

MARIN EMERGENCY RADIO AUTHORITY

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DRAFT: 3/25/19

FINANCE COMMITTEE MEETING

MINUTES OF FEBRUARY 20, 2019

Call to Order

The meeting was called to order by Chair Hymel at 1:32 p.m. on February 20, 2019 at the Marin Civic Center, Room 315, San Rafael, California.

Committee Members Present:

County of Marin	Matthew Hymel
Marin County Sheriff	Jamie Scardina (Designee)
Town of Ross	Tom Gaffney
Central Marin Police Authority	Michael Norton

Committee Members Absent:

Town of Tiburon

Staff Present:

MERA Executive Officer	Maureen Cassingham
MERA Deputy Executive Officer- Next Gen Project	Dave Jeffries

A. Minutes of December 6, 2018 Finance Committee Meeting

M/S/P Gaffney/Norton to approve the minutes from December 6, 2018 Meeting of Finance Committee, as presented.

AYES: All
NAYS: None
ABSTENTIONS: None
Motion carried.

B. Update of Next Gen System Project and Budget – (Jeffries)

Jeffries summarized current Project activities, noting continuation of the CEQA process and development of the Draft Subsequent Environmental Impact Report (SEIR). Staff is reviewing each section prepared by the Consultants which are then presented for legal review. Another few months' work is expected before the Draft is released, which triggers a 45-day public comment period and a public hearing. The Final SEIR comments must be addressed before presentation to the Governing Board. The process has been slower than anticipated.

Gaffney asked why the EIR was titled "Subsequent." Jeffries said the SEIR builds on the original System EIR and focuses on any changes associated with the Next Gen Project such as additional sites and any changes in CEQA guidelines. The CEQA process has slowed down the Motorola meeting schedule with another monthly meeting in March after which biweekly meetings will resume. CEQA also affects finalization of system design and completion of site leases, which cannot be finished until CEQA is done.

Jeffries announced Maura Griffin will be joining the Next Gen Team as Alex Anderson's replacement. She is a RGS contractor who will be introduced at upcoming Committee and Board meetings. One of her first assignments will be to collect data from member agency site visits including radio counts, WiFi facilities and more.

Jeffries presented the Next Gen Project Budget update, which includes the 12/12/19 Project Budget line items and audited actual expenditures through 6/30/18 along with posted FY18-19 expenses through 12/7/18. He cited Project Funding Sources which are Measure A Parcel Tax and a MERA Reserve to fund non-public safety radios not covered by Measure A. It is his plan to update expenditures every quarter.

Jeffries noted all the approved Motorola Change Orders have been accounted for in the Budget Vendor Contract line item, with the exception of C.O. #8 for the microwave MPLS, which is pending further DPW and POC review. Hymel said he is in discussion with DPW about the public safety offset for the non-safety radios. In response to Hymel, Jeffries said Griffin will be surveying members for portable and mobile radio counts and WiFi features. Gaffney confirmed the current radio count as about 3,000 radios. The plan is for Griffin to confirm final numbers. In response to Gaffney, Jeffries said the vendor radios line item reflects the 2,900 count on the November 4, 2014, date of Measure A passage. Since then, the number of radios that have been added have been inventoried. Replacements are recognized apart from adds. Adds will not be covered by Measure A.

Hymel asked how the Change Order for accessories and higher functionality affects the Vendor Radios line item and whether it should be reflected in the Vendor Contract line item. He added we need to be mindful about accounting and paying for non-public safety radio accessories apart from the safety line items. Jeffries said the member survey will accurately reflect non-safety counts and the Vendor Contract and Radios line items will benefit from original Project estimates.

Hymel said Pearce and Cusimano met with Federal Engineering (FE) on the extension of their contract and whether adjustments could be made by reducing the Project Manager to less than full-time or providing added Project services. Cassingham confirmed that she used a straight-line projection of FE Phase II costs of \$33K per month through the completion of the Project. Hymel said he has discussed with Klock the possibility of reducing the DPW \$2M Project Implementation line item. Once we are finalized with FE, it would be good to revisit this line item as well. Jeffries noted the Governing Board approved \$4M Project Contingency that is not currently allocated for Project costs.

Jeffries added that the two Project cost unknowns are associated with CEQA and Site Construction. Site work will be separately bid from Motorola and costs will depend on the outcome of the competitive bid process and bid climate at the time.

C. Proposed PRELIMINARY FY19-20 Operating, New Project Financing, and Revenue Bonds Budgets – (Cassingham)

Cassingham presented the three Preliminary Budgets, noting the New Project Financing reflected the supplemental borrowing needed to complete the current System and the 2010 Refunded Revenue Bonds that provided original funding for the current System. She requested Committee recommendation of the Budgets to the Executive Board on March 13 to aid member agency FY19-20 Budget preparation.

Cassingham presented the Operating Budget of \$1,991,510, which reflects a 3.1% increase over prior year. She noted this is the only Budget for which there is discretion. The New Project Financing Budget reflects the Governing Board established flat payment of \$225,000 and the 2010 Bond financing payment reflects Debt Service requirements from the Trustee. In response to Gaffney, Cassingham advised the last member payment will be August 2020 or FY2020-21. Norton asked about member notification of their FY19-20 payments. Cassingham said notice would be provided no later than March 15.

Cassingham noted the \$59,356 difference in the Operating Budget over FY18-19. Gaffney cited most of the variance is increased costs for Site Leases. Cassingham said the increase is primarily from the Martinelli Family Site Lease, which reflects a CPI catch-up the Family had not billed for several years. Hymel said he would brief the City Managers at their next meeting to plan on a 3% adjustment in the FY19-20 Operating Budget. Cassingham added that the two Debt Service Budgets were flat for budgeting purposes. Norton confirmed that member overall costs would go up by 1.5%.

In response to Gaffney regarding RGS costs, Cassingham confirmed that Measure A covered Jeffries and Griffin's costs and 11 hours per week of Cassingham's costs in support of Next Gen. She added a portion of NFPD costs are charged to Measure A for related accounting and billing services and support for Low-Income Senior Exemption administration. Norton asked if the termination of MERA's contract with NFPD would

affect member costs. Cassingham said the current NFPD annual costs of \$60K are not expected to change with a new host. If those costs increase, contingency will cover those expenses.

M/S/P Gaffney/Norton to recommend the Proposed Preliminary MERA FY19-20 Budgets for Operating, New Project Financing and 2010 Refunding Revenue Bonds to the Executive Board as presented.

AYES: All
NAYS: None
ABSTENTIONS: None
Motion carried.

D. Other Information Items.

Cassingham noted the upcoming deadline of April 2, 2019, for submission of FPPC Form 700. She added the filing can be done online without a wet signature. Hymel asked if MERA needed to be notified of the filings. Cassingham said the County tracks the filings for MERA.

E. Open Time for Items Not on Agenda

None.

F. Adjournment

The meeting was adjourned at 1:55 p.m.

Respectfully submitted by:

Maureen Cassingham
MERA Executive Officer
and Secretary