

**G.B. 9/23/20 Agenda Item A-2**

**MARIN EMERGENCY RADIO AUTHORITY**

c/o Town of Corte Madera  
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**GOVERNING BOARD**

**Minutes of July 22, 2020 Regular Meeting**

**DRAFT: 9/17/20**

**Call to Order and Introductions**

The teleconferenced regular meeting was called to order by President Pearce on July 22, 2020, at 3:30 p.m. Pearce reviewed the teleconferencing protocol, noting roll call votes on all action items.

Barrera called roll.

**Governing Board Members & Alternates Present:**

Town of Corte Madera	R. J. Suokko (Alternate)
City of Mill Valley	Jacqueline Graf (Alternate)
City of Novato	Amy Peele
Town of Ross	Tom Gaffney
Town of San Anselmo	Doug Kelly
City of San Rafael	Bob Sinnott (Alternate)
County of Marin	Matthew Hymel
City of Sausalito	Bill Fraass (Alternate)
Town of Tiburon	Michael Cronin
Bolinas Fire Protection District	George Krakauer
Inverness Fire Protection District	Jim Fox, Shelley Redding (Alternate)
Kentfield Fire Protection District	Mark Pomi, Ron Naso (Alternate)
Marin Community College District	Martin Langenveld (Alternate)
Marin Transit	Amy Van Doren
Marinwood Community Services District	Jeff Naylor
Novato Fire Protection District	L. J. Silverman (Alternate)
Southern Marin Fire Protection District	Cathryn Hilliard
Stinson Beach Fire Protection District	Kenny Stevens
Tiburon Fire Protection District	Richard Pearce
Central Marin Police Authority	Michael Norton

**Governing Board Member Agencies Absent:**

City of Belvedere  
Town of Fairfax  
City of Larkspur  
Marin Municipal Water District  
Ross Valley Fire Department

**Staff Present:**

MERA Executive Officer	Maureen Cassingham
MERA General Counsel	Trisha Ortiz
MERA Deputy Executive Officer – Next Gen Project	Dave Jeffries
MERA Acting Operations Officer	Raul Rojas
Recording Secretary	Lorena Barrera

**Guests Present:**

Federal Engineering	David Mortimer
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A. Consent Calendar

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

- 1) Minutes from June 24, 2020, Governing Board Regular Meeting
- 2) Report No. 98 on Strategic Plan Implementation
- 3) Willdan Arbitrage Report and Rebate Calculation for 2016 Special Parcel Tax Revenue Bonds – June 2020

*M/S/P Sinnott/Hilliard to approve Consent Calendar Items 1 through 3 as presented.  
Roll call vote followed.*

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

Pearce expressed special appreciation for Shurtz's years of service and many outstanding contributions to the Fire Service and his communities.

B. Executive Officer's Report – (Cassingham)

- 1) Report No. 72 on Next Gen System Project – (Jeffries)

Jeffries noted meetings with Federal Engineering and AECOM to advance the Project. There was also a teleconference with MCOE regarding the Coyote Peak site. He said the Assistance to Firefighters' Grant (AFG) portable radios have arrived and mobiles are en route. Installation will occur after the primary fire season.

Regarding Custom Design Review (CDR), Jeffries said 135 issues were forwarded

to Motorola for review. They have agreed to correct 127 and they will be uploaded for our review shortly. 8 items are pending. He added he and Cassingham are working on recruitment for the Implementation Coordinator. An update will be provided at the next meeting.

Jeffries said AECOM's priority tasks are completion of a Construction Schedule for integration into the Motorola Project Schedule. AECOM will also be reviewing construction cost estimates to update the Project Budget. Bid packages completed by County staff before the transition are also being reviewed by AECOM and will be revised to reflect the MERA bid process.

Jeffries reported on a proposed cost-sharing agreement with AT&T for a power trench at the Tomales site. This will require Governing Board approval of a minor amendment to the SEIR. Going from two separate trenches to one is lesser impact on the environment as well as provides for some cost savings to MERA.

Jeffries reviewed the format and timing of future Governing Board Project updates, budget summaries, and site work status. Updates will be monthly while budget and site summaries will be presented every other month. Reporting frequency and extent can be revisited as we go forward.

2) Status Report on Transition of Next Gen System Project Implementation to MERA

Cassingham reported that with finalization of AECOM Project staffing, names can be added to the Organization Chart previously approved by the Governing Board. She noted Mark Chase is the Program Manager, James McKenzie is the Construction Project Manager and Jonathan Sprague has joined as Construction Manager.

Cassingham reported the AECOM Project Plan is under development, the centerpiece of which is the Construction Schedule. Chase has undertaken contractor outreach and bid climate evaluation. Thanks to input from Sinnott and Pearce, an Implementation Coordinator candidate list has been developed with Jeffries taking the lead on assessing who to reach out to determine their interest and confirm skill sets. RGS also has some candidates in their employ for us to consider. She again thanked the County for their assistance with the transition.

Hilliard expressed concern about AECOM contractor outreach with relationship to the Public Contracting Code. After specs are developed, a publicly advertised process should follow to assure bidding process fairness for all parties. She asked if AECOM's outreach was for preconstruction or construction. Cassingham said she understood their efforts were to determine level of interest in the Project and tower site work expertise. She assured the Public Contract Code would be followed and MERA would follow the County's bid process and documentation. Hilliard asked for further clarification offline to assure certain contractors are not being given

advantage in the process. Pearce added he hoped that the bid climate would be favorable for the Project Budget.

3) Report on Measure A Citizens Oversight Committee Request for \MERA Governing Board Response to County of Marin Next Gen Project Implementation Agreement Termination

Cassingham noted there are two components of the Committee's request of the Governing Board. As background, the Committee was formally informed of the Agreement Termination on March 13 after Notice was presented on March 11. Termination was discussed at the Committee's June 17 meeting along with the June 10 selection of AECOM to finish Project Implementation. She and Jeffries advised the Committee as their staff liaisons, that engagement of AECOM would cost an additional \$1.4M.

Cassingham said the Committee, in response to this update, unanimously approved a motion to request from the Governing Board an explanation of why the Implementation Agreement did not require the County to complete the Project. The motion also sought a written explanation from the County on why they chose not to renew the Agreement which has increased Project cost by \$1.4M.

Cassingham said the Implementation Agreement and Termination Notice were reviewed with the Committee and a copy of the Notice was provided to them, which included the reason for termination. She said the Committee, which has a limited charge of reviewing Measure A revenues and expenditures, nonetheless takes the success of the Project very personally. She added that, per Committee Bylaws, their communication must go through the Authority which explains their request to the Governing Board.

Cassingham asked for Board input in responding to the Committee. Pearce offered on behalf of the Board to develop a written response with the assistance of staff explaining what has transpired. He added it is not uncommon for Oversight Committees to get engaged and feel passion for their Projects. Cassingham concurred with this offer. Hymel offered to attend a Committee meeting or reach out to the Chair and Vice Chair via phone call to follow up. This might permit more interaction than a written response.

Cassingham said this matter is agendaized for the Committee's September 16 meeting, which will be held telephonically. Hymel offered to participate in the discussion by phone. She confirmed the Committee was provided a copy of the County's Notice. Pearce added he felt a written response was also appropriate and offered to work with Hymel in developing it. Hymel will work with Pearce on a joint response.

4) Other Information Items

None.

Pearce inquired about the progress of NGP site leasing. Cassingham responded she is the lead with existing site leases and lease amendments for 7 locations and is overseeing MERA's Contract with County Real Estate for the remaining additional sites where MERA has had no prior lease/license relationship with owners. She noted sites like Big Rock and San Pedro owned by C&C Equipment have required extensive and protracted exchanges over technical matters and business terms. Completion of leasing is critical to Next Gen implementation.

Cassingham specifically highlighted the new sites of Coyote Peak and Muir Beach which are publicly owned sites. These licensors are seeking the most favorable terms for them which will affect MERA development costs along with operating cost increases due to requests for fair market rents. For example, MERA Coyote Peak development costs include a new extensive access road that MCOE will jointly use plus MCOE requests for a shared electrical conduit and back-up generator. As a reminder, MCOE is a no-cost Non-member user of the MERA System. Cassingham hopes the mutual public agency benefits of the NGP sites will encourage cooperation on rent issues and other development costs.

Pearce expressed surprise given what MERA has extended to MCOE with System usage and Muir Beach with Next Gen improved coverage. Cassingham said negotiations have been collegial to date but MERA owes it to its members to be a responsible steward for the use of its public dollars. Cassingham was hopeful Big Rock and San Pedro site license amendments could be presented at the August meeting. Hilliard asked about licensor negotiations and if additional help was needed. Cassingham replied no and that MERA General Counsel was providing legal review of all related documents. Jeffries and Mortimer have been providing technical assistance. Pearce reminded members to distribute the one-page Project updates in the agenda packet to their respective officials to keep them updated.

C. Public Hearing

1. Proposed Resolution Confirming MERA FY19-20 Capital Project Budgets and Expenditures from Reserves.

Fund 70032 (New Project Financing)  
Fund 70036 (Replacement)  
Fund 70038 (Next Gen Project)  
Fund 70039 (2016 Bonds)

Pearce opened the Public Hearing. Cassingham presented the Resolution confirming FY19-20 Capital Project Budgets and Expenditures which had been previously approved by either Executive or Governing Board action. She recapped each Fund's beginning balance as of

July 1, 2019, Fund revenues and expenditures and Projected June 30, 2020 balance.

Cassingham noted the typo in the amount earmarked in Fund 70036 for Next Gen Non-safety radios and corrected it to \$1,850,000. She reviewed the sources of revenues and types of expenditures in each Fund. She noted there were no projects associated with the New Project Financing Fund and the projected Fund Balance is \$246,595. Replacement Fund expenses included equipment replacement and capital repairs of \$107,900 and \$4,310 for related Financial/Administrative Services, for Arbitrage calculations and Trustee expenses, leaving a balance of \$4,041,813. Capital costs were for transmitters, batteries and HVAC replacements.

Cassingham reported the projected Emergency Fund balance as of 6-30-20 is \$533,763. The Next Gen System Project Fund with revenues from Measure A Parcel taxes and Interest Income, had a July 1, 2019, a beginning balance of \$8,765,699, revenues of \$3,632,900 and expenditures of \$369,360 for a projected 6/30/20 Fund Balance of \$12,029,219. Next Gen Project expenses included RGS Contract Staff costs, NBS parcel tax administration, Town of Corte Madera staff support, legal, audit, website support, Trustee fees, County Tax collection, Surety and Arbitrage calculations.

Cassingham reviewed the 2016 Bonds Fund beginning balance of \$31,562,732 with Next Gen Project expenses of \$3,425,642 for a Projected Fund Balance of \$29,027,090 as of June 30, 2020. Types of expenses were for County Implementation, Federal Engineering, CEQA Consultants, AECOM CDR review, Motorola and Bond Principal and Interest payments. She noted this was the first year of Bond Principal.

Gaffney inquired about the Citizens Bank Note payment of \$225,000. Cassingham confirmed the last payment on the Note is February 2022. Cassingham, in response to Gaffney, confirmed there would be one additional payment. He asked if the Fund Balance could be used to retire the Note, adding one more payment would still be needed.

Gaffney asked about MERA's Motorola Change Order \$4M costs for early order radios and the AFG radios. Cassingham said C.O. #12 has yet to be billed for AFG radios which are a FY20-21 expense. C.O. #11 for the early order radios is a FY19-20 expense which has not been billed.

Pearce asked about the amount of interest income on the unexpended Bond proceeds and whether this could pose an IRS issue. He inquired about MERA's documentation of delays in the event of an audit. Cassingham referenced the latest Willdan Arbitrage Report and calculation which tracks our potential liability with interest income. She added Annual Post Issuance Certificates have been developed for file documenting reasons for Project delays impacting Bond expenditures. She noted Guaranteed Investment Contract (GIC) interest of \$75,000 per month interest income on the Unexpended Bond Fund balance which should decline as spending progresses.

Hilliard asked about the \$177,142 yield reduction payment noted in the Willdan Report. Cassingham confirmed the amount of this Yield Reduction Payment due May 19, 2021, which could grow depending on how quickly Bond proceeds are expended going forward. She confirmed this amount is MERA's liability as of May 19, 2020.

*M/S/P Gaffney/Pomi to approve Resolution No. 2020-05 Confirming MERA FY19-20 Capital Project Budgets and Expenditures from Fund 70032, 70036, 70038 and 70039. Roll call vote followed.*

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

2. Proposed Resolution Approving the Proposed FY20-21 Capital Project Budgets and Expenditures from Reserves.

Fund 70032 (New Project Financing)  
Fund 70036 (Replacement)  
Fund 70038 (Next Gen Project)  
Fund 70039 (2016 Bonds)

Cassingham presented the Resolution approving the Proposed FY20-21 Capital Project Budgets and Expenditures. No projects are proposed for the New Project Financing Fund, which leaves a projected Fund Balance of \$267,095 on June 30, 2021. Replacement Fund expenditures are for the usual Financial/Administrative services of \$4,500, equipment replacement of \$80,000 including the Microwave Network Repair and redemption of the 2010 Bonds of \$2,019,702 less U.S. Bond and Bond Counsel fees of \$6,973. Projected June 30, 2021, Fund Balance is \$2,052,611 of which \$1,850,000 is earmarked for Next Gen non-safety radios.

Cassingham reported the Emergency Fund project balance of \$538,763 on June 30, 2021. Projected June 30, 2021 balance of the Next Gen Project Fund is \$15,222,169. The categories of Fund expenditures are the same as prior year and estimated at \$419,550. Fund 70039 for the 2016 Bonds has a projected Fund Balance of \$19,565,170 as of June 30, 2021, after estimated expenditures of \$10,208,920. Categories of expenses include increased RGS Contract Staff costs, the new Implementation Agreement with AECOM, Federal Engineering services through December 31, 2020, Site Acquisition/Construction, a Motorola milestone payment and C.O.'s, Bond Principal/Interest, County Real Estate Services and DPW HVAC and transfer equipment beneficial to Next Gen.

Gaffney inquired about the radios payment to Motorola. Cassingham said this is included in the \$3M line item for Motorola costs in FY20-21. Jeffries confirmed delivery of the mobile radios later this fiscal year after which the County will invoice MERA for its share.

Gaffney said he recalled this was a \$4M MERA Motorola cost. Cassingham said staff will clarify C.O. cost payment dates.

*M/S/P Kelly/Gaffney to approve Resolution No. 2020-06 Approving the Proposed FY20-21 Capital Project Budgets and Expenditures from Fund 70032, 70036, 70038 and 70039.  
Roll call vote followed.*

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

D. Operations Reports (Rojas)

1) Update on Proposed Sonoma-Bay Hill Microwave Link Relinquishment

Rojas reported the new license agreement has been drafted and is under review by County Counsel. It will be presented to Sonoma County for comment. Once comments are in hand, it will be submitted to MERA General Counsel for review. Sonoma has been providing quicker turnaround; however, there is no date yet for Governing Board action.

Pearce asked about keeping Link Relinquishment tied to MERA's request for Sonoma Mtn. License Amendment. He reminded about the need to leverage one approval for the other.

2) Report on MERA Operations Officer Replacement, DPW Current System Staffing, and Operational Issues Monthly Work Group Meetings

Rojas reported he has been Acting Operations Officer since Klock departed. He will continue until his retirement in December 2020. He has been considering Betsy Swenerton as possible Operations Officer, which is dependent on her workload. After December, his replacement will decide on the permanent Operations Officer.

Rojas noted the Next Ops Group telephone meeting is on August 5 and there will be several important agenda items for them to give input on. Pearce offered congratulations on his retirement. He inquired about current System staffing levels for maintenance and succession planning for staff transitions. Rojas said recruitment is underway for the Communications Manager position and appointment is anticipated in September, which should address a number of staffing issues within the Division. Cassingham asked about the number of staff in the Communications Division. Rojas said 10 or 11.

3) MERA System Operations Update – June



Rojas presented his report, noting completion of preventative maintenance and recurring issues with the West Simulcast site controller and efforts to find a replacement, which is a key area of focus. The AC unit at San Pedro was replaced, along with installation of an AC unit in the Master Site UPS room.

Defensible space creation around radio sites with Bolinas and Pt. Reyes are top priorities. These locations are challenges in that they are under property owners' control.

Rojas noted System Usage in June reported nearly zero busies. The System continues to perform well.

4) Other Information Items

Rojas reported on an extended warranty agreement with Aviat Networks for the microwave backhaul network. Estimated costs is \$9,700 for the next year. DPW is analyzing agreement scope and will provide an update in August.

E. Open Time for Items Not on Agenda

None.

F. Adjournment

The meeting was adjourned at 4:33 p.m.

Respectfully submitted by:

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Maureen Cassingham  
MERA Executive Officer  
and Secretary