

Agenda Item A-1

MARIN EMERGENCY RADIO AUTHORITY

c/o Novato Fire Protection District
95 Rowland Way, Novato, CA 94945
PHONE: (415) 878-2690 FAX: (415) 878-2660

revised "DRAFT"

BOARD OF DIRECTORS

MINUTES OF DECEMBER 9, 2009 SPECIAL MEETING

Call to Order

The meeting was called to order at 3:33 p.m. by President Kinsey at the Novato Fire Protection District, Heritage Conference Room, 95 Rowland Way, Novato, CA, 94945.

Board Members Present:

Town of Corte Madera	Roger Sprehn (Alternate)
City of Larkspur	Robert Sinnott
City of Mill Valley	Anne Montgomery
City of Novato	Joe Kreins
Town of Ross	Tom Gaffney
Town of San Anselmo	Charles Maynard
City of San Rafael	Ken Nordhoff (departed at 3:45 p.m.)
County of Marin	Steve Kinsey
City of Sausalito	John Rohrbacher (Alternate)
Bolinas Fire Protection District	Anita Tyrell-Brown
Inverness Public Utility District	Scott McMorrow (Alternate)
Kentfield Fire Protection District	Ron Naso (Alternate)
Marin Community College District	Charles Lacy
Marin County Transit District	David Rzepinski
Marin Municipal Water District	Jon Mandell (Alternate)
Marinwood Community Services Dist.	Tom Horne (Alternate)
Novato Fire Protection District	Marc Revere
Ross Valley Fire Service	Roger Meagor
Southern Marin Fire Protection District	Jim Irving (Alternate)
Stinson Beach Fire Protection District	Kenny Stevens (Alternate)
Tiburon Fire Protection District	Richard Pearce
Twin Cities Police Authority	Todd Cusimano (Alternate)

Board Members Absent:

City of Belvedere
Town of Fairfax
Town of Tiburon

Staff Present:

Maureen Cassingham	Executive Officer
Jim Karpiak	General Counsel
Richard Chuck	Communications Engineer

Kinsey recognized Jean Bonander's service to MERA and recent retirement from the City of Larkspur. He welcomed Bob Sinnott as her Board replacement. Likewise, he acknowledged and welcomed Scott McMorrow as Kaaren Gann's replacement from the Inverness Public Utility District. Bill Hogan, Chief Ranger from the Marin Municipal Water District, will be replacing the retiring Jon Mandell.

A. Closed Session – Public Employee Performance: Executive Officer Evaluation
Pursuant to Government Code – Section 54947

- 1) Recommendations from Executive Committee – Amendment No. 3 to Agreement for Professional Services with Regional Government Services Authority and Proposed Executive Officer 2010 Work Plan

Kinsey summarized the Executive Committee's recommendation regarding Amendment 3 of MERA's contract with RGS and the proposed 2010 Executive Officer Work Plan. He said he would convene the Closed Session to discuss these matters. Hearing no request for the session, Kinsey asked for a motion and second.

M/S/P Revere/Gaffney to approve Amendment No. 3 to the Agreement for Professional Services with Regional Government Services Authority at an additional annual cost of \$9,000 and the proposed Executive Officer Work Plan.

AYES: ALL
NAYS: NONE

Kinsey thanked the Work Plan Subcommittee and Cassingham for their good service.

Motion carried.

B. Consent Calendar

All matters on the Consent Calendar are to be approved with one motion unless a member of the Board or the public requests that separate action be taken on a specific item.

- 1) Minutes from July 15, 2009, Board Special Meeting
- 2) Minutes from September 30, 2009, Board Special Meeting

- 3) Minutes of November 12, 2009, Executive Committee Regular Meeting (for information)
- 4) 2009 Annual Progress Report on Authority Operations and Activities
- 5) FY 08-09 Audited Financial Statements and Auditors' Report – Maher Accountancy John Maher and Introduction of Dan Hom, NFPD Finance Director

Kinsey introduced Consent Calendar Items 1 through 4, holding Item 5 for further discussion.

M/S/P Nordhoff/Montgomery to approve Consent Calendar Items 1 through 4 as presented.

AYES: ALL
NAYS: NONE

Motion carried.

Kinsey said John Maher, Maher Accountancy, had presented a summary of MERA's Audited Financial Statements and Auditors' Report to the Executive Committee and reported they were very uncomplicated and positive. He acknowledged that his job was made enormously easier as a result of the support of Dan Hom, NFPD Finance Director. Cassingham introduced Hom and asked for the Board's recognition of his financial and accounting services throughout MERA's audit. She said his performance had been outstanding and that he has provided real financial leadership. Hom thanked the Board for the opportunity to serve MERA, noted the pride he and his staff take in their work and thanked Maher for his support during the transition period. He looks forward to a continuing successful partnership.

M/S/P Kreins/Irving to accept the FY 08-09 Audited Financial Statements and Auditors' Report as recommended by the Executive Committee.

AYES: ALL
NAYS: NONE

Motion carried.

C. Recommendations of Executive Committee to Board of Directors

Report from MERA Subcommittee on Costs and Options for MERA's Relocation to the Proposed County Emergency Operations Facility (EOF)

Kinsey noted the report on this matter from the Subcommittee and asked for Cassingham to summarize the County proposal, the issues involved and actions the Executive Officer has been asked to communicate to the County on this matter. Chiefs Irving and Kreins were asked to comment thereafter. Cassingham said the County has requested a decision by the MERA Board on whether MERA will relocate its prime site from the Civic Center to the new County EOF and acquire new equipment. Deadline for our response was the end of December. This project has a four-year timeline and the County needs to know if MERA will be requiring space in the new more seismically safe facility. When the Subcommittee met on December 2, 2009, with County staff, they asked about whether a response could be provided after MERA's strategic plan was done in August.

There is an option to stay in the Civic Center and costs need to be explored to do so. The cost of the new equipment, move and system interface is estimated between \$4M and \$6M. Other issues not touched on were rent in the new facility, MERA's portion of the planning costs and any other relocation costs. The risks of staying in the Civic Center were discussed. County Administrator Hymel wanted MERA to consider this project at the time of refunding its bonds as an economy of scale for additional borrowing to cover relocation and new equipment costs. Kreins noted that a quick decision on additional borrowing was unrealistic. Cassingham said she will draft a letter to Hymel seeking additional time for MERA's decision on the project and requesting more detailed costs, relocation options, and information about equipment lifespans. It will also incorporate any additional questions from the Board. A draft will be circulated to the Subcommittee and Board President before it is sent.

Tyrell Brown asked about the intent of the new EOF and if the radio system would follow dispatch. Irving said the prime site in the Civic Center cannot be picked up and moved without downtime of a month. He said an option would be to buy new prime site equipment and run the system on the old equipment until there can be a switchover. With the new facility four years away, there may be new technologies that are compatible with the rest of the system. Kreins said the prime site could stay where it is but connection costs would be \$500,000. Rzepinski said there is still the seismic safety issue in staying at the Civic Center. Kinsey said it is important to stay in close communications with the County about the project. The letter seeking more information about the project and keeping the Subcommittee operational for future meetings while allowing the Strategic Plan to be completed next summer should clarify MERA's participation and financing options.

Gaffney said when we began looking at refunding, capital borrowing came up. In the course of the conference call with Hymel and Cassingham, he suggested that we could do a wraparound, existing-debt financing, interest only; however, it was agreed not to jeopardize the \$1.3M in interest savings with additional borrowing at this time without knowing project costs. The Strategic Plan should identify needed capital projects and costs.

D. Executive Officer's Report (Cassingham)

- 1) Report and Recommendations from Executive Committee on Refunding 1999 Bonds, Refunding of 2007 Project Note, Use of Refunding Proceeds and Additional Borrowing

Cassingham reported the Executive Committee's recommendation to the Board to approve refunding of the 1999 MERA Revenue Bonds, refund the 2007 Project Note when acceptable economic conditions dictate, use refunding proceeds for capital projects and to consider the previous report from the EOF Subcommittee on holding off on additional borrowing until more information is available on possible capital projects. Refunding at the February 15 call date would generate an estimated \$1.3M in present value interest savings. She has been working ahead with MERA members to schedule their governing boards' consideration of a resolution and restated project operating agreement that would permit the refunding. Member debt service would remain the same as would the term of the bonds. Issuance costs would be rolled into the refunding transaction.

All 25 member agencies must approve the refunding by January 13, 2010, or risk the estimated interest savings which may not be available at the next call date of August 15, 2010. This shortened timeline to accomplish all this since the first call date of August 15, 2009, was necessitated by the time needed to assemble the financing team, vet related matters through the Finance and Executive Committees, develop the refunding documentation and assemble underlying member financials, obtain 25 member agency approvals, develop a credit-rating presentation, work with Rabobank on the bond reserve investment agreement and more.

Revere confirmed that all the MERA members' boards must approve the refunding resolution and restated project operating agreement before the MERA Board can act on the refunding documents in January. McMorrow asked for clarification about the terms "debt service" and "member payments". Gaffney said they are the same. McMorrow also asked about the 2007 Project Note. Gaffney said it is not favorable to MERA to refund at this time; Lacy noted that the Marin Community College District called a special meeting to approve the documents since they were not going to meet until January 19. It was touch-and-go to call a special meeting based on the required public notice, and Cassingham thanked Lacy and the District for doing all that was necessary for timely approval.

Kinsey called for a motion on the Executive Committee's recommendations.

M/S/P Lacy/Montgomery to approve refunding of the 1999 MERA Bonds, refunding of the 2007 Project Note at such time as acceptable economic conditions dictate and use of refunding proceeds for Board-approved capital projects.

AYES: ALL
NAYS: NONE

Motion carried.

- 2) Report and Recommendations from Executive Committee on Use of Excess Reserves for 1999 Bonds

M/S/P Kreins/McMorrow to accept the recommendation of the Executive Committee that the excess reserve for the 1999 Bonds be left invested with Rabobank at higher interest than other MERA funds are earning and avoid the withdrawal penalty.

AYES: ALL
NAYS: NONE

Motion carried.

- 3) Proposed Resolution Terminating and Creating Certain Reserve Funds and Proposed MERA Reserve Funds Policy

Cassingham clarified that the proposed Replacement and Emergency Funds are two separate funds. The Emergency Fund will have a beginning minimum balance of \$500,000 and the Replacement Fund will have a \$700,000+ beginning balance.

M/S/P Irving/Gaffney to approve the Executive Committee's recommendation of the proposed Resolution Terminating and Creating Certain Reserve Funds and the MERA Reserve Funds Policy as presented.

AYES: ALL
NAYS: NONE

Motion carried.

- 4) Other Information Items

Cassingham reported that MERA's one-quarter share of the repairs to the upper section of the access road at the Bay Hill/Bodega Bay Tower Site is \$5,901. MERA entered into a Road Maintenance Agreement in 2002 with AT&T Mobility, Sonoma County, and Verizon, under which the work will be performed. This expense will be charged to the Replacement Fund.

Cassingham said the Strategic Planning Committee of Doyle, Pearce, and Rodericks met earlier today for the first time. Timing of the meeting allowed for DPW's development of the technical information needed for the Committee's initial tasks.

Topics included discussion of the strategic planning process, MERA organization and governance, strengths/weaknesses/opportunities/challenges analyses and future meetings/tasks. Next meeting is scheduled for February 10.

Cassingham said the Forbes Reservoir facilities demolition, asbestos abatement, and site cleanup was completed and no further action was required. The project took nearly one year. She thanked Jon Mandell and his MMWD team for all their help and patience.

E. Operations Reports (Mansourian)

Chuck reported on Mansourian's behalf.

1) Report on Additional Frequencies' Installation Project

Chuck reported that design should be completed in late December and equipment should be delivered in early January. Completion is scheduled for mid 2010.

2) Update on Tomales Site Coverage Project

Consultant John Roberto is working on the EIR and permitting issues and should finish his report in the next two months.

3) Update on Other Coverage Analyses

Nothing to report.

4) Status/Work Statistics Reports

No issues affected recent system performance.

5) Other Information Items

Chuck noted the Bay Area Quality Management District is assessing new fees effective December 1 for MERA sites as well as charges for prior year fees not previously billed. He will submit the invoices to Cassingham for the midyear budget.

The UPS for the prime site may need upgrades such as new batteries and other equipment replacements. He will submit these costs to Cassingham.

Chuck said an iPhone application from Novato Fire allows you to hear all MERA fire communications. It may be running from someone's scanner. System statistics are the same as prior year with four million transmissions for the year and 40,000 hours of actual air time.

F. Open Time for Items Not on Agenda

None to report.

G. Adjournment

The meeting was adjourned at 4:35 p.m. Kinsey expressed appreciation to Montgomery for her service to MERA and wished her the very best.

NOTE: Next Regular Board Meeting will be convened on Wednesday, January 13, 2010.

Maureen Cassingham, Executive Officer