



# Board of Directors MEETING MINUTES

LOS ANGELES REGIONAL  
INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

May 7, 2014

Grace E. Simons Lodge  
1025 Elysian Park Drive, Los Angeles, CA 90012

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## Board Members Present:

**William "Bill" T Fujioka Chair**, CEO, County of Los Angeles  
**Kim Raney**, Police Chief, City of Covina, representing At Large Seat  
**Mark R. Alexander**, City Manager, City of La Cañada Flintridge, representing the Contract Cities Association  
**Reginald "Reggie" Harrison**, Deputy City Manager, City of Long Beach  
**Gregory "Greg" L. Simay**, Assistant General Manager, City of Burbank Water & Power, representing At Large Seat  
**Bill Walker**, Fire Chief, City of Alhambra, representing the Los Angeles Area Fire Chiefs Association  
**Daryl L. Osby**, Fire Chief, County of Los Angeles  
**Gerry F. Miller**, Chief Legislative Analyst, City of Los Angeles  
**LeRoy J. Jackson**, City Manager, City of Torrance, representing At Large Seat

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## Representatives For Board Members Present:

**Patricia "Patty" J. Huber**, representing Miguel Santana, for the City of Los Angeles Chief Administrative Office  
**Ronnie Villanueva**, representing James G. Featherstone, for the City of Los Angeles Fire Department  
**Sandy Jo MacArthur**, representing Charles "Charlie" L. Beck, Vice Chair, for the City of Los Angeles Police Department  
**Cathy Chidester**, representing Dr. Mitchell H. Katz, for the County of Los Angeles Department of Health Services  
**Matias Farfan**, representing Gerry Miller, for the City of Los Angeles Chief Information Office  
**Nancy L. Ramirez**, representing Steven K. "Steve" Zipperman, for the Los Angeles School Police Department  
**David Betkey**, representing John Scott, for the County of Los Angeles Sheriff Department

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## Officers Present:

**Pat Mallon**, LA-RICS Executive Director  
**Rachelle Anema**, representing John Naimo, Auditor-Controller, County of Los Angeles  
**Patricia Saucedo**, Board Secretary

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## Absent:

**Scott Pickwith**, Police Chief, City of La Verne, representing the Los Angeles County Police Chiefs Association  
**Ron Iizuka**, Police Captain, City of Culver City, representing At Large Seat  
**Mark J. Saladino**, Treasurer and Tax Collector, County of Los Angeles



**I. CALL TO ORDER**

**II. ANNOUNCE QUORUM – Roll Call**

Chair Bill Fujioka made an acknowledgement that a quorum was present.

**III. APPROVAL OF MINUTES – (1–2)**

1. February 20, 2014 Special Meeting Minutes
2. April 3, 2014 Regular Meeting Minutes

Board Member LeRoy Jackson, seconded by Alternate Board Member Patty Huber motioned to approve the Minutes. The Board's consensus was unanimous.

**Ayes:** 15 – Raney, Alexander, Harrison, Huber, Simay, Walker, Fujioka, Villanueva, Mac Arthur, Osby, Chidester, Farfan, Ramirez, Jackson, Betkey

**MOTION APPROVED.**

**IV. CONSENT CALENDAR – (None)**

**V. REPORTS – (3–6)**

3. Committee Reports

a. Finance Committee – Stephen Sotomayor

Finance Committee Chair Stephen Sotomayor reported that the committee held two special meetings to cover the topic of the Funding Plan. Discussion mainly focused on options for the capital replacement cost and what level of funding is appropriate. At the last committee meeting, the consultant was asked to run different scenarios to help us optimize the best choice, the point at which those costs should be payable, and at what level should they be funded. That will be discussed in the next meeting. In addition, numerous comments were received on the Funding Plan. Those comments are included in your packet today. The committee has reviewed the comments submitted by Beverly Hills, but has not reviewed all comments received.

Chair Bill Fujioka stated that a discussion on the proposed Funding Plan along with public comments from a number of entities, will take place later in the meeting.

- b. Legislative Committee – No Report
- c. Operations Committee – No Report
- d. Technical Committee – No Report

4. Director's Report – Pat Mallon

Executive Director Mallon provided an update of the LTE Project and stated that Motorola and the LA-RICS Team have been aggressively pursuing site assessments. To date, we have completed initial assessments of all County and LA City sites. We are in the process of conducting secondary site visits and are awaiting "Right of Entry" permits on all sites to conduct test borings to determine ground stability for the monopole foundations. We have not been able to schedule visits so far on a total of 34 of the 231 sites. Gaining approval for the Right of Entries is critical to moving these sites forward. We are very quickly getting to a point where we are going to need to start dropping sites.

Chair Bill Fujioka asked for a list of those sites and instructed staff to forward the list of sites to Members.



Executive Director Mallon stated that Chief Osby, Chief Walker, Chief Betkey and I met with Acting General Manager TJ Kennedy from FirstNet and some of the FirstNet team on Tuesday, April 29, 2014. That meeting was to follow up on some discussions with then General Manager Bill D'Agostino (who has since resigned) to determine what FirstNet's direction is and how LA-RICS LTE system can fold seamlessly into the FirstNet vision. We were not able to get any additional information. In essence, LA-RICS is moving forward on its own and hopes that what we're building will meet with what FirstNet ultimately determines to be their direction. Chair Fujioka asked if FirstNet stated, in general, "Proceed? Don't wait for us?" Pat Mallon stated, yes. Chair Fujioka stated, that's a critical point.

Executive Director Mallon went on to state that following our meeting of last month when NTIA reported to us their concerns about LTE and LA-RICS being able to complete the LTE project within the Grant Performance Period, on Monday, April 28, 2014, we received official notice from NTIA that we were being placed into a "Corrective Action Plan (CAP)" status. The CAP is essentially a probationary period wherein if certain milestones are not met, that this can affect our grant funding. There are three areas of concern that were outlined in the CAP. One is the environmental documentation. As previously reported, we've had some issues with quality control from our environmental consultant. We have worked through those concerns. NTIA is now requiring that the Biological Assessment be completed no later than May 9, 2014. A draft was submitted to them on Monday, May 5, 2014. The Final Environmental Assessment must be submitted not later than Friday, May 16, 2014. Failure to comply with either date may result in a suspension of our grant. The LA-RICS team and Jacobs have been closely monitoring compliance with this element of the CAP.

NTIA recognizes that the LA-RICS JPA Agreement requires that a Funding Plan must be adopted before any construction and they recognize that the Plan is on the "Critical Path" for us from a scheduling perspective. NTIA has set a hard date of June 5, 2014 for the adoption of the Funding Plan. If the Funding Plan is not adopted by that date, there is a strong likelihood that our project will be defunded.

In submission of a LA-RICS Project Management Plan, including phased deployment, their interest is that they want to insure suitable coverage in a perhaps smaller geographical area and thus avoid coverage that would look like "Swiss Cheese". We have been working with Motorola to develop a deployment strategy that will still allow us to build all 231 sites and not slight any specific area in the interest of some others. We are ready to submit a draft of our deployment plan right now. Also, FirstNet has provided one of their staff to work with us on the plan and so far that individual seems to be pleased with our deployment strategy.

As of today, the total LTE contract value remains at \$175,583,275. Two amendments have been approved by your Board, one on March 6, 2014 and one on April 2, 2014. There has been no change to the term or price of the Contract.

On the LMR project, we are continuing to work with Motorola to identify site specific issues. The Jacobs Team is moving forward quickly to assemble the Environmental Impact Report. We have nearly completed the requisite biological and historical site analysis. Our goal is to have the EIR complete and be able to have it submitted in the December timeframe. I have asked that any acceleration that is possible be pursued.

In reference to the LMR Contract, Amendments 1, 3 and 4 have been approved by your Board. Amendment 2, 5 and 6 were done under your delegated authority. To date, \$36,301,206 has been committed to the project in Phase 1. The Total Maximum Contract Sum, with Amendments 1 through 6 is \$288,074,669. An Amendment #7 is presented for your consideration on today's agenda.



As mentioned under the LTE Project, we are still continuing our outreach to member cities and we'll soon be following that up on any of the LMR sites.

Chair Bill Fujioka stated, before we get to item 10, I'd like to mention that last week as part of the LA County delegation, Chief Walker, Chief Osby and other Public Safety Personnel went to Washington, DC to meet with various Officials. NTIA stated that right now, this is the deadline. This is the absolute deadline. And, they are saying, unless that legislation is changed, this is the absolute deadline. We are looking at a legal strategy that could extend the funding beyond the current deadline. The problem is, they're dealing with Office of Management and Budget (OMB). And, the money that is not spent, they want to sweep it, in general. OMB is looking at sweeping not just our money, but *any unspent grant dollars*. But we looked at the legislation and we think there is a possibility there. In meeting with Larry Strickling, his approach is a little bit different than from the representatives who came here. I believe there is willingness; but, their hands are tied. We subsequently met with a number of members of Congress to ask that they reach out to our Senators to say, "What can we do?" The first approach is to get a letter of support from our delegation, the whole of the Los Angeles delegation, to say, "Keep this funding intact." We impressed upon them that this isn't just one entity. This is a County of 88 cities, and we're going to stand as a group. Now the letter from the members of Congress and I hope from the two Senators will ask for that extension. We might also reach out to the White House. I also was in a meeting with Mr. Mayorkas, who is the Deputy Secretary of Homeland Security regarding funding for the LMR project. We asked that the annual grant appropriation be for a three-year term. The annual grant cycles just don't work. But, a dedicated grant for this with a specified dollar amount is a good way to go. What we have to do to make any of this work, is to show movement, to show positive movement; get our sites done, get some construction started. A promise is one thing; a demonstrated performance is something entirely different. We also met with FEMA and I asked a very specific question, "Could UASI money be used for equipment?" His answer was, yes, it is an eligible expense. Now, he did qualify that by saying there were some concerns with radios. But, he did not say no. Also, if we can get FEMA approval to use our grant funds for maintenance, the funding plan will be impacted. A huge part of the Funding Plan is system maintenance. But, they did clarify that we can use UASI funds for equipment.

**(Taken Out of Sequence)** Pat Mallon stated that as part of Agenda Item 10: Pursuant to the National Environmental Policy Act (NEPA), the Authority is currently finalizing preparation and submittal of an Environmental Assessment (EA) to the lead federal agency, the National Telecommunications & Information Administration (NTIA), as well as other federal agencies with approval/permitting authority. When the EA is submitted, it will be posted on the Authority's website.

Board Member LeRoy Jackson had a comment on the previous item. He wanted to know, if we modify the service area to avoid the Swiss Cheese coverage, will that have a dramatic impact upon or what is the definition of a dramatic impact upon the funding plan because of the change in coverage? Bill Fujioka stated, If we have to start over with the funding plan, then we may have another 60-day period. We're running out of time. We are going to try and do it in a way that complies with the grant requirements, without triggering a substantial change that would impact our ability to actually benefit from the grant.

Mr. Jackson stated, "What I am asking is, if you modify the service area, you affect the funding plan? If you don't, then you may be in default with the grant. Executive Director Mallon responded that in our deployment strategy, we are avoiding eliminating any areas. In our discussions with NTIA, they said what is your Plan B? And, your Plan B should be a build out in the City of Los Angeles and the County. And, I was very quick to advise him that we have 86 Members of the Authority, one is the City and one is the County, and we're not going to forego coverage in 84 cities for the benefit of two. In the development strategy, we have divided the County up into six general areas. Our intent is to provide full coverage based on the number of LTE sites available.



5. Project Manager's Report – Pat Mallon

Executive Director Mallon stated that the Jacob's Report is included in your agenda as item #5, and includes the Motorola report.

6. Grant Status Report – Pat Mallon

Executive Director Pat Mallon stated there has been one change in the grant allocation since my last report. That is regarding SHSGP '10 grant funds. It has been increased by \$1,351,584 bringing the total allocation to \$5,029,572. And that is part of your agenda packet as Agenda Item #8.

**VI. DISCUSSION ITEM (7)**

7. Comments Received - Draft Proposed Funding Plan

- a. Matrix
- b. City of Beverly Hills Letter
- c. City of Rancho Palos Verdes Letter
- d. City of Long Beach Letter
- e. City of Signal Hill and Response from LA-RICS

Executive Director Mallon stated that as a separate item to your agenda, we received the last comment letter late last night and we revised this item early this morning. The bulk of comments were previously reported and we have a comprehensive list of the issues that were raised by member cities and our responses to them.

Chair Bill Fujioka asked if the Funding Plan is set in stone. Pat Mallon advised that it is not, and it can be amended. Chair Fujioka continued, "If it's amended, in a substantial way, does it go back to the Members for comment?" Pat Mallon stated, not necessarily, the JPA Agreement does not require the Board to send out the Funding Plan again if it is revised, and neither does it prohibit the Board from sending it out for comment if it chooses too. The Board can adopt the Funding Plan, and once it's released, then members have a minimum 35 days to opt out. If there is an amendment to the Funding Plan after it is adopted, the members have 45 days to opt out. One of the major concerns that we've heard, particularly as it pertains to the LMR system, is that we have projected that we can build out the infrastructure on grant funds. And, the big concern is that since the LMR system is not scheduled to be activated until 2017, if a member does not opt out today, are they then stuck to perhaps an unfunded liability if grant funds were to dry up before we complete it? And the answer to that simply is, "No, they're not." The contract has been set up to require this Board to approve moving from Phase to Phase. We cannot do that without reporting to you whether we have the available funds. And, if we have a cut-off of the grant funding and we have an unfunded liability that results in a significant change in the financial obligations to the members, we would have to bring back an amended Funding Plan for the Board's consideration. At that point, members have not less than 45 days to opt out. Additionally, since the LMR system is still in development, we don't know the exact number of sites that will ultimately be used. We initially started out with 88, but we are examining some alternate sites. We will not know, until we complete the detailed design, exactly how many sites and what or how that will impact infrastructure maintenance costs. Our recommendation is that when we issue an amended Funding Plan, once those costs are known, we would give members the option to opt out at that point.

Board Member Mark Alexander stated I recognize that we're probably going to be asked to adopt the Funding Plan at our May 28, 2014 Special meeting. A question that I would like to ask, to have County Counsel respond to, as I recognize that the JPA provides for a 35 day opt out period





following the adoption of the Funding Plan. The question I have for County Counsel is whether this Board can extend that 35 day to some longer period of time. Truc Moore, Counsel of the Authority stated, yes, the JPA Agreement provides the minimum time period of 35 days. It is in discretion of our Board to extend that.

Board Member Greg Simay stated, I think our fundamental problem is the need to adopt a Funding Plan to allow the construction phase and to hold on to the BTOP grant funds. But for that, I think we would probably be having this discussion at this time next year when we're going from the design to the construction phase for LMR system. And, this is a question that maybe Counsel could help with. Can you have a finance plan that limits itself to the disposition of the BTOP money that we have now without obligating its membership to the LMR system? Truc stated, it would depend on how we structure the Funding Plan. Right now, the addendum to the draft Funding Plan contemplates something like that for LMR where the recovery of the LMR costs is delayed until a later date. The only thing we need to keep in mind is that the JPA Agreement contemplated one Funding Plan. But, it does not prohibit the Funding Plan from having phased implementation. The Board could adopt a Funding Plan that accounted for some funding structure for LTE and then write into the terms of the Funding Plan, delayed collection of costs on LMR or a requirement that the LMR cost be looked into and revised at the time that the LMR system is ready to be turned on. Greg Simay continued, I'm thinking you can have a Funding Plan that says, "Within next year on the LMR we're going to continue to use funds for the design and such other purposes for LMR. For BTOP, if it can be structured so that anyone signing on to the plan is not obligating themselves to anything other than the disposition of the existing grant funds, then you'd do your real finance plan, between now and next Spring to get ahead of the construction deadline for the LMR. In other words, what is the minimal finance plan that we can have that avoids some of the difficulty brought up in the comments that would still qualify as enough of a finance plan to satisfy NTIA and allow the construction phase for BTOP to begin? Truc stated, the JPA Agreement does not prescribe any other requirement for the Funding Plan other than to have a Funding Plan that meets the minimum requirements in the JPA Agreement, including providing for use of the system by the members, and that allows for maximum participation. The Board has quite a bit of discretion to determine for itself what is a feasible Funding Plan and then maybe as time moves on, to revise that Funding Plan accordingly. Now on LMR, the Board has a little bit more protection than in LTE, because LTE has a cash match requirement. But on LMR, it is expected to be fully paid for by grant funds without a cash match requirement, and the way that the Board approved the LMR contract and set up the phases, the Executive Director's authority is that no work can proceed without the appropriate grant funds being available. If it turns out that you lose your grant funds, no work could have had occurred, so there would be no liability except for what was already authorized by the Board that was covered by the grant funds, and the basic cost to run the JPA. At the end of the day, the rule that the Board adopted for itself when it adopted the LMR agreement was that no work could occur until available funds were in place. Chair Fujioka also stated, the plan we adopt right now is not set in stone. It is flexible enough so that as other developments occur, and we are able to get additional grant funds, then it would be revised. But we need to get something in place. We can be flexible and limber enough to modify it to fit our needs.

**VII. ADMINISTRATIVE MATTERS (8–9)**

8. Approve Amendment No. Seven for Agreement No. LA-RICS 007 for Los Angeles Regional Interoperable Communications System – Land Mobile Radio System

It is recommended that your Board:

1. Find that approval and execution of Amendment No. Seven for the purchase and use of Radio Equipment for Agreement No. LA-RICS 007 is exempt from review under the California Environmental Quality Act (CEQA) as it is not a project under CEQA pursuant to CEQA Guidelines Sections 15378(b)(2) and (b)(5), and 15061 (b)(3).



2. Approve an increase to the total contract amount by \$5,177,051 increasing the Maximum Contract Sum from \$282,897,618 to \$288,074,669.
3. Approve Amendment No. Seven to Agreement No. LA-RICS 007 for the LMR System, in substantially similar form, to Attachment A to allow the Authority to purchase the Radio Equipment.
4. Delegate authority to the Executive Director to complete negotiations with Motorola and execute Amendment No. Seven to Agreement No. LA-RICS 007 for the LMR System, substantially similar to Attachment A once the parties have agreed to warranty and service requirements for the Radio Equipment that is acceptable to the Executive Director.

Executive Director Mallon read the details of Agenda Item 8. This item pertains to the grant deadline for the expenditure of SHSGP funds. We were also contacted by the SHSGP Approval Authority staff to see if we could expend an additional \$1.3 million dollars that was left unspent on other projects funded through SHSGP '10. We immediately responded that we had a significant need for radio equipment amongst the members and sought and received approval from FEMA for their purchase. The number of hand-held radios is 600. There are also 20 consolettes. Distribution of those radios would be done under the guidance of the SHSGP Approval Authority. We will get input from them and determine distribution based on SHSGP's recognized needs. The radios would be LA-RICS radios, and if a member were to drop out, the Authority would like to redistribute those assets to its members. Chair Fujioka stated, the equipment is to be used for this particular system. The positive approach is, that the smaller cities have said, the recession killed us and we are trying to restore positions that we've lost. We have no money to buy equipment, whether its dual bands or consoles, we just don't have the money to do this. We are not looking at radios being distributed to LA County Departments. And, as we move forward, now that we have clarity on UASI funds, I think we should use those funds to the maximum extent possible to buy all the equipment for the system. That will minimize the burden on our member cities. Maintaining inventory of all assets will be fundamental as part of the issuance process and this language is now being incorporated into the MOU, which will be presented at the next meeting.

Board Member Daryl Osby moved the motion, which was seconded by Alternate Board Member Kim Raney. The Boards consensus was unanimous.

**Ayes:** 15 – Raney, Alexander, Harrison, Huber, Simay, Walker, Fujioka, Villanueva, Mac Arthur, Osby, Chidester, Farfan, Ramirez, Jackson, Betkey

**MOTION APPROVED.**

9. Approve a MOU Between the City of Claremont and LA-RICS to House the System on Wheels

It is recommended that your Board:

Delegate authority to the Executive Director to finalize and execute the MOU, substantially similar in form to Attachment A, between the City and LA-RICS that would (a) allow the Authority to house the SOW on a secured, designated location in the City of Claremont City Yard; and (b) delegate authority to the Executive Director to execute the MOU.

Pat Mallon read the details of agenda item #9.



Alternate Board Member Cathy Chidester moved the motion, which was seconded by Board Member LeRoy Jackson. The Board's consensus was unanimous.

**Ayes:** 15 – Raney, Alexander, Harrison, Huber, Simay, Walker, Fujioka, Villanueva, Mac Arthur, Osby, Chidester, Farfan, Ramirez, Jackson, Betkey

**MOTION APPROVED.**

**VIII. CLOSED SESSION REPORT – (CS 1-2)**

CS-1 Confer with Real Property negotiators, pursuant to Government Code Section 54956.8

Provide instructions to LA-RICS real estate negotiators with respect to a proposed Site Access Agreement for the following properties within the City of Torrance:

- Properties:
- (1) 3031 Torrance Boulevard (City Hall Radio Tower)
  - (2) 25135 Robinson Way (Fire Station 2)
  - (3) 3535 W 182nd Street (Fire Station 3)
  - (4) 5205 Calle Mayor (Fire Station 4)

LA-RICS Negotiators: Amy Caves

Negotiating Parties: City of Torrance (Brian Sunshine, Patrick Sullivan)

Under Negotiation: Consideration and Terms

CS-2 Confer with Real Property negotiators, pursuant to Government Code Section 54956.8

Provide instructions to LA-RICS real estate negotiators with respect to a proposed Site Access Agreement for the following properties within the City of Pomona:

- Properties:
- (1) 590 South Park Avenue (Fire Station 181)
  - (2) 708 North San Antonio Avenue (Fire Station 183)
  - (3) 1980 West Orange Grove (Fire Station 184)
  - (4) 3325 Temple Avenue (Fire Station 187)
  - (5) 18-A Village Loop Road (Fire Station 188)

LA-RICS Negotiators: Amy Caves

Negotiating Parties: City of Pomona (Andrew Jared)

Under Negotiation: Consideration and Terms

Chair Bill Fujioka stated there was no reportable action taken during this closed session.

**IX. MISCELLANEOUS – (10) (Out of Sequence)**

10. Advisory

Pursuant to the National Environmental Policy Act (NEPA), the Authority is currently finalizing preparation and submittal of an Environmental Assessment (EA) to the lead federal agency, the National Telecommunications & Information Administration (NTIA), as well as other federal agencies with approval/permitting authority. When the EA is submitted, it will be posted on the Authority's website.

Pat Mallon read this advisory to the Board Members (out of sequence). There was no further discussion on this matter.





**X. PUBLIC COMMENTS – (None)**

**XI. ITEMS FOR FUTURE DISCUSSION AND/OR ACTION BY THE BOARD**

- 11. Project Funding
- 12. Project Risk Controls

**XII. ADJOURNMENT**

Chair Fujioka requested a motion to adjourn the meeting. The Board Members unanimously favored this motion and adjourned. The next regular Board meeting will be held on Thursday, June 5, 2014, at the Grace E. Simons Lodge.