



**OPERATIONS COMMITTEE
JANUARY 15, 2004**

SUBJECT: EFFICACY OF REESTABLISHING THE MTA TRANSIT POLICE DEPARTMENT

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file report on the efficacy of reestablishing the MTA Transit Police Department.

ISSUE

When the new transit policing Memorandum Of Understanding (MOU) was awarded to the Los Angeles County Sheriff's Department in February 2003, Director Burke introduced a motion directing staff to report back to the Board on the efficacy of establishing an internal MTA Transit Police Department. Director Fasana directed staff to include analysis on the feasibility of reallocating transit security funds directly to cities to finance local police departments in providing transit security.

BACKGROUND

Between 1989 and 1997, the MTA and its predecessor agencies conducted numerous studies in an attempt to produce an effective and efficient policing model for the MTA's regional public transit system. In 1996, the Board opted to merge the MTA Transit Police Department (MTAPD) into the Los Angeles Police Department (LAPD) and the Los Angeles County Sheriff's Department (LASD), and then contract with those two agencies for transit law enforcement.

The Board reexamined the approach to security and adopted a new policy in July 2002, which contained ten major policy positions. Key points in the policy include:

- Security should be an integral element of the MTA's overall operations;
- The agency intends to provide the highest quality, cost-effective, community-based security through highly visible uniformed patrol;
- MTA will invest capital resources in preventative security technology;
- MTA seeks to deploy the maximum number of security personnel per security dollar;
- MTA seeks to bring security costs in line with peer agencies;

- Cost efficiency and effectiveness in security remains a key objective in implementing a cohesive partnership with outside policing agencies and developing a comprehensive security program.

Immediately following adoption of the security policy last year, the MTA entered into discussions with LAPD and LASD for policing services. In February 2003, the Board awarded a single contract to the LASD for five years, including two one-year options.

DISCUSSION

Security, and the associated costs, must be considered within the broader context of the agency's core responsibilities of providing regional transportation services, programs, projects and funding. High security costs diminish the MTA's ability to deliver core transit services and other countywide transportation projects and programs. Security is a major cost driver and the MTA has worked to refine the security program in order to deliver efficacious service to the public.

Establishing MTA Transit Police Department

As further detailed in Attachment A, earlier MTA studies and assessments suggest that operating an internal transit police department would allow the MTA to reduce current security operating costs by 20% to 40%. Lower costs result when the MTA directly controls the transit policing function and can design a program with an optimum mix of sworn versus non-sworn personnel classifications and determine staffing levels for each labor group. An internal unit would also have lower costs because the MTA would only pay for the marginal cost of providing service, as opposed to the fully allocated cost model of an outside agency.

Staff estimates that developing a new MTA Transit Police Department would take approximately five years to recruit and train sworn officers and civilian staff before the new unit could take over the entire regional transit policing program. During that five-year period, the new MTA Transit Police Department could ramp up by approximately 70 officers per year while the LASD demobilized by about the same number.

The full cost advantage of an internal MTA Transit Police Department over contracting with a local law enforcement agency would not be realized until the end of year five. Approximately 20% of the full cost savings would be accrued each year during the five-year program, not counting mobilization costs.

These cost savings and other benefits must be carefully weighed against the start-up costs and operational challenges of reestablishing a major modern law enforcement agency.

A key challenge would be staffing the Transit Police Department. In order for the MTA to develop a sound, capable and professional Transit Police Department, the unit must be able to attract and retain high quality personnel. To be competitive in the labor market the new MTA Transit Police Department would have to offer favorable working conditions and benefits, as detailed in Attachment B.

Other costs and challenges include:

- Capital and mobilization costs (recruitment, training, equipment);
- Requirement for additional administrative and operational support for a major new unit, which includes an HR function, vehicle maintenance, accounting, legal and other support functions;
- Increased liability for the MTA by operating an internal transit police department, including increased exposure to torts (this would be partially offset by elimination of the current liability payments to the LASD);
- Increased potential for negative public relations and negative press for the MTA concerning transit policing operations;
- Additional requirement for Board and executive oversight of this sensitive function, including possible formation of civilian oversight committee (Commission) or an additional MTA Board committee;
- Requirement to deal with additional unions; limited ability to perform basic function in the event of transit police job action, such as the “Blue Flu”;
- Disengagement of other law enforcement agencies from transit issues based on an assumption that the MTA transit police should deal with their own security issues.

Reallocating Security Funds to Local Police Departments

The option of reallocating all or some portion of the security funds to various local police departments to carry out MTA transit security functions also presents a number of serious challenges in terms of command and control, coordination, communication and operational interaction among the numerous police agencies and the MTA.

The MTA’s predecessor agency, the Southern California Rapid Transit District (SCRTD), tried this approach in the 1970s for “on-bus” security services and found that the response and handling of security incidents by local police agencies was problematic in the areas mentioned above. There was a significant disparity and inconsistency among the responses to calls for service provided by different local law enforcement agencies. The expectations of transit passengers and employees regarding response times to calls for assistance almost always exceeded the on-street performance of the law enforcement agencies. Transit security activities competed with other municipal policing activities and, more often than not, rated lower in priority. When a security related incident occurred on a bus that crossed from one jurisdiction to another, coordination-and-control failures were common, particularly for non-serious offenses. Additionally, the preventive nature of transit policing was considered secondary to the municipal agencies requirement to respond to immediate issues.

These are some of the problems that spurred the creation of dedicated transit police units 35 years ago within some of the larger transit systems in the nation, including SCRTD.

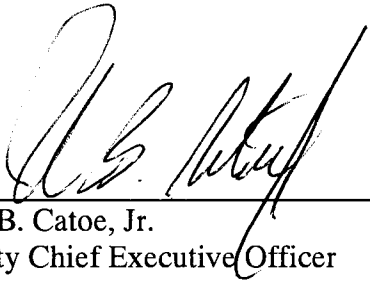
NEXT STEPS

With the latest iteration of the MTA's security program less than a year old, staff cannot make a definitive judgment on the efficacy of the current program that would support a staff recommendation. Therefore, staff proposes to allow the LASD program to operate through the initial three-year MOU period from May 2003 to June 2006. Staff also proposes conducting a comprehensive security policy assessment, including an analysis of reestablishing an internal MTA Transit Police Department. Results of this study, including an assessment of potential for improved service in relation to each of the MTA Transit Policing Policy elements, would be reported to the Board in 2006. Given the momentous financial and service implications, a deliberate and well-structured analysis is essential to provide the Board with the best information possible to support its final decision on the future of MTA transit security.

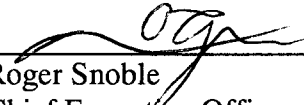
ATTACHMENTS

- A. Preliminary Financial Analysis of Reestablishing MTA Transit Police
- B. MTA Transit Police – Recruitment Issues

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Preliminary Financial Analysis of Establishing MTA Transit Police

Operating Costs

A decision to reestablish the *MTA Transit Police Department* has potentially significant financial implications. All of the previous studies and assessments on transit policing suggest that operating an internal transit police department would allow the MTA to save several million dollars per year. With an internal police agency, the MTA would gain a degree of cost control over the transit policing function that it has not had since the mid '90s. The agency would be able to design a transit security program that had a better mix of personnel classifications (sworn vs. non-sworn) and authorized staffing levels for each labor group. Substantial savings could be realized by having non-sworn staff assume some of the duties that sworn personnel are now performing. The MTA could develop an optimum mix of sworn and non-sworn classifications to provide the security service, and this could include the addition of "Station Agents" for each major Metro Rail station and major Metro Bus facility. These types of changes could positively affect overall customer service.

A side-by-side comparison of LASD cost versus MTAPD cost would clearly reveal a cost savings with a new MTAPD. Even assuming all of the direct costs being equal, the MTAPD will always have the advantage of being charged at "marginal cost" versus the County's practice of charging "Fully Allocated Cost" for Sheriff services. This cost difference between marginal and fully allocated is in the range of 8% to 10% of the direct cost. Therefore, if the LASD provided a program with \$50 million in direct costs, the total cost would be \$54 million to \$55 million. With all other costs being the same for a new MTAPD, the internal program would save \$4 million to \$5 million per year. Again, this would be true for essentially identical policing programs with the same staffing levels by classification.

As was stated above, with the MTA having full control over the staffing levels and the personnel classifications, staff would expect the annual savings for an internal transit-policing program to be in the 20% to 40% range. Compared to an initial \$50 million program with LASD service, the MTA could save between \$10 to \$20 million annually with an internal policing program.

With the transit policing program being one of the largest "controllable" annual expenditures funded by the Enterprise Fund, it is imperative that the agency develops a cost effective program. Over the past ten years the MTA has spent approximately half a billion dollars in funding the security program. Nearly half of those dollars were fungible money from the Proposition A and Proposition C Discretionary accounts. Approximately \$175 million was money that could have been spent to improve regional transportation. Annual spending on the MTA's security program was in the \$25 million range up to the time when the MTAPD was assimilated by the LAPD and the LASD. Since that action in November 1997, the MTA's annual security budget has risen to approximately \$52 million per year. The security budget nearly doubled two years after the MTAPD was dissolved. Over a five-year period from 1995 to 1999, the cost of the program increased 105.5%.

MTA Transit Security Budget

	FY 96** Budget	FY 97** Budget	FY 98** Budget	FY 99*** Budget	FY 00*** Budget
	\$27,953,000	\$38,307,000	\$51,184,000	\$53,523,000	\$56,914,000
FY 95* Actual	FY 96* Actual	FY 97*** Actual	FY 98*** Actual	FY 99*** Actual	FY 00*** Actual
\$25,300,000	\$35,500,000	\$39,300,000	\$41,900,000	\$51,900,000	\$52,000,000

*MTA Revised Proposed Budget 1996-1997, p. 51

**MTA Proposed Budget 1997-1998, p. II-90

***OMB Transit Security File, Board Presentation

Mobilization Costs

Funding to support certain “Mobilization Costs” would be required if the Board decides to reestablish an MTA Transit Police Department. These mobilization costs would include the following components:

- ✓ Procurement and acquisition of capital equipment, including police vehicles, weapons, IT resources, radio communications and other specialized equipment;
- ✓ Implementation of a major recruiting program for sworn personnel;
- ✓ Contract with Rio Hondo and/or other local POST Police Academies to support basic recruit training;
- ✓ Initial hire of well-respected law enforcement professional as the Chief of Transit Police;
- ✓ Initial hire of staff for senior sworn and civilian leadership positions in the new department;
- ✓ Creating an effective Officer Retention Program to ensure reasonable personnel stability in a new MTAPD;
- ✓ Reestablishing the MTA Transit Police Department would require adequate support from the Board and MTA management in terms of equipment, training, and operations.

Staff estimates that the initial capital purchases required to support the mobilization of a new MTA Transit Police Department would be approximately \$7.3 million over the first five years.

This capital equipment is broken down into the following major categories:

Initial Capital Equipment Costs

Category of Items	Total Costs
Vehicles	\$3,000,000
Equipment	1,000,000
Communications	1,250,000
ITS Support	50,000
Miscellaneous Items	400,000
Recruiting Program	1,500,000
Facilities	105,000
Total Costs	\$7,305,000

This capital equipment would need to be purchased in a phased-in time schedule that would support a new MTAPD five-year mobilization. The MTA would need to acquire approximately 20% of this capital equipment per year over five years. The cost would be approximately \$1.5 million per year.

MTA Transit Police – Recruitment and Retention Issues

The MTA will face a number of challenges in recruiting and retaining high quality personnel for the new unit. The law enforcement labor market is highly competitive. There are limited opportunities for advancement in a medium-size transit police department compared to a large, full-service agency. This problem can be mitigated if the MTA seeks state legislation to change the status of its transit police officers.

The following conditions are deemed critical to the reestablishment of an MTA Transit Police Department:

830.1 P.C. status: The MTA would need to seek state legislation to change the status of its transit police officers to that status specified under Section 830.1 of the California Penal Code. Currently the MTA has statutory authorization to operate a transit police department under Section 830.33 P.C. This difference in status was seen by many of the former members of the MTA Transit Police Department as having a detrimental affect on recruiting and retention. Section 830.1 P.C. is the same section that city police departments and county sheriff's departments operate under in California. Many in the law enforcement community see this section, along with Section 830.2 for the California Highway Patrol, as the pinnacle of authority and professionalism for peace officers in this state.

Approximately eight years ago the Bay Area Rapid Transit District Transit Police Department (BART PD) got legislation passed to “upgrade” their status to 830.1 P.C. This upgraded status for any new MTA Transit Police Department would be necessary for the department to be competitive in the labor market.

Comparable Salary: Again, in order for any new MTA Transit Police Department to be competitive in the labor market for entry-level peace officers, the MTA would need to offer a salary structure that would be comparable to that offered by the LAPD, LASD, CHP and other local law enforcement agencies. The limited labor pool for potential peace officers in Southern California makes it necessary to offer MTA Transit Police recruits essentially the same salary levels as those offered by the major competitors in the region.

Comparable Fringe Benefits: In addition to comparable salaries, the MTA would need to offer comparable fringe benefits if a new MTA Transit Police Department was formed. Again, recruiting in the limited labor market would require a fringe benefit package that nearly mirrors that of the major competitors for new recruits, including the LAPD, LASD and the CHP.

Peace Officer Retirement (3% at 50 PERS Peace Officer Retirement): One of the major assumptions in reestablishing an MTA Transit Police Department would be the requirement for a “3% at 50 PERS Peace Officer Retirement.” This very lucrative retirement program is quite expensive compared to the MTA’s standard “2% at 60 PERS Retirement” currently available to non-contract personnel.

