 511 projects for the states of Tennessee, Virginia, and North Carolina over the past decade.

OZ's management plan and work plan approach demonstrated a clear and thorough understanding of the project. They provided a detailed response in its technical content and discussion of the implementation of hosting, website services, social media services, direct messaging, website design, and system development. An area of particular strength was their comprehensive discussion of the integration of the fully functional VetsGo511 system, currently operating in Los Angeles County since 2014, with the existing 511 traveler information system. Whereas other proposers only briefly touched upon this key analysis, OZ was specific and detailed in their planned approach. As an essential part of the team that successfully developed and implemented the VetsGo511 platform, OZ brings an inherent familiarity with the existing systems that affords them credibility, and validates that they possess the knowledge, perspective, and necessary tools to formulate an innovative approach that benefits LA SAFE, and most importantly the current and future users of the 511 traveler information system.



### **ThirdWave Corporation (ThirdWave)**

ThirdWave Corporation has over 25 years of experience in system integration and project management of large scale information technology (IT) implementations including design, development and IT support.

ThirdWave's similar past projects include developing and implementing e-government portals and services for entities such as the Bay Area MTC, the City of Palm Springs, City of San Diego, and the County of Los Angeles.

ThirdWave's proposal evidenced their past experience in providing traveler information systems to governmental agencies and demonstrated a good grasp of the objectives of the project. However, the proposal provided insufficient details on the technical requirements for the scope of work. ThirdWave's response to the RFP did not sufficiently expand on how they would meet the requirements to an acceptable degree. As a result of the lack of technical details, ThirdWave was scored lower than OZ.

### **Axiom xCell, Inc. (Axiom)**

Axiom xCell, Inc. was founded in 2004 and provides information technology design, development, hosting, operating and maintenance services. Axiom has actively taken part in contributing to travel information systems and LA SAFE since 2011 on projects such as on the Go 511 and the Go Metro mobile applications.

However, Axiom's overall proposal was deficient in the explanation of its proposed methodology and implementation strategies for the various platforms that will be a part of this next generation 511 traveler information system such as website, social media, and direct messaging services. Of particular concern was Axiom's decision to develop directly in the production environment instead of a test environment. As a result, Axiom scored lower than OZ due to their high technical risk.

Following is a summary of the PET evaluation scores:

<b>1</b>	<b>Firm</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
<b>2</b>	<b>OZ Engineering, LLC</b>				
<b>3</b>	Proposed Management Plan, Work Plan Approach, and Schedule	82.00	60.00%	49.20	
<b>4</b>	Experience, Qualifications, and Past Performance	76.20	15.00%	11.43	
<b>5</b>	Price	73.64	25.00%	18.41	
<b>6</b>	<b>Total</b>		<b>100.00%</b>	<b>79.04</b>	<b>1</b>

<b>7</b>	<b>ThirdWave Corporation</b>				
<b>8</b>	Proposed Management Plan, Work Plan Approach, and Schedule	61.20	60.00%	36.72	
<b>9</b>	Experience, Qualifications, and Past Performance	56.00	15.00%	8.40	
<b>10</b>	Price	89.12	25.00%	22.28	
<b>11</b>	<b>Total</b>		<b>100.00%</b>	<b>67.40</b>	<b>2</b>
<b>12</b>	<b>Axiom xCell, Inc.</b>				
<b>13</b>	Proposed Management Plan, Work Plan Approach, and Schedule	53.38	60.00%	32.03	
<b>14</b>	Experience, Qualifications, and Past Performance	54.92	15.00%	8.24	
<b>15</b>	Price	100.00	25.00%	25.00	
<b>16</b>	<b>Total</b>		<b>100.00%</b>	<b>65.27</b>	<b>3</b>

### **C. Cost Analysis**

The recommended price of \$3,000,000 has been determined to be fair and reasonable based on Metro’s MAS audit, an independent cost estimate (ICE), cost analysis, technical analysis, fact finding, and final negotiations.

LA SAFE’s ICE was conservative in the level of effort and the hourly rates. The specific areas in the ICE that were found to be underestimated were in project management and software programming hours. LA SAFE reviewed OZ’s hours and determined that the level of effort proposed was adequate for the completion of the scope of work. The negotiated amount represents a cost savings of \$426,186 from the firm’s originally proposed price.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>LA SAFE ICE</b>	<b>Negotiated Amount</b>
1.	OZ Engineering, Inc.	\$3,426,186	\$2,666,377	\$3,000,000
2.	ThirdWave Corporation	\$2,831,161	\$2,666,377	N/A
3.	Axiom xCell	\$2,523,183	\$2,666,377	N/A

### **D. Background on Recommended Contractor**

The recommended firm, OZ Engineering, LLC, located in Phoenix, Arizona, has been in business since 2000 and provides public sector agencies with the development, implementation, management and support of information technology systems in the transportation industry for over 15 years. OZ Engineering and its team have a deep understanding of the evolution of 511 information systems due to their work with public agencies such as the Bay Area MTC, County of Los Angeles, the Department of Transportation for the states of Arizona, Nevada, Texas and

Tennessee, and have experience working on systems technology projects abroad in countries such as South Africa and Mexico.

The proposed team is composed of OZ Engineering and three subcontractors (one SBE, and two non-SBE firms). The team has significant experience working with 511 traveler information systems throughout the country, abroad, and here in Los Angeles. The project manager, in unison with each member of the project team, brings 20 years of experience to inform, guide and ultimately deliver a project that will effectively and creatively disseminate information to the public via LA SAFE's Next Generation 511 traveler information system.

## DEOD SUMMARY

**SOUTHERN CALIFORNIA 511 TRAVELER INFORMATION SYSTEM NEXT  
GENERATION 511 DISSEMINATION SERVICES/PS5344000**

**A. Small Business Participation**

Effective June 2, 2014, per Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

OZ Engineering, LLC, an SBE prime, is performing 48.45% of the work with its own workforce and made a total SBE commitment of 50.66%. The prime listed one SBE and two non-SBE subcontractors, including Kimley-Horn, a major firm.

	<b>SBE Firm Name</b>	<b>SBE % Committed</b>
1.	OZ Engineering (Prime)	48.45%
2.	Media Beef	2.21%
	<b>Total Commitment</b>	50.66%

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.



Board Report

File #: 2016-0436, File Type: Budget

Agenda Number: 5

**SAFE BOARD MEETING  
JUNE 23, 2016**

**SUBJECT: FISCAL YEAR BUDGET**

**ACTION: ADOPT THE FISCAL YEAR 2016 - 2017 BUDGET**

**RECOMMENDATION**

ADOPT the Fiscal Year 2016-2017 (FY17) budget in the amount of \$14,073,870 for the operation and administration of the **Los Angeles County Service Authority for Freeway Emergencies (SAFE)**. This budget amount includes the annual funding allocations for:

- A. the agreement with the Public Transportation Services Corporation (PTSC) for direct labor and administrative support services in the amount of \$2,053,870; and
- B. the agreement with the Los Angeles County Metropolitan Transportation Authority (MTA) for Freeway Service Patrol (FSP) in the amount of \$1,000,000.

**ISSUE**

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. In order to fulfill its mission, 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 FY17 budget is provided as Attachment A.

**DISCUSSION**

During FY16, SAFE continued to fund, develop, implement and operate a variety of motorist aid services, programs and activities. These programs, services and activities included:

- Operation of the Kenneth Hahn Call Box System
- Operation and continued development of Southern California 511. Improvements include the implementation of an updated website and integration of 3<sup>rd</sup> party traffic data to ensure a consistent and comprehensive coverage of freeway traffic information.
- Funding for the Metro FSP program
- Partnering with MTA to complete the development and implementation of the initial One Call-One Click Veterans Transportation and Community Living Initiative (VTCLI) web service. This

service is being transitioned to SAFE for integration into the next generation Southern California 511 system in FY17.

- Continued coordination with MTA, Caltrans and CHP on the operation and development of the Regional Integration of Intelligent Transportation Systems (RIITS).
- Initiation and completion of a Concept of Operations for the improved integration of SAFE and Metro motorist aid and congestion reduction programs into the Los Angeles Regional Traffic Management Center (TMC).

For FY17, the primary focus for SAFE will be the development and seamless deployment of the next generation Southern California 511 systems. The current 511 contract is scheduled to end on June 30, 2017. In addition to implementing the next generation 511 system, SAFE will be working on the following projects and activities:

- Operation of the current Southern California 511;
- Developing and implementing the next generation Southern California 511 system and seamlessly transitioning to the new systems by June 30, 2017;
- Working with MTA and Caltrans with the developments of the new regional data environment, includes updating RIITS, integrating the Archived Data Management System (ADMS), and developing other data sources. This system is integral to the success of the next generation Southern California 511 system as it will serve as the primary transportation data source for 511;
- Pending approval, proceeding with the next phase of the restructuring plan for the Kenneth Hahn Call Box System;
- Upgrading of call box hardware due to wireless system requirements and continued operation of the call box system;
- Continue funding for the Metro Freeway Service Patrol program;
- Working with MTA, Caltrans, CHP and the City of Los Angeles to move forward with the implementation of a more integrated TMC, pursuant to the Concept of Operations that was developed in FY16.
- Continue to coordinate and work with our 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 FY17 budget of \$14.1 million represents an increase of approximately \$1.8 million or 15% compared to the adopted FY16 budget. Specifically, the FY17 budget variances for each major budget category are as follows:

<u>Category</u>	<u>Increase/ (Decrease)</u>
Administration	(\$ 2,500)
Direct Labor	(\$ 122,229)
Programs & Services	\$1,889,500

The Administration budget is proposed to decrease by \$2,500. This category covers the general administrative costs for SAFE and includes the budget for general and computer supplies, insurance

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and business travel. The decrease is due to a \$5,000 reduction in the budget for general supplies; however, this decrease is slightly offset by a \$2,500 increase to the travel budget. The remaining Administration budget, which is primarily allocated insurance, did not change.

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 decrease is due to a reduction in the full-time equivalent (FTE) allocation from 10.0 to 7.9. The commensurate decreases to the overhead, fringe and non-work costs can be attributed to the lower FTE allocation. The reduction of the FTE allocation will have no direct impact on the ability of SAFE to fulfill its requirements or work as the FTE reductions were directly supporting either the Metro Freeway Service Patrol or the Metro ExpressLanes programs and were transferred to the appropriate cost centers within MTA. There has been no reduction to the allocation of staff directly working on SAFE projects, programs or service. The reduction also does not represent the elimination of any position or employee. The reduction is due to a reallocation of the Freeway Service Patrol and ExpressLanes positions from SAFE to MTA. In addition to the FTEs, funding to obtain As-Needed and Entry Level Trainee positions is also included in the FY17 budget request.

The Programs & Services category provides the funding needed to operate, maintain, improve and develop the variety of motorist aid services supported by SAFE. This category is proposed to increase by approximately \$1.9 million. The increase to this category is needed to: 1) develop and transition to the new Southern California 511 contracts/systems; and 2) upgrade approximately 600 call boxes from 2G to 3G due to the wireless provider upgrading their systems to support only 3G or later technology. A summary as well as a breakdown of the FTE allocation is provided as part of the Five-Year Financial Forecast (Attachment B).

## **DETERMINATION OF SAFETY IMPACT**

The budget is needed to ensure the continued safe and reliable operation of the call box system and Southern California 511. Both systems support motorist by providing a service from which motorist can request assistance and also obtain transportation related information. Without the budget, the services operated and supported by SAFE will be negatively impacted and this can cause a negative safety impact to disabled motorists.

## **FINANCIAL IMPACT**

Funding in the amount of \$14,073,870 million has been included in the FY17 proposed budget in project 300209 and allocated to cost center 3351 (SAFE), and 7140 (Marketing). The Five-Year Financial Forecast demonstrates the financial capacity of SAFE to use its existing fund balance and projected revenue to fully fund the proposed FY17 budget.

### **Impact to Budget**

The FY17 SAFE budget is funded from dedicated SAFE resources and has no impact on the budget

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of the MTA. The FY17 budget request is consistent with the information contained in MTA's FY17 budget.

### **ALTERNATIVES CONSIDERED**

The Board has two alternatives. It can (a) decide to not adopt the proposed budget or (b) make a modification, either a decrease or an increase, to the proposed budget. Neither of these options is recommended.

To ensure the continued operation of SAFE and its programs an annual budget is required. Without the budget, SAFE will be unable to administer its programs and fulfill its statutory motorist aid mission. Modification of the proposed budget is also not recommended. The proposed budget was developed to ensure that SAFE is sufficiently funded for FY17 and has a certain amount of flexibility to adapt to situations and opportunities as they arise. The proposed budget ensures SAFE's ability to properly fulfill its mission and comply with all existing legal and statutory requirements.

### **NEXT STEPS**

Upon approval of the proposed FY17 budget, staff will begin implementing the projects and work for FY17. Staff will monitor the budget and projects to ensure SAFE meets all its requirements in a fiscally responsible manner.

### **ATTACHMENTS**

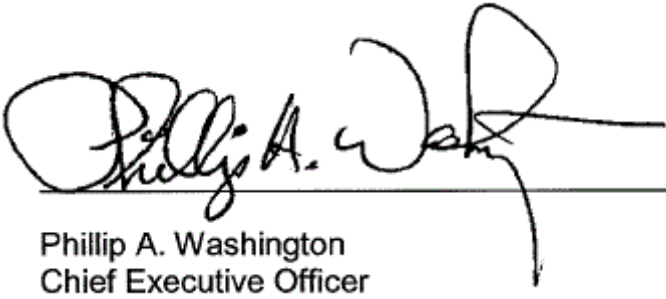
Attachment A - Proposed Fiscal Year 2016 - 2017 Budget Summary

Attachment B - Five Year Financial Forecast

Prepared by: Kenneth Coleman, DEO Congestion Reduction Programs (213) 922-2951  
Shahzad Amiri, Executive Officer Congestion Reduction, (213) 922-3061

Reviewed by: Stephanie Wiggins, Deputy Chief Executive Officer  
(213) 922-1023





Phillip A. Washington  
Chief Executive Officer

**ATTACHMENT A**

**Proposed Fiscal Year 2016-2017 Budget Summary  
Total Expenditure Categories**

<b>CATEGORY</b>	<b>FY17</b>	
	<b>PROPOSED BUDGET</b>	<b>PERCENTAGE</b>
<b>Administration</b>	145,000	1%
<b>Direct Labor</b>	2,053,870	15%
<b>Programs &amp; Services</b>	11,875,000	84%
Call Box Operations	945,000	8%
Call Box Upgrades	1,200,000	10%
Traveler Information System Operations	4,670,000	39%
Traveler Information System Next Gen	3,535,000	30%
Metro Freeway Service Patrol	1,000,000	8%
Motorist Services Improvements	525,000	4%
<b>Total</b>	<b>14,073,870</b>	

**Proposed Fiscal Year 2016-2017 Budget Summary  
Comparison FY16 Budget vs. FY17 Budget**

<b>CATEGORY</b>	<b>FY16</b>	<b>FY17</b>	<b>VARIANCE</b>
	<b>BUDGET</b>	<b>PROPOSED BUDGET</b>	
<b>Administration</b>	147,500	145,000	(2,500)
<b>Direct Labor</b>	2,176,099	2,053,870	(122,229)
<b>Programs &amp; Services</b>	9,985,500	11,875,000	1,889,500
Call Box Operations	1,235,000	945,000	(290,000)
Call Box Upgrades	0	1,200,000	1,200,000
Traveler Information System Operations	6,250,500	4,670,000	(1,580,500)
Traveler Information System Next Gen	0	3,535,000	3,535,000
Metro Freeway Service Patrol	2,000,000	1,000,000	(1,000,000)
Motorist Services Improvements	500,000	525,000	25,000
<b>Total</b>	<b>12,309,099</b>	<b>14,073,870</b>	<b>1,764,771</b>

**ATTACHMENT B**

**LOS ANGELES COUNTY SERVICE AUTHORITY FOR FREEWAY EMERGENCIES  
FINANCIAL FORECAST (\$000)  
FISCAL YEAR 2016-2017**

	<b>PROJECTED YEAR-END 2015/2016</b>	<b>PROPOSED BUDGET 2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>SAFE FUNDS</b>							
Projected Registration Surcharge	\$7,750	\$7,750	\$7,750	\$7,750	\$7,750	\$7,750	\$7,750
Projected SAFE Fund Balance	\$24,599	\$21,514	\$15,370	\$14,687	\$13,754	\$12,557	\$11,081
Projected Interest	\$235	\$180	\$162	\$154	\$142	\$128	\$111
<b>FUNDS AVAILABLE</b>	<b>\$32,584</b>	<b>\$29,444</b>	<b>\$23,282</b>	<b>\$22,591</b>	<b>\$21,646</b>	<b>\$20,435</b>	<b>\$18,942</b>
<b>EXPENSES/OBLIGATIONS</b>							
Administration	\$125	\$145	\$150	\$150	\$150	\$150	\$150
Direct Labor	\$1,970	\$2,054	\$2,095	\$2,137	\$2,180	\$2,223	\$2,268
Programs & Services	\$8,975	\$11,875	\$6,350	\$6,550	\$6,760	\$6,981	\$7,212
Call Box Program	\$1,700	\$2,145	\$850	\$850	\$850	\$850	\$850
Traveler Information	\$5,200	\$8,205	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
Metro Freeway Service Patrol	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Motorist Services Improvements	\$75	\$525	\$500	\$500	\$500	\$500	\$500
<b>TOTAL EXPENSE/OBLIGATIONS</b>	<b>\$11,070</b>	<b>\$14,074</b>	<b>\$8,595</b>	<b>\$8,837</b>	<b>\$9,090</b>	<b>\$9,354</b>	<b>\$9,630</b>
<b>PROJECTED YEAR END BALANCE</b>	<b>\$21,514</b>	<b>\$15,370</b>	<b>\$14,687</b>	<b>\$13,754</b>	<b>\$12,557</b>	<b>\$11,081</b>	<b>\$9,313</b>

Los Angeles County  
Service Authority for Freeway Emergencies  
Five-Year Financial Forecast  
Fiscal Year 2016 – 2017

Notes and Assumptions

The FY17 Five-Year Financial Forecast has been developed to provide a snapshot of SAFE's current financial situation and project the impact of the proposed FY17 budget to the overall financial condition of SAFE. The forecast is based upon the assumptions and notes listed herein.

The use of SAFE funds is strictly limited per California Streets and Highways Code Section 2550 et.seq., which requires SAFE to first use its dedicated funds to support the call box system and then enables the use of funds to support other motorist aid services.

The forecast demonstrates that SAFE currently has sufficient financial capacity to fully fund the call box system as well as other motorist aid services as proposed in the FY17 budget. SAFE has the current financial capability to absorb the impact of the FY17 budget for the next five years. However, the forecast also shows a decrease in available SAFE funds for each successive fiscal year. Staff will closely monitor the financial status of SAFE and identify and implement solutions to alleviate any potential negative financial situation in a timely manner.

This forecast includes the projected costs of operating the call box system and Southern California 511, funding for the Metro Freeway Service Patrol, implementing upgrades to the call box system, implementing the next generation Southern California 511 system and funding improvements to motorist services programs. All financial figures will be refined as better information is obtained and more accurate projections can be made.

### SAFE FUNDS

This section provides a summary of the projected funds available to SAFE.

- **Projected Registration Surcharge**

This refers to the projected annual revenue generated by the \$1.00 vehicle registration surcharge. The forecast is based upon historical figures. The forecast is a conservative forecast based upon long-term historical actuals. Overall, the registration surcharge is projected to remain relatively constant for the next five years.

- Projected SAFE Fund Balance

The SAFE fund balance shows the available funds from the end of the previous fiscal year.

- Projected Interest

This references the projected interest income for SAFE, based upon a conservative 1.0% rate of return on the investment base. The investment base is defined as the total funds available less 80% of the projected fiscal year expenditures. The total funds available are defined as the "Projected Registration Surcharge" + "Projected SAFE Fund Balance".

## EXPENSES/OBLIGATIONS

- Administration

These are funds programmed for general administrative support services and equipment costs. Items such as travel, training, office supplies, computer equipment, insurance, legal, and other general services required for the administration of SAFE are included in this category. The cost for administration is projected to remain relatively constant at an allocation of \$150,000 for the purposes of this forecast. The forecast presumes the current general operating parameters for SAFE will remain constant with the potential variable being equipment replacement and insurance costs. As this is an annual forecast the impact of the variable cost items will be updated each year as new information is received.

The FY17 budget for administrative services is proposed to decrease by \$2,500 compared to the adopted FY16 budget. This decrease is due to a \$5,000 reduction in the budget for general supplies. This reduction is offset by \$2,500 increase in the business travel budget (totaling \$10,000) to support travel to annual Intelligent Transportation Systems (ITS) conferences, traveler information (511) workshops and travel to accommodate meetings with the next generation Southern California 511 system contractors.

- Direct Labor

These funds are programmed to cover the projected costs associated with SAFE's staffing resource needs. This includes overhead, salary, fringe benefits and as-needed labor costs. During FY17, SAFE will continue to fund the program management staffing needs for both SAFE and RIITS. Funding of RIITS staff is an allowable use of SAFE funds as RIITS will be used as the primary data engine supporting Southern California 511. The FY17 budget for this category is \$122,229 less than FY16 primarily due to the overall reduction in the total full-time equivalent (FTE) allocation for FY17. All of the staff provided under this category will be obtained from the Public Transportation Services Corporation (PTSC) via the existing MOU.

The FY17 FTE allocation is comprised of the following positions:

<b>Position</b>	<b>FY17 Request</b>	<b>FY16 Authorized</b>	<b>Comment</b>
EO – Congestion Reduction	0.4	0	Position provides overall Executive leadership. This position also oversees the Metro Freeway Service Patrol and Metro ExpressLanes programs.
DEO – Hwy Ops	1	1	Existing position providing daily leadership over the unit.
Sr. Hwy Ops PM	2	1	Program manager positions over Southern California 511 and RIITS.
Motorist Services PM	0	1	Position no longer required, replaced by the Sr. Hwy Ops PM
Trans. Planning Mgr. V	0	2	Positions have been reallocated to MTA in support of FSP and ExpressLanes
Hwy Ops PM	1	1	Position provides senior level project management support over the daily operation of 511.
Trans. Planning Mgr. III	2	2	Project manager positions supporting RIITS and next generation 511 development; and oversight of the call box system.
Sr. Hwy Ops Program Administrator	1	1	Position supports the TMC integration implementation and coordination with partner agencies. Position also coordinates the transition of the Veterans initiative web services management and integration.
Sr. Admin Analyst	0.4	0	Position provides general administrative support for SAFE.
Administrative Aide	0	1	Position has been reallocated to MTA to support FSP operations.
Production Mgr.	0.02	0	Position supports the review and development of public facing media in support of 511.
Sr. Marketing & Communications Officer	0.1	0	Position coordinates all related marketing and communications needs for 511.
<b>Total</b>	<b>7.92</b>	<b>10</b>	

For FY17, SAFE is requesting a total of 7.92 FTEs. This is a decrease of 2.08 from FY16. The decrease will not negatively impact SAFE's ability to meet the FY17 work plan and will not result in any current employee losing their job. A total of 3 FTEs are being transferred to MTA for continued funding and all employees in these positions will retain their jobs. Of the 7.92 FTEs requested, 7 FTEs are carry-over of existing positions (with one being a title change from Motorist Services PM to Sr. Hwy Ops PM). The remaining 0.92 FTE allocation is new and more accurately represents the staff allocation needed to support SAFE and its programs.

Costs for outlying years are projected to slightly increase over the forecast period. The forecast predicts a 2% annual increase in Direct Labor costs for the duration of the forecast period.

- **Programs & Services**

Funds programmed in direct support of the programs, projects and services operated by or to be funded by SAFE. The programs and services SAFE proposes to support during FY17 include the Kenneth Hahn Call Box System, Southern California 511 traveler information system, Metro FSP operations and Motorist Services Improvements.

The FY17 budget for this category has increased by \$1,889,500 compared to the adopted FY16 budget. This increase is attributable to call box upgrades and the development of the next generation Southern California 511 system. The budget associated with the on-going operations of both the call box and 511 systems are each budgeted to decrease. The operational budget reductions are in recognition of the anticipated restructuring of the call box system and a reduction to system improvements and marketing for the existing 511 system. Additionally, SAFE's allocation to support the Metro Freeway Service Patrol has decreased.

Funding for Programs & Services is projected to decrease in FY18 due to the completion of the call box upgrades and restructuring as well as the completion of the development of the next generation Southern California 511 system. Cost for FY19 and beyond are projected to increase as a result of increased cost and usage of 511. The following is a breakdown of each program and service to be funded and/or operated by SAFE during FY17:

#### Call Box Program

Funds programmed to cover the costs to operate, maintain and upgrade the Kenneth Hahn Call Box System. The FY17 funding for the Call Box Program is comprised of \$945,000 to operate the system and \$1,200,000 to perform the required upgrades to the system due to wireless carrier changes. The overall budget for this category is increasing by \$910,000; however as stated earlier this is due to the required upgrade costs.

During FY16, SAFE completed the initial phase of the call box system restructuring, which resulted in the removal of 412 call boxes. Due to a variety of circumstances, including:

- No known negative impact to the Phase 1 restructuring;
- Continued reduction in the volume of call box calls;
- Increased and improved wireless coverage;
- Growing impact of Southern California 511 motorist aid service;
- Continued movement by other SAFEs regarding the removal of their call box system (MTC Bay Area SAFE recently approved the removal of a majority of their call box system); and
- Impact of required call box upgrades;

SAFE is presenting a recommendation to proceed with Phase 2 of the restructuring plan, which will result in the removal of 534 call boxes from the system. The recommended restructuring is consistent with the overall plan that was approved by the Board in June 25, 2015 and has been approved by our partners CHP and Caltrans.

Operational cost to fund the call box system include all day-to-day requirements to operate and maintain the call box system and is based on contractual and supplier costs to supply the services and parts to operate and maintain the system. Items include call answering services, cellular service and maintenance operations. Funding for the call box system is projected to decrease significantly in FY19 due to the completion of the upgrades and the system restructuring. On-going operational costs for FY19 and beyond is projected to remain stable, pending the impact of any further system restructuring. Should additional system restructuring occur during this period the operational cost of the system will be adjusted accordingly.

#### *Traveler Information System – Southern California 511*

Funds programmed to support the operation of the current Southern California 511 and the development of the next generation 511 system. Southern California 511 is a regional traveler information system operated in partnership with MTA, the Orange County Transportation Commission, the Ventura County Transportation Commission, CHP and Caltrans. The system provides individuals with the ability to obtain traffic, transit, commuter services and other general traveler information via their phone or the Internet. The system was deployed in June 2010 and since the launch, Southern California 511 has been used by over 11 million users. This current system represents the first generation and new contracts are scheduled to be awarded for the development of the next generation 511 system. The next generation systems are targeted to be developed and deployed by July 1, 2017.

The FY17 allocation for Southern California 511 is proposed to increase \$1,954,500 compared to the FY16 allocation. This increase is all a result of the development and implementation of the next generation Southern California 511 system. Operation and maintenance costs for the current 511 system is proposed to decrease by \$1,580,500 and this decrease is tied to prior system improvements, marketing and other related costs. This decrease will not negatively impact the ability of the current system to meet current contractual and service related requirements.



Allocations for FY19 project the cost to operate, maintain and make improvements to the newly deployed next generation Southern California 511 system. The on-going projections present a 5% annual increase to account for annual cost escalation and increased usage. As the actual development and operating costs are not currently known, these figures are only an estimate and more accurate costs based on actual contracted rates will be used for future forecasts. Staff will actively monitor 511 operations to ensure that the highest quality service is provided to the public and to ensure that the system adapts to meet the needs of the region, funding to support system improvements is included in the forecasted figures.

#### *Metro Freeway Service Patrol Operations*

Funds programmed to assist MTA with the operation of the Metro Freeway Service Patrol (FSP). Funding of the FSP program from SAFE funds is authorized as FSP is a motorist aid service. Based on discussions with MTA, staff is recommending a decrease in the allocation compared to FY16. The funding allocation is considered on an annual basis and is determined by a combination of MTA's request and available funding. For FY17, SAFE is allocating a total of \$1 million which is more in line with past allocations. During FY15 and FY16, MTA requested and SAFE granted an increase to the annual allocation; however, due to the unknown impact of the next generation 511 system development and on-going operational costs, it was determined that a more conservative approach be taken regarding this allocation. The forecast includes an on-going allocation of \$1 million but may be modified in the future as MTA and SAFE meet annually to review the needs of FSP and the ability of SAFE to provide funds.

#### *Motorist Services Improvements*

Funds programmed to enable SAFE to support improvements to existing motorist services programs and/or develop new services. In the past these funds have been used to develop the Southern California 511 mobile app as well as support MTA's Veteran's Transportation grant. For FY17, these funds may be used to develop and deploy new non-planned improvements to Southern California 511; develop a strategic roadmap for SAFE; support the integration of motorist services operations into the Los Angeles Regional Transportation Management Center; and support the procurement of third party data for RIITS and 511. The funding for service improvements will be allocated on an annual basis depending upon available funds, identified needs or the ability to secure new third party/grant funds.