



**METROPOLITAN  
TRANSPORTATION  
COMMISSION  
SERVICE AUTHORITY  
FOR FREEWAYS  
AND EXPRESSWAYS**

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*Memorandum*

TO: Operations Committee

DATE: May 4, 2012

FR: Executive Director

W.I.: 1231, 1232, 1235, 1237

RE: MTC SAFE Resolution No. 57: Draft FY 2012-13 Budget

The SAFE program will begin next fiscal year with a SAFE Operating Reserve of \$12.9 million and a SAFE Capital Reserve of \$6.1. With the proposed expenditures and transfers in the draft FY 2012-13 budget described in this memo, we project a SAFE operating reserve balance of \$12.1 million and a capital reserve of \$6.5 million at the end of FY 2012-13.

<b>Operating Budget (in thousands)</b>		<b>Capital Budget (in thousands)</b>	
Opening Reserve Balance	\$12,910	Opening SAFE Balance	\$6,129
FY 2012-13 Operating Revenue	\$16,208	FY 2012-13 Capital Revenue	\$12,631
Expenses	<\$15,711>	Expenses	<\$12,997>
MTC Transfer	<\$991>		
Capital Transfer	<\$346>		
Operating Deficit	\$841	Transfer from SAFE	\$346
<b>Ending Reserve Balance</b>	<b>\$12,069</b>	<b>Ending SAFE Balance</b>	<b>\$6,475</b>

**Operating Budget**

Operating Revenue projections have decreased by 6% over last year due to a slight reduction in usage of federal funds. Operating Expense projections have decreased by 5 % over last fiscal due mainly to a 55% reduction in FSP Consulting expenses.

**Capital Program**

The table on the following page shows capital programs that are receiving additional funds in FY 2012-13. A brief description of each program that is receiving additional funding is summarized below, as well as the intent for the additional funds. A full summary of all SAFE Capital Programs is in Attachment B to this Memorandum.

**SAFE Capital Program Change Summary**

Code	Program Title	Approved Program	Draft Resolution 57	Revised Program
6301	Bridge Call Boxes	\$3,571,000	\$200,000	\$3,771,000
6311	I-880 ICM	\$1,675,000	\$6,350,000	\$8,025,000
6315	FPI Corridor Studies	\$2,996,000	\$2,841,287	\$5,837,287
6317	FPI Implementation	\$6,436,700	\$3,586,100	\$10,022,800

Additional funding will become available for the following projects:

- **6301 Bridge Call Boxes (\$200,000).** SAFE has completed the installation of call boxes on all Caltrans bridges. This additional funding is intended for the purchase and installation of call boxes on the Bay Bridge and for support services from Call Box contractors.
- **6311 I-880 Integrated Corridor Management (\$6.4 million).** This funding will implement integrated incident and operational management strategies to reduce congestion along the I-880 corridor in Alameda and Santa Clara Counties. Specific project proposals are being developed in collaboration with Caltrans, CMAs and corridor stakeholders.
- **6315 FPI Corridor Studies (\$2.8 million).** This funding is intended to support the development of a comprehensive strategic plan to guide decisions for the next generation of freeway investments in the Bay Area. The work will focus on detailed multi-modal reviews of traffic operations on the major freeway corridors in the region, including arterials and transit systems that parallel the freeway.
- **6317 FPI Implementation (\$3.6 million).** This funding is intended to support the design, implementation, and maintenance of ramp meters, traffic operation systems, and transportation management center projects to maximize freeway performance and reliability in the Bay Area.

**SAFE Program Reserves**

The SAFE Program has two reserves, an Operating Reserve and a Capital Reserve. An increase of STP funds for the Freeway Service Patrol program and a decrease in operating expenditures for the Freeway Service Patrol and Call Box programs will balance operating revenues and expenses in FY 2012-13. As a result, the SAFE operating reserve is expected to stabilize within a range of \$9 and \$12 million over the next five years.

The FY 2012-13 SAFE fund opening balance calculation is made by using the SAFE reserve figure from last audited fiscal year (FY 2010-11), then using the estimate of the balance from FY 2011-12 to determine the opening figure for FY 2012-13. The reserve figure is a conservative measure of where the SAFE program stands in terms of a fund balance from year to year, however it results in calculations that do not match from year to year.

The SAFE Operating Reserve at the close of the last audited fiscal year, 2010-11, was \$12.3 million. The following are the components of the last audited SAFE Operating Reserve at the close of FY 2010-11:

Un-Invoiced MTC Transfer	\$4.4 million
Cash	\$1.5 million
Accounts Receivable	\$6.6 million
Accounts Payable	<\$2.0> million
Fixed Assets	\$1.8 million
Pre-Paid Next Fiscal Year	\$0.1 million

This is an information item only. Staff will return to this Committee in June with the final FY 2012-13 SAFE budget for approval.



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Steve Heminger

SH:JM

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Date: June 27, 2012  
W.I.: 1231, 1232, 1235, 1237  
Referred by: Operations

ABSTRACT

SAFE Resolution No. 57

Subject

This resolution approves the FY 2012-13 Budget for the Metropolitan Transportation Commission Service Authority for Freeways and Expressways.

Further discussion of the FY 2012-13 Budget is contained in the Executive Director's Memorandum to the Operations Committee dated June 1, 2012.

Date: June 27, 2012  
W.I.: 1231, 1232, 1235, 1237  
Referred by: Operations

RE: Approval of the FY 2012-13 Budget for the Metropolitan Transportation Commission Service Authority for Freeways and Expressways

METROPOLITAN TRANSPORTATION COMMISSION  
SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS

SAFE RESOLUTION NO. 57

WHEREAS, SAFE Resolution No. 1 established a Metropolitan Transportation Commission Service Authority for Freeways and Expressways (MTC SAFE or SAFE) pursuant to Streets and Highways Code §§ 2550-2556, which provides for the design, installation, operation and maintenance of a motorist aid call box system in any of the Bay Area counties that elect to join SAFE; and

WHEREAS, the SAFE staff has prepared a budget setting forth the anticipated revenues and expenditures of the SAFE for FY 2012-13; and

WHEREAS, on June 8, 2012 the Operations Committee reviewed the final SAFE Budget for FY 2012-13 and recommended its approval and recommend its approval, now, therefore, be it

RESOLVED, that the SAFE approves the FY 2012-13 budget to be effective July 1, 2012, attached hereto as Attachment A and incorporated herein as though set forth in full, in the amounts and for the purposes listed therein; and, be it further

RESOLVED, that the Operations Committee may approve adjustments among line items in the SAFE Budget for FY 2012-13 providing that there shall be no increase in the overall budget without prior approval of the full SAFE; and, be it further

RESOLVED, that SAFE's Executive Director, or the responsible SAFE staff person designated by the Executive Director, is authorized to carry over all funds properly budgeted in the prior year for which expenditures were budgeted and encumbered which will take place in FY 2012-13 and be it further

RESOLVED, that the SAFE staff shall furnish the Operations Committee with a quarterly financial report to reflect estimated and actual income, expenditures, obligations for professional and consultant services, cash flow projections and such other information and data as may be requested by the Operations Committee.

RESOLVED, that the Commission authorizes the Chief Financial Officer to set aside up to 20% of the operating costs into an Operating Reserve to be utilized only with specific authority of the Commission.

METROPOLITAN TRANSPORTATION  
COMMISSION SERVICE AUTHORITY FOR  
FREEWAYS AND EXPRESSWAYS

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Adrienne J. Tissier, Chair

The above resolution was entered into by  
the Metropolitan Transportation Commission  
Service Authority for Freeways and Expressways  
at a regular meeting of the Board held in Oakland,  
California on June 27, 2012.

**Attachment A to SAFE Resolution No. 57:**

**see**

**J: / Section / Allstaff / Resolution /  
Resolutions / SAFE Resolutions /  
SAFE-RES-0057\_Att-a.xls**

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

Date: May 11, 2011  
SAFE: WE 6031, 6032, 6035 & 6037

**SAFE RESOLUTION NO. 57 DRAFT**

**ATTACHMENT A: TABLE OF CONTENTS**

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**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

**Revenue and Expense Summary**

	FY 2011-12	FY 2012-13 DRAFT	Percent Change
<b>OPERATING REVENUE/EXPENSE</b>			
Call Box	\$8,250,000	\$8,200,000	-0.6%
FSP	\$9,070,000	\$8,007,500	-11.7%
<b>Subtotal Operating Revenue</b>	<b>\$17,320,000</b>	<b>\$16,207,500</b>	<b>-6.4%</b>
Call Box	\$5,304,696	\$5,164,696	-2.6%
FSP	\$11,092,412	\$10,546,412	-4.9%
<b>Subtotal Operating Expense</b>	<b>\$16,397,108</b>	<b>\$15,711,108</b>	<b>-4.2%</b>
<b>Operating Surplus (Shortfall)</b>	<b>\$922,892</b>	<b>\$496,392</b>	<b>-46.2%</b>
<b>Capital Surplus (Shortfall)</b>	<b>\$500,720</b>	<b>(\$346,100)</b>	<b>-169.1%</b>
<b>Transfers Out</b>	<b>(\$814,000)</b>	<b>(\$991,464)</b>	<b>21.8%</b>
<b>CONTRIBUTION FROM RESERVES</b>			
In (Out)	(\$609,612)	\$841,172	-238.0%
<b>FISCAL YEAR SURPLUS(SHORTFALL)</b>	<b>\$0</b>	<b>\$0</b>	

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

**REVENUE DETAIL**

	<b>FY 2011-12</b>	<b>FY 2012-13 DRAFT</b>	<b>Percent Change</b>
<b>CALL BOX REVENUES</b>			
Vehicle Registration Fees	\$5,900,000	\$5,900,000	0.0%
Grants (Incident Management & Freeway Performance Initiative)	\$1,200,000	\$1,200,000	0.0%
Grant (STP)	\$1,000,000	\$1,000,000	
Interest	\$150,000	\$100,000	-33.3%
<b>Subtotal: Call Box Revenues</b>	<b>\$8,250,000</b>	<b>\$8,200,000</b>	<b>-0.6%</b>
<b>FSP REVENUES</b>			
State Local Assistance Program (LAP)	\$6,000,000	\$5,750,000	-4.2%
State CMAQ carryover	\$300,000	\$150,000	-50.0%
Grant (STP)	\$2,670,000	\$2,007,500	-24.8%
Traffic Mitigation Program (Caltrans)	\$100,000	\$100,000	0.0%
<b>Subtotal: FSP Revenues</b>	<b>\$9,070,000</b>	<b>\$8,007,500</b>	<b>-11.7%</b>
<b>RESERVE CONTRIBUTIONS</b>			
Transfer - MTC Transfer	\$814,000	\$991,464	21.8%
Transfer - Operating Shortfall/Surplus	(\$922,892)	(\$496,392)	-46.2%
Transfer - SAFE Funds for Capital	(\$500,720)	\$346,100	-169.1%
<b>Subtotal: Changes in Reserves</b>	<b>(\$609,612)</b>	<b>\$841,172</b>	<b>-238.0%</b>
<b>Revenues Applied to Budget Year</b>	<b>\$16,710,388</b>	<b>\$17,048,672</b>	<b>2.0%</b>

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

<b>EXPENSE DETAIL</b>			
<b>SAFE OPERATING EXPENSE</b>			
	<b>FY 2011-12</b>	<b>FY 2012-13 DRAFT</b>	<b>Percent Change</b>
<b>I. Salaries and Benefits</b>			
Call Box Program	\$570,317	\$570,317	0.0%
FSP Program	\$408,211	\$408,211	0.0%
Incident Management Program	\$449,708	\$449,708	0.0%
Freeway Performance Initiative Program	\$1,021,537	\$1,021,537	0.0%
<b>II. General Operations</b>			
Call Box Program	\$1,311,134	\$1,311,134	0.0%
FSP Program	\$284,356	\$284,356	0.0%
<b>III. Consultant Services</b>			
Call Box Program	\$361,000	\$361,000	0.0%
FSP Program	\$725,000	\$325,000	-55.2%
<b>IV. Operating Contracts</b>			
Call Box Program	\$1,591,000	\$1,451,000	-8.8%
FSP Program	\$9,674,845	\$9,528,845	-1.5%
<b>CALL BOX Operating Expense</b>	<b>\$5,304,696</b>	<b>\$5,164,696</b>	<b>-2.6%</b>
<b>FSP Operating Expense</b>	<b>\$11,092,412</b>	<b>\$10,546,412</b>	<b>-4.9%</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$16,397,108</b>	<b>\$15,711,108</b>	<b>-4.2%</b>
<b>TRANSFERS OUT</b>			
MTC (Freeway Emergency Preparation)			
MTC (Arterial Operations Coordination)			
MTC (511)	\$814,000	\$991,464	21.8%
<b>TOTAL OTHER PROJECTS/TRANSFERS OUT</b>	<b>\$814,000</b>	<b>\$991,464</b>	<b>21.8%</b>
<b>TOTAL EXPENSE</b>	<b>\$17,211,108</b>	<b>\$16,702,572</b>	<b>-3.0%</b>

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

**I. SALARIES AND BENEFITS EXPENSE**

	FY 2011-12	FY 2012-13 DRAFT	Percent Change
<b>CALL BOX PROGRAM</b>			
Salaries	\$570,317	\$570,317	
<b>Call Box Subtotal</b>	<b>\$570,317</b>	<b>\$570,317</b>	<b>0.0%</b>
<b>FREEWAY SERVICE PATROL</b>			
Salaries	\$408,211	\$408,211	
<b>FSP Subtotal</b>	<b>\$408,211</b>	<b>\$408,211</b>	<b>0.0%</b>
<b>INCIDENT MANAGEMENT (IM)</b>			
Salaries	\$449,708	\$449,708	
<b>IM Subtotal</b>	<b>\$449,708</b>	<b>\$449,708</b>	<b>0.0%</b>
<b>FREEWAY PERFORMANCE INITIATIVE (FPI)</b>			
Salaries	\$1,021,537	\$1,021,537	
<b>FPI Subtotal</b>	<b>\$1,021,537</b>	<b>\$1,021,537</b>	<b>0.0%</b>
<b>Total Salaries and Benefits</b>	<b>\$2,449,773</b>	<b>\$2,449,773</b>	<b>0.0%</b>

**II. GENERAL OPERATIONS EXPENSE**

	FY 2011-12	FY 2012-13 DRAFT	Percent Change
<b>CALL BOX PROGRAM</b>			
Graphics/printing	\$7,500	\$7,500	0.0%
Office depreciation	\$260,000	\$260,000	0.0%
Travel	\$11,250	\$11,250	0.0%
MTC overhead	\$457,968	\$457,968	0.0%
FPI overhead	\$464,016	\$464,016	0.0%
Legislative advocacy	\$21,000	\$21,000	0.0%
Professional Memberships	\$9,150	\$9,150	0.0%
Insurance	\$40,800	\$40,800	0.0%
Audit	\$34,450	\$34,450	0.0%
Legal Expenses	\$5,000	\$5,000	
<b>Call Box Subtotal</b>	<b>\$1,311,134</b>	<b>\$1,311,134</b>	<b>0.0%</b>
<b>FREEWAY SERVICE PATROL</b>			
Graphics/printing	\$7,500	\$7,500	0.0%
Office depreciation	\$9,000	\$9,000	0.0%
Travel	\$11,250	\$11,250	0.0%
MTC Overhead	\$185,256	\$185,256	0.0%
Insurance	\$40,800	\$40,800	0.0%
Audit	\$30,550	\$30,550	0.0%
<b>FSP Subtotal</b>	<b>\$284,356</b>	<b>\$284,356</b>	<b>0.0%</b>
<b>Total General Operations</b>	<b>\$1,595,490</b>	<b>\$1,595,490</b>	<b>0.0%</b>

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

**III. CONSULTANTS/PROFESSIONAL SERVICES EXPENSE**

	<b>FY 2011-12</b>	<b>FY 2012-13 DRAFT</b>	<b>Percent Change</b>
<b>CALL BOX PROGRAM</b>			
Information/Data Management	\$80,000	\$90,000	12.5%
Construction Services	\$10,000	\$10,000	0.0%
Call Box Inspections	\$60,000	\$50,000	-16.7%
Private Dispatch consulting fees and back-up	\$11,000	\$11,000	0.0%
511 Freeway Aid Marketing	\$150,000	\$150,000	0.0%
Consultant other	\$50,000	\$50,000	0.0%
<b>Call Box Subtotal</b>	<b>\$361,000</b>	<b>\$361,000</b>	<b>0.0%</b>
<b>FREEWAY SERVICE PATROL</b>			
Systems Integrator	\$350,000	\$250,000	-28.6%
FSP Benefit/Cost Analysis	\$150,000	\$0	-100.0%
FSP Tow Audits	\$175,000	\$25,000	-85.7%
Consultant other	\$50,000	\$50,000	0.0%
<b>FSP Subtotal</b>	<b>\$725,000</b>	<b>\$325,000</b>	<b>-55.2%</b>
<b>Total Consultant Expense</b>	<b>\$1,086,000</b>	<b>\$686,000</b>	<b>-36.8%</b>

**SERVICE AUTHORITY FOR FREEWAYS AND EXPRESSWAYS  
FY 2012-13 OPERATING AND CAPITAL BUDGET**

**IV. OPERATING CONTRACTS EXPENSE**

	<b>FY 2011-12</b>	<b>FY 2012-13 DRAFT</b>	<b>Percent Change</b>
<b>CALL BOX PROGRAM</b>			
CHP Dispatching	\$211,000	\$211,000	0.0%
Telcommunication Services	\$280,000	\$260,000	-7.1%
Call Box Repairs/Maintenance/Vandalism	\$900,000	\$800,000	-11.1%
Private Call Center	\$100,000	\$80,000	-20.0%
SAFE on 17 Program	\$50,000	\$50,000	0.0%
Incident Management/FPI Operations	\$40,000	\$40,000	0.0%
Call Box Operations	\$10,000	\$10,000	0.0%
<b>Call Box Subtotal</b>	<b>\$1,591,000</b>	<b>\$1,451,000</b>	<b>-8.8%</b>
<b>FREEWAY SERVICE PATROL</b>			
FSP Tow Service	\$9,201,645	\$9,201,645	0.0%
CHP Funding Agreement	\$97,000	\$30,000	
In-vehicle Maintenance	\$80,000	\$50,000	-37.5%
Telecommunication Services	\$112,200	\$109,200	-2.7%
System Maintenance	\$50,000	\$30,000	-40.0%
Equipment Replacement (hardware)	\$25,000	\$25,000	0.0%
System Improvement (software)	\$50,000	\$25,000	-50.0%
FSP General Operations	\$59,000	\$58,000	-1.7%
<b>FSP Subtotal</b>	<b>\$9,674,845</b>	<b>\$9,528,845</b>	<b>-1.5%</b>
<b>Total Operating Contracts Expense</b>	<b>\$11,265,845</b>	<b>\$10,979,845</b>	<b>-2.5%</b>

**SAFE CAPITAL PROGRAM**  
**Fiscal Year 2012-13**

Code	Title	Thru FY 2011-12			+/- FY 2012-13			Revised Capital Program		
		Expenses	Fund	Revenue	Expenses	Fund	Revenue	Expenses	Fund	Revenue
6301	Bridge Call Boxes	\$3,571,000	BATA SAFE	\$3,571,000 \$3,511,000 \$60,000	\$200,000	BATA SAFE	\$200,000 \$200,000 \$0	\$3,771,000	BATA SAFE	\$3,771,000 \$3,711,000 \$60,000
6303	Bay Area Camera Upgrade	\$9,572,583	CMAQ SAFE STP	\$9,572,583 \$7,146,650 \$2,355,933 \$70,000	\$0		\$0	\$9,572,583	CMAQ SAFE STP	\$9,572,583 \$7,146,650 \$2,355,933 \$70,000
6304	Traffic Equipment Management	\$750,000	SAFE	\$750,000 \$750,000	\$0		\$0	\$750,000	SAFE	\$750,000 \$750,000
6305	Incident Management Program	\$180,000	SAFE CMAQ CMAQ	\$180,000 \$180,000 \$0 \$0	\$0		\$0	\$180,000	SAFE CMAQ	\$180,000 \$180,000 \$0
6306	FSP Data-AVL	\$1,370,000	SAFE SAFE	\$1,370,000 \$120,000 \$1,250,000	\$0		\$0	\$1,370,000	SAFE SAFE	\$1,370,000 \$120,000 \$1,250,000
6307	CHP Radio Interoperability	\$430,000	SAFE	430,000 430,000				\$430,000	SAFE	430,000 430,000
6310	ATMS	\$1,701,031	SAFE Caltrans	1,701,031 1,000,000 701,031	\$0		\$0	\$1,701,031	SAFE Caltrans	\$1,701,031 \$1,000,000 \$701,031

Code Title	Thru FY 2011-12		+/- FY 2012-13		Revised Capital Program	
	Expenses	Revenue	Expenses	Revenue	Expenses	Revenue
6311 I-880 ICM	\$1,675,000	1,675,000	\$6,350,000	\$6,350,000	\$8,025,000	\$8,025,000
	CMAQ	1,482,890	CMAQ	\$6,350,000	CMAQ	\$7,832,890
	SAFE	192,110			SAFE	\$192,110
6314 CBX Site Improvement	\$1,000,000	1,000,000	\$0	\$0	\$1,000,000	\$1,000,000
	SAFE	1,000,000			SAFE	\$1,000,000
6315 FPI Corridor Studies	\$2,996,000	2,996,000	\$2,841,287	\$2,841,287	\$5,837,287	5,837,287
	CMAQ	1,446,500	CMAQ	\$0	CMAQ	1,446,500
	SAFE	183,500	SAFE	\$260,000	SAFE	\$443,500
	Caltrans	700,000	Caltrans	\$0	Caltrans	\$700,000
	STA	150,000	STA	\$0	STA	\$150,000
	CCAG/SM	300,000	CCAG/SM	\$0	CCAG/SM	\$300,000
	SJCOG	116,000	SJCOG	\$0	SJCOG	\$116,000
	CCAG	100,000	CCAG	\$0	CCAG	\$100,000
			STP	\$2,000,000	STP	\$2,000,000
			STP/IDA	\$581,287	STP/IDA	\$581,287
6317 FPI Implementation	\$6,436,700	\$6,436,700	\$3,586,100	\$3,586,100	\$10,022,800	\$10,022,800
	CMAQ	\$2,725,670	CMAQ	\$2,750,000	CMAQ	\$5,475,670
	SAFE	\$353,030	SAFE	\$86,100	SAFE	\$439,130
	STP	\$858,000	STP	\$750,000	STP	\$1,608,000
	Caltrans	\$500,000	Caltrans	\$0	Caltrans	\$500,000
	CMAQ	\$2,000,000	CMAQ	\$0	CMAQ	\$2,000,000
<b>SAFE Funds from Reserves in FY 2012-13 (+/-)</b>						
			SAFE	\$346,100		

