

Financial Feasibility of MCTS Safety & Security Task Force Recommendation

OVERVIEW

Milwaukee County's 2023 Adopted Budget required the creation of a Milwaukee County Transit System Safety & Security Task Force to explore options for transit security. This task force met on multiple occasions to listen to public, union and employee concerns about transit security. Reports have been provided by MCTS, Milwaukee County Sheriff's Office and the Milwaukee County Parks Department about their Park Ranger program. The County Board's Committee on Transportation and Transit has introduced a resolution to support the task force's recommendation that transit security be brought under the County in some fashion, **though the exact details have not been determined.**

The cost estimate of **\$3,479,976** to create this new department of Transit Rangers was based on an **extremely high-level estimate** that was created by MCTS with the basis that this new department be housed under MCTS. It should be noted that if this new department is housed under the County and staffed by Milwaukee County employees as the current resolution states, there will be many additional and differing considerations.

Before this option is fully approved, a further analysis of all costs involved must be undertaken to ensure the appropriate budget is identified and that all parties who are making this decision know the full costs associated.

CURRENT ANNUAL BUDGET

The current annual budget of **\$2,093,952** for the Allied Universal Security (AUS) contract managed by MCTS provides all vehicles, uniforms, insurance, smart devices, administrative costs and wages and fringe benefits for staff which consist of approximately 50 officers (41 to staff budgeted hours each week, plus coverage), one Account Manager, one Assistant Site Manager and 4 Shift Supervisors for a total of 1864 staff hours per week:

Position	Base hrs/week
Transit Security Officers	1624
Shift Supervisors	160
Account Manager	40
Assistant Account Manager	40
	1864

UNDER-ESTIMATED INVESTMENT

The cost estimate cited in the resolution recommendation was estimated based on a extremely high-level plan to bring security in-house at MCTS and does not reflect a plan to transition to Milwaukee County employees as is called for in the current resolution. Even taking a more detailed look at bringing security under MCTS, the numbers show that the real cost would likely be significantly higher due to labor, vehicle, administrative and technology start-up costs that were not previously considered.

- **Cost to Continue AUS Contract Simultaneously** – In order to have security in place while the new department is being built, the current contract with AUS will need to be extended until such time that the new department is fully staffed and operational. The cost for AUS is budgeted at **\$2,093,952** in 2024. The AUS costs and in house costs have been presented as “either or” but for a significant amount of time, both will need to be funded simultaneously, a cost that it would appear has not been captured in the previous estimate. Those costs will only be known when a timeline for startup of the new Transit Ranger department can be established. Using the 2024 AUS contract amounts, an estimate of **\$174,496 per month**, in addition to the start-up and operation costs until full launch should be considered.
- **Fully Integrated Dispatch and IT Systems** – Clever Devices Computer Aided Dispatch/Automatic Vehicle Location and communication systems are already set up and ready to expand at MCTS, however there would be some costs associated to set up work stations and staff positions at the County. It’s unclear if the County would use existing staff and resources or if these positions would be in addition. It’s also unclear if dedicated work stations and IT support would be readily available and what those costs might be. **While MCTS cannot speak to these costs on behalf of the County, they must be considered.**
- **Vehicles** –It’s estimated that a minimum of 8 squad vehicles would be required for the level of staffing called for. The cost estimate is approximately \$50k per vehicle, for a total start-up cost of just over \$400k in the original estimate. However, that cost did not include any additional onboard technology that would be required in the vehicles to facilitate the communication with Dispatch. The cost to outfit with the minimum equipment would be approximately **\$3,600** per vehicle. There are also other costs for consideration, such as insurance for the vehicles, where they would be housed and maintained, who would maintain them and if those staff members already exist and the ongoing costs of replacement. **While MCTS cannot speak to these costs on behalf of the County, they must be considered.**
- **Patrol Verification Technology** – AUS currently provides smart devices to all TSO’s for the purpose of logging their patrols so management can monitor to ensure patrols are being done. QR coded tags are placed on buses and in the facilities and when patrols are conducted, the tags are scanned to timestamp and document the location of the patrol. MCTS does not currently have a standalone system and devices for this purpose and it is unclear if this is something the County would have at the ready. If not, these are additional costs that should be considered. To purchase devices, software, training and implementation costs, the system could range anywhere from **\$50k-\$200k**, depending on the program.

- **Administrative Costs** – Hiring and employing nearly 60 additional staff members will take time and resources from HR, IMSD and other departments. Costs to promote and recruit, set up work stations and technology, purchase the needed equipment and other various administrative costs such as insurance, claims, FMLA, etc., are also resources, staff and potential costs that were not considered whether services would have been under MCTS or Milwaukee County. In order to pursue those costs, more details would need to be understood about the size and structure of the Transit Ranger program, though each additional FTE to support the program could cost an additional **\$80k-\$100k** per year, depending on salaries and benefits of the required positions.
- **Report Software**- Currently AUS provides independent reporting software to log calls, incidents and associated data. MCTS also has dispatch log systems and a standalone, electronic incident reporting system known as SAFER to log incident reports from Operators, Route Supervisors and other staff. It is unclear if the County would have this type of software at the ready or if something would have to be built or purchased. These systems are essential due to the Federal Transit Administration reporting requirements regarding incidents. **While MCTS cannot speak to these costs on behalf of the County, they must be considered.**
- **Labor Costs** – The initial cost estimate provided by MCTS showed a scenario where 51 officers were on the street for 2040 hours per week for a total cost (including 5 management positions) of **\$3,971,760**. Another alternative showed 41 officers who would be on the street for 1624 per week (including 5 management positions) for a total cost of **\$3,241,680**.

 - **Not enough positions:** What was not included are the additional DHHS Liaison and Housing Liaison positions that are included in the resolution. In the resolution it was also stated that 51 Transit Rangers would be ideal – it is unclear if the 51 Transit Rangers is the total number of staff hired or if they are the total number of staff per week without taking into account additional staff needed for coverage, which would increase the estimate further.
 - **Start-up not included:** It would also appear that the start-up costs, which were originally calculated at **\$544,830** were not included in the **\$3,479,976** in the resolution. If they were, combined with the labor numbers referenced above, they would be **\$3,786,510** and **\$4,516,590** respectively.
 - **Not current wages:** Labor costs were calculated using a number that would be below an entry level position under the current negotiated contract that MCTS holds with ATU, which would likely be unacceptable if these staff members were housed under MCTS. If wages were calculated using current, entry level wages, these numbers would be higher, especially as we approach 2024. Also, management wages were calculated using numbers that are not reflective of internal management numbers at MCTS. To ensure these positions hold competitive rates to attract talent with relevant experience, these costs should be adjusted. It is likely this would also apply for Milwaukee County, though this would be something County staff would need analyze further. Using the updated rates, high level wage and fringe calculations for 51 officers (on the street, not including coverage) and associated staff would be:

Position	FTE	Base hrs/week	Rate	Fringe	Weekly cost
Public Safety Officers	51	2040	\$23.76	\$11.88	\$72,705.60
Shift Supervisors	4	160	\$33.13	\$16.57	\$7,951.20
Public Safety Manager	1	40	\$35.76	\$17.88	\$2,145.60
DHHS Liaison	1	40	\$29.81	\$14.91	\$1,788.60
Housing Liaison	1	40	\$29.81	\$14.91	\$1,788.60
	58	2320			\$86,379.60
Annual:					\$4,491,739.20

Task Force Resolution – Build Transit Ranger division in-house at Milwaukee County - PROJECTED

It's important to note that MCTS cannot speak to the internal costs of Milwaukee County, so these numbers should be further analyzed by the appropriate parties. The adjusted costs and items for consideration are as follows:

- The original estimate was based using staff costs that are believed to have been based on the current Park Rangers staff costs. Using those costs, plus adding the 51 FTE's at 2040 hours per week and the additional roles as called for in the resolution would total:

Position	FTE	Base hrs/week	Rate	Fringe	Weekly cost	
Public Safety Officers	51	2040	\$22.50	\$11.25	\$68,850.00	Based on Park Rangers rate
Shift Supervisors	4	160	\$24.50	\$12.25	\$5,880.00	Based on Park Rangers rate
Public Safety Manager	1	40	\$27.50	\$13.75	\$1,650.00	Based on Park Rangers rate
DHHS Liaison	1	40	\$27.50	\$13.75	\$1,650.00	Based on PSM rate
Housing Liaison	1	40	\$27.50	\$13.75	\$1,650.00	Based on PSM rate
	58	2320			\$79,680.00	Per week
Annual:					\$4,143,360.00	

<u>Operating</u>	<u>Cost</u>	<u>Notes</u>
Total Staff	\$4,143,360.00	51 officers scheduled for 2040, plus 6 other management/liaison FTE's in resolution
Vehicle fuel and maintenance	\$68,000.00	Based on estimated costs for 8 vehicles, add additional costs if in-house maintenance staff would need to be added
Overlap of AUS/Transit Rangers	\$2,093,952.00	Calculated based on one year (12 months) for Transit Rangers to become fully operational
<u>Capital Start-up costs</u>		
Vehicle purchase and equipment	\$432,800.00	Original number plus technology costs of \$3,600 per vehicle
Training and Uniforms	\$140,830.38	Original number based on assumed train the trainer costs - add additional costs if in-house training staff would need to be added
Patrol Verification Technology	\$200,000.00	Based on high end cost for new system and devices
Admin Costs	\$100,000.00	Based on one additional admin FTE, though these full costs are not known until more detail can be determined
Dispatch/Workstation		Unknown at this time but must be examined further by Milwaukee County
Report Software		Unknown at this time but should be examined further by Milwaukee County
Total:	\$7,178,942.38	

It's important to note that MCTS cannot speak to the internal costs of Milwaukee County, so these numbers should be further analyzed by the appropriate parties, especially the Office of the Comptroller.

Difference from current 2024 budget: \$5,084,990.38

2025 projected operating cost: \$4,397,587.20

2026 projected operating cost: \$4,855,38.94

Pros: Would increase visible security presence and response times, capitalizes on existing expertise within Milwaukee County, more direct access to Sherriff, Park Rangers and other resources at Milwaukee County, would provide a long-term option outside of the AUS contract for as long as the operating budget could be maintained.

Cons: No clarity as to which County department this would be housed – MCDOT, Parks, OEM, DAS as there is no law enforcement experience within. Significantly higher costs for both initial capital investment and ongoing operating costs, logistical issues having a separate County department involved in MCTS operations, adds significant liability to Milwaukee County, considerable time needed to fully staff, train and purchase all needed equipment, Transit Rangers would not have additional capabilities beyond what AUS has because they are not law enforcement, unclear what involvement there would be with ATU if outside of MCTS.

Task Force Resolution – Build Transit Ranger division in-house at Milwaukee County – ACTUAL

By taking the cost quoted in the resolution and applying the cost adjustments as recommended above, below is the estimated level of what **\$3,479,976** could fund should Milwaukee County build a Transit Ranger division in house.

- The adjusted amount would reduce total officer hours from 2040 to 320 per week, which means a **drastic** reduction of 51 FTE’s to 8 (this is not including coverage) - that is well below the levels of the current AUS contract
- This adjustment would reduce the vehicle purchase from 8 vehicles to 3 vehicles
- Uniform costs were reduced, but because training levels are based on a “Train the Trainer” model, training costs were not reduced
- This option would include an overlap of the AUS contract while the new department is being built – the timeline is estimate at 10 months, but that number could change based on a reduced or extended timeline.

<u>Operating</u>	<u>Cost</u>	<u>Notes</u>
Total Staff	\$1,124,760.00	8 officers scheduled for 320 hours, plus 6 other management/liaison FTE's in resolution (does not include coverage)
Vehicle fuel and maintenance	\$25,500.00	Based on estimated costs for 3 vehicles, add additional costs if in-house maintenance staff would need to be added
Admin Costs	\$100,000.00	Based on one additional admin FTE, though these full costs are not known until more detail can be determined
Total Operating:	\$1,250,260.00	
<u>Capital Start-up costs</u>		
Vehicle purchase	\$162,300.00	Based on 3 vehicles, including \$3600 technology costs
Training and Uniforms	\$86,462.04	Original number based on assumed train the trainer costs - add additional costs if in-house training staff would need to be added
Patrol Verification Technology	\$200,000.00	Based on high end cost for new system and devices
Dispatch/Workstation		Unknown but should be examined further by Milwaukee County

Report Software		Unknown but should be examined further by Milwaukee County
Total Start-up Costs:	\$448,762.04	
Total:	\$1,699,022.04	
Overlap of AUS/Transit Rangers	\$1,744,960.00	Calculated based on 10 months' time for Transit Rangers to become fully operational
Total Year 1 Cost:	\$3,443,982.04	Operating, Start-up and AUS Overlap Amount
Difference From Resolution Cost:	\$35,993.96	Would be used to capture unknown costs

Pros: Capitalizes on existing expertise within Milwaukee County, more direct access to Sherriff, Park Rangers and other resources at Milwaukee County, would provide a long-term option outside of the AUS contract for as long as the operating budget could be maintained.

Cons: Would drastically reduce the officer hours on the street below current AUS levels, no clarity as to which County department this would be housed – MCDOT, Parks, OEM, DAS as there is no law enforcement experience within, significantly higher costs for both initial capital investment and ongoing operating costs, logistical issues having a separate County department involved in MCTS operations, adds significant liability to Milwaukee County, considerable time needed to fully staff, train and purchase all needed equipment, Transit Rangers would not have additional capabilities beyond what AUS has because they are not law enforcement, unclear what involvement there would be with ATU if outside of MCTS.

Recommendation – Continue the current AUS contract with enhancements

The recommendation from MCTS and MCDOT would be to keep the AUS contract but add further enhancements.

- **Add additional staff hours the current AUS contract, totaling 96 additional hours per week and an additional vehicle**

Benefits:

- Adds more staff hours to the contract can be accomplished in 30 days vs. 10 months or more to fully operationalize the in house option
- Adds more staff hours which will increase visible presence on buses, whereas in house option would reduce staff hours
- Adds more staff which hours will reduce response times to incidents, whereas in house option would decrease staff and increase response times

- **Add a dedicated dispatch security position under MCTS that would exclusively handle security incidents during peak times to ensure timely and consistent responses to incidents**

Benefits:

- Provides dedicated resource during peak times to ensure timely, consistent high-quality responses to incidents
 - Adds additional oversight of AUS to ensure proper responses to incidents
 - Would help with coordination efforts with DHHS and housing resources for better outcomes
 - Would receive specialized training on dealing with extended riders and mental health issues effectively deal with sensitive situations
-
- **Add two dedicated transit security field supervisor positions and an additional vehicle to cover peak shifts under MCTS to respond to critical incidents and to oversee AUS in the field**

Benefits:

- Adds additional personnel out on the street to increase visible security presence and reduce response times during peak hours
 - Provides additional oversight of AUS contract to ensure staff are responding to incidents in a timely manner, adhering to policies and remaining professional at all times
 - Can provide additional response to any critical or sensitive incidents
 - Would help with coordination efforts with DHHS and housing resources for better outcomes
 - Would receive specialized training on dealing with extended riders and mental health issues effectively deal with sensitive situations
-
- **Increase specialized training for AUS staff regarding how to respond to sensitive issues related to passengers with mental health issues or housing challenges**

Benefits:

- Could further limit how disruptive issues are escalated into critical issues
- Would ensure a high-quality, strategic and compassionate response to sensitive community issues
- Would provide consistent response to ongoing issues to ensure predictable, repeatable outcomes to help limit incidents long term

	FTE	Base hrs/week	Rate	Fringe	Weekly cost	Annual
AUS Operating						
Public Safety Officers	43	1720	\$26.16	included in rate	\$44,995.20	\$2,339,750.40
Shift Supervisors	4	160	\$28.29	included in rate	\$4,526.40	\$235,372.80
Account Manager	1	40	\$39.30	included in rate	\$1,572.00	\$81,744.00
Assistant Manager	1	40	\$35.25	included in rate	\$1,410.00	\$73,320.00
Vehicles	6				\$625.00	\$195,000.00
					AUS Op Total:	\$2,925,187.20
MCTS Operating						
Dispatch	1	40	\$34.50	\$17.25	\$2,070.00	\$107,640.00
Transit Security Supervisor	2	80	\$33.13	\$16.57	\$3,975.60	\$206,731.20
Vehicles	2				\$163.00	\$16,952.00
					MCTS Op Total:	\$331,323.20
MCTS Start Up Costs						
Vehicles	2	\$54,100.00				\$108,200.00
Training/Uniforms/Equipment						\$30,000.00
					MCTS Start Up Total:	\$138,200.00
Total Cost Year 1						
						\$3,394,710.40
Total Operating Beyond Year 1*						
						\$3,321,640.61
<i>*Calculated at base year 1 plus 2%</i>						

Difference from current 2024 budget: **\$1,300,758.40**

Pros: AUS hours could be ramped up in a very short time, hiring additional MCTS FTE’s would be manageable and require no additional resources from HR, technology and other equipment needs for new FTE’s could be covered with existing resources, improves on current structure and would increase visible security presence and response times, create more Union involvement to drive accountability to both ATU and MCTS, MCTS field personnel improves accountability, consistency and quality of response. Additional conflict resolution training can be easily incorporated by AUS.

Cons: Adds operational costs but does not remove AUS contract or provide additional resources to prevent AUS staff turnover, does not provide additional authority to TSO’s

CONCLUSION

The safety and security of MCTS personnel and passengers is a critical priority for both MCTS and Milwaukee County. However, before moving forward with any enhancements, the full costs must be approximately weighed and studied to ensure any program is properly funded, and more importantly, that it can be sustained over time. Some of these costs are part of one-time start-up expenses, however the operating costs will also require incremental investment year over year and it remains unclear whether these commitments can be met given Milwaukee County's financial challenges.