



MINUTES

LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

FINANCE COMMITTEE MEETING

Thursday, August 29, 2013 • 1:00 p.m. to 2:30 p.m.

LA-RICS Headquarters, Large Conference Room

2525 Corporate Place, Suite 200, Monterey Park, CA 91754

Official Voting Members Present:

Ed Roes, City of Los Angeles Administrative Office
Stephen Sotomayor, Chair, representative for City of Los Angeles Police Department
Jan Takata, County of Los Angeles Chief Executive Office
Doug Cline, representative for County of Los Angeles Fire Department
Robert Barnes, representative for Los Angeles County Police Chiefs Association
Daniel Jordan, representative for California Contract Cities Association
Eric E. Tsao, representative for City of Torrance, At Large #1
Erick Lee, representative for Culver City, At Large #2
Greg Simay, Vice Chair, representative for City of Burbank, At Large #3

Representatives For Official Voting Members Present:

Joshua Drake, representing Matias Farfan for City of Los Angeles, Chief Legislative Analyst

Others Present:

Pat Mallon, LA-RICS
Susy Orellana-Curtiss, LA-RICS
Truc Moore, LA County Council

Official Voting Members Absent:

Ronnie Villanueva, representative for the City of Los Angeles Fire Department
Matias Farfan, representative for City of Los Angeles, Chief Legislative Analyst
Dave Culver, representative for County of Los Angeles Sheriff's Department
Andree Stecker, representative for County of Los Angeles Department of Health Services
James Alther, representative for the LAUSD Police Department
Olivia Valero, representative for City of Long Beach
David Lantzer, representative for Los Angeles Area Fire Chiefs' Association
Steve Smith, representative for City of Covina, At Large #4



- I. CALL TO ORDER
- II. ANNOUNCE QUORUM – Chair Stephen Sotomayor took roll call, quorum was reached.
- III. APPROVAL OF MINUTES – July 25, 2013, LA-RICS Finance Committee Meeting Minutes.
Committee Member Eric Lee called the 1st motion and Committee Member Joshua Drake called the 2nd. **MOTION APPROVED.**

IV. REPORTS –

Executive Director Pat Mallon provided updates:

- August 15, 2013, the Board of Directors approved and executed the LMR contract award to Motorola Solutions. There is still no Notice to Proceed (NTP) because LA-RICS needs to secure grant funding before moving on. Most likely it will be filed by tomorrow.
- With reference to the LTE Broadband Procurement:
 - August 13, 2013, Release of RFP LARICS008
 - August 22, 2013, Proposers Conference
 - August 28, 2013, Proposal Written Questions were due
 - September 26, 2013, Proposal Submittal Deadline
 - August 15, 2015, Project Completion Deadline

In presenting the contract to the Board on August 15, 2013, there was discussion regarding the funding plan. The Board is requesting that the funding plan contain accurate information, which should be available for review at the end of the detail design period. This timeline may work for the LMR system; however, it will not work for the LTE, since detailed design takes about 12 months.

LA-RICS has been meeting with some of the independent cities about sites that are within their jurisdictions. A common question that has been asked was what the cost to them on a subscriber basis to participate would be. While that information is not available now, LA-RICS cannot wait until September of next year (2014). The LTE funding plan has to move forward.

In regards to the LMR, LA-RICS has been working with LA City in gathering the requirements for the sub recipient agreements for the UASI funds. LA City has been sharing some contacts that they have with FEMA (purveyor of UASI funds) and talking about the UASI grant deadlines:

- UASI 09' has a deadline of December 31, 2013, to spend \$16.9 million
- UASI 10' has a deadline of March 2014, with an amount of \$20.4 million. Extensions on this grant seem to have been exhausted.
- UASI 11' and UASI 12' are set to expire on March 2014, with anticipation of getting extensions.



Executive Director Mallon stated that if the LTE funding plan is tied to the LMR funding plan and cannot be approved until September or October 2014, this only leaves six months to complete construction on 232 sites and an additional 4 months for system installation and implementation. This is not realistic. Therefore, it is recommended that the Finance Committee immediately begin developing a funding plan. It can be called provisional or preliminary funding plan. At some future point it can be reviewed again to allow some members a second period to opt out. The contract value for Phases 1-4 of the LMR system are known along with additive alternates 1, 2, and 3. We expect that the funding plan should incorporate capital costs for added alternates 1 (Bounded Area coverage) and 2 (MTA tunnel coverage) Additive alternate 3 (In-Building Coverage) is a decision that can be made after the system is built and the coverage inside of buildings can be tested.

There are some CEQA issues. Unlike the Department of Commerce on the Broadband System, the Department of Homeland Security and FEMA has told LA-RICS that they will conduct the NEPA clearance process for sites in clusters. By contrast, all 232 LTE sites have to be CEQA cleared before the Department of Commerce will begin to process the LA-RICS NEPA application. That is why LA-RICS only has CEQA cleared sites for the LTE system. LMR does not have that potential due to installations on Catalina Island, the National Forest, and Bureau of Land Management sites, all of which require federal intervention and federal clearances. The Committee should start acquiring cost information based on the projected maintenance cost, with a contractual obligation of 1-15 years.

Executive Director Mallon states that it is desired that the LTE contract move forward around March 2014, therefore the funding plan should be set by March 2014. As far as two funding plans; one for LTE and one for LMR, that is a decision for the Board. His concern is that some of the member agencies might be interested in one and not the other. The actual price of the LTE system will not be known until there is a contract.

Executive Director Mallon introduced Dave Yamashita, LA County Internal Services Department – General Manager over Administration and Finance, who shared information regarding the County Wide Integrated Radio System (CWIRS) funding format. This system is very similar to the LA-RICS system in terms of the cost recovery portion of the funding plan. They have methodologies in place to cover the costs, e.g. cost recovery for infrastructure that they maintain at all of the sites. They use units (equipment that the subscribers have) and develop a premium grade and that is how they get charged every year.

Jan Takata provided two consultant resumes (see attached) which are currently under contract with LA County. They would be assisting with methodology and approach; due to the amount of constituencies therefore they are more of a cross over between communications, media, marketing, technical aspects.

Chair Sotomayor asked if the Committee would like to interview consultants. It was determined that questions should be forwarded to Chair Sotomayor by Thursday, September 12, 2013 at 1:00 p.m. Committee Member Greg Simay called the 1st motion and Committee Member Eric Tsao called the 2nd. **MOTION APPROVED.**



V. NEW BUSINESS – None

VI. OLD BUSINESS –

1. Discussion Item: LA-RICS Funding/Finance Plan.

Chair Sotomayor stated that this item was discussed during New Business.

VII. PUBLIC COMMENT – None

VIII. ITEMS FOR FUTURE DISCUSSION BY THE COMMITTEE

Workshop: LTE & LMR Funding Plans and Project Phasing
Workshop: Contract Cities and the Cost Allocation Model

VIII. ADJOURNMENT AND NEXT MEETING:

Meeting adjourned at 2:16 p.m. by consensus.

The next regular meeting is scheduled for September 26, 2013, at 1:00 p.m., LA County Sheriff's Department, 4700 W. Ramona Blvd., Media Conference Room, Monterey Park, CA 91754.

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AND FILED