



Board of Directors MEETING MINUTES

LOS ANGELES REGIONAL
INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

June 19, 2013

Los Angeles County Fire Department – Training Room 26
1320 N. Eastern Ave., Los Angeles, CA 90063

Board Members Present:

William “Bill” T Fujioka Chair, CEO, County of Los Angeles
Brian Cummings, Fire Chief, City of Los Angeles Fire Department
Scott Pickwith, Police Chief, City of La Verne, representing the Los Angeles County Police Chiefs Association
LeRoy J. Jackson, City Manager, City of Torrance, representing At Large Seat
Donald “Don” Pedersen, Police Chief, City of Culver City, representing At Large Seat
Gregory “Greg” L. Simay, Assistant General Manager, City of Burbank Water & Power, representing At Large Seat

Representatives For Board Members Present:

Maggie Goodrich, representing Charles “Charlie” L. Beck, Vice Chair, for the City of Los Angeles Police Department
Mark J. Bennett, representing Daryl L. Osby, for the County of Los Angeles Fire Department
David Betkey, representing Leroy “Lee” D. Baca, for the County of Los Angeles Sheriff Department
Cathy Chidester, representing Dr. Mitchell H. Katz, for the County of Los Angeles Department of Health Services
Nancy L. Ramirez, representing Steven K. “Steve” Zipperman, for the Los Angeles School Police Department
Mike Sarjeant, representing Reginald “Reggie” Harrison, for the City of Long Beach
Scott Ferguson, representing Timothy Scranton, for the Los Angeles Area Fire Chiefs Association
Sam Olivito, representing Mark R. Alexander, for the Contract Cities Association
Derek Webster, representing Kim Raney, City of Covina, At Large Seat

Officers Present:

Pat Mallon, LA-RICS Executive Director
Patricia Saucedo, Board Secretary

Absent:

Miguel Santana, CAO, City of Los Angeles
Gerry F. Miller, Chief Legislative Analyst, City of Los Angeles
Wendy L. Watanabe, Auditor-Controller, County of Los Angeles
Mark J. Saladino, Treasurer and Tax Collector, County of Los Angeles



I. CALL TO ORDER

II. ANNOUNCE QUORUM – Roll Call

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

III. APPROVAL OF MINUTES – (1)

1. May 16, 2013 Special Meeting Minutes. **MOTION APPROVED.**

IV. CONSENT CALENDAR – (None)

V. REPORTS – (2–5)

2. Committee Reports

- a. Finance Committee – Stephen Sotomayor

Stephen Sotomayor, Chair of Finance Committee reported the LA-RICS Finance Committee met on May 30, 2013, to review and discuss the LA-RICS Operating Budget. The proposed budget will be further discussed as Item 6 of this agenda.

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

3. Director's Report – Pat Mallon

Executive Director Pat Mallon reported that negotiations with Motorola Solutions concluded on June 6th and that a Letter of Intent was accepted on June 18, 2013. He added that an invitation for debriefing on the evaluation and scoring was sent to both proposers on that same day.

Executive Director Mallon also reported on project risks that will be encountered as the project moves forward. The first risk pertains to environmental issues and the CEQA and NEPA clearances that must be obtained before moving forward. Delays to the project may be encountered as site restrictions become known and dealt with, including the potential for changes to the proposed system design.

The Authority will also need to execute Site Access Agreements with member cities and private property owners. Each site may bring a unique set of challenges and must be dealt with individually. Height restrictions imposed by site owners may also pose challenges to the system design.

With each of these risks, with the commensurate impact on the project, we will not truly know the total project cost until the end of the detailed design phase. While we have agreed on a price and scope of work with the proposed contractor, we do anticipate we will have to make some adjustments to the scope. We will keep this Board informed as the project proceeds.

We have continued in our pursuit, for access to the reserve channels in the 700 spectrum. There is a Notice of Inquiry that was published and responses submitted by a number of agencies. Most of the responses were favorable in support of our request. On UASI '09 funding, we did receive an extension into 2014. Our grant performance period will end at the end of December 2013, so we certainly have some challenges to try to utilize all those grant funds. We have identified ways to do that by moving some activities up into an early portion of the project. It is our belief that we can spend all of the UASI '09 funding.



In regards to the negotiations process and in particular the Letter of Intent, from the time that we completed negotiations on June 6, 2013, to the receipt of the letter of intent yesterday, there has been a herculean undertaking to button down all the language and I would like to thank two of our staff, Truc Moore from County Counsel who has been acting as the Authority's Counsel, and Jeanette Arismendez who is our procurement official from Internal Services Department. They have worked hours late into the night and over the Father's Day weekend to get this done. And certainly Motorola has met the challenge in making this happen.

On the LTE Procurement, our project continues on hold pending a lifting of the suspension by NTIA. One of the major obstacles we have been facing is the execution of the spectrum lease agreement. This item was added to your agenda as Item number 8 as of 0900 yesterday morning. We concluded negotiations with the FirstNet Representative at 7:30 yesterday morning. We anticipate that if this Board approves the lease agreement, it will go to the FirstNet Board next week. With the execution of a spectrum lease we can request the lifting of the suspension. We are hoping to be able to bring to you for your consideration at your meeting of July 11th the release of the RFP for the LTE System.

As I mentioned with the LMR System, clearly we have some obstacles to overcome in the LTE System, and that primarily has to do with the NEPA/CEQA process. We have come to the conclusion that we cannot proceed with any site that is not CEQA exempt. A single site that is not CEQA clear will hold up the entire project from moving through the NEPA process. We have scrubbed our list, re-scrubbed it, and we scrubbed it a third time and we now feel that we have 213 sites that we think will meet the CEQA exemption. We have 28 sites that require a short-term examination for some species or plant life that could remove it from our list because it is not CEQA exempt. We anticipate that we will clear 14 of those, at about 50 percent. We have identified 18 alternate sites that we think will at least yield nine viable CEQA exempt sites. This will then give us a total of 236 sites. We will have some areas that will not be covered and will have to address either through portable equipment such as a Cell on Wheels (COW) or a System on Wheels (SOW). We feel that, as the situation might dictate, we will be able to cover those areas with transportable equipment.

One last item for the Director's Report is for those of you that are internet savvy. LA-RICS now has a Twitter Account. It is called "TheLARICS." "TheLARICS," with no spaces, will provide you with information on Boards activities and meetings and interesting telecommunications information linked to FirstNet activities. We invite you all to become a follower of TheLARICS.

Chairman Bill Fujioka stated that there is a sizeable area that has to go through a CEQA process. It doesn't preclude us, because the LTE project is federally funded for those sites we are going to use federal funding on. We have to comply with a NEPA process. Beyond that, for any sites that we might build on ourselves, we have to comply with the CEQA process, but not the NEPA. There is no timeframe on that. Chairman Bill Fujioka stated that folks should not to go off thinking we are going to have dark corners, forever. There is a fix to it, outside of this process, a fix that will be pursued.

4. Project Manager's Report – Pat Mallon
5. Grant Status Report – Pat Mallon

Executive Director Pat Mallon reiterated we will be applying for an extension on the UASI '10 funding. We wanted to wait until we have an executed contract to provide some substantiation to the request. The LTE funding continues to be in suspension. We do anticipate that in the next three weeks we'll be able to submit a request to lift the suspension contingent upon execution of the site spectrum lease agreement.



VI. DISCUSSION ITEMS (None)

VII. ADMINISTRATIVE MATTERS (6–8)

6. Fiscal Year 13-14 Operating Budget

- a. It is recommended that your Board approve the Fiscal Year 2013-14 Operating Budget of \$140,734,000 to be utilized for the continued operation of the Authority and the project.

Executive Director Pat Mallon stated, Item Number 6, is the a proposed budget for FY 2013-14 that was submitted to and approved by the Finance Committee. The total recommended budget for 2013-14 is \$140,734,000 and, that is largely because of grant and contract activities. The actual annual operating budget for the project support is \$5,924,000 which is pretty consistent where we've been. There is a grant match for the BTOP hard cash match grant for the BTOP for the \$7,150,000 and an allocation for insurance which will be addressed in Agenda Item Number 7. The recommendation is that you approve the budget as requested.

Board Member LeRoy Jackson asked, "Where is the hard match coming from?" Executive Director Pat Mallon stated, the County of Los Angeles. At some point we will have to do a reconciliation of contributions so that the hard match, as well as any soft match, is shared equitably.

Motion to approved by Member LeRoy Jackson. Motion seconded by other Board Members with no objections, so ordered.

MOTION APPROVED.

7. JPA Insurance

- a. It is recommended that your Board Delegate authority to the Executive Director, on behalf of the JPA, to procure insurance from the California Joint Powers Insurance Authority (JPIA) coverage at the limits specified in the attached quote dated May 22, 2013, with a not-to-exceed cost of \$10,709 for Fiscal Year 2013-14.

Executive Director Pat Mallon stated, we were hoping to have somebody from the CEO Risk Management who had helped us with the examination of a commercial option. We do have two representatives from the California Joint Powers Insurance Authority.

We will hold this item for now and move forward with item number 8.

8. Approve Spectrum Manager Lease Agreement between LA-RICS and FirstNet

- a. It is recommend that you Board delegate authority to the Executive Director to execute the Spectrum Manager Lease Agreement ("SMLA") with the First Responder Network Authority ("FirstNet"), substantially similar in form to the attached agreement, for spectrum usage rights to operate on the 700 MHz public safety broadband spectrum ("FirstNet Spectrum") to further the development of the nationwide interoperable public safety broadband network; and,
- b. Delegate authority to the Executive Director, or his designee, to execute amendments to the SMLA that do not substantially change the agreement terms.



Executive Director Pat Mallon stated, Agenda Item Number 8 was a very late add on. The amended agenda was posted on the LA-RICS website by 0900 yesterday. I certainly apologize for the late delivery to Board Members. We did not reach consensus on the agreement until 7:30 yesterday morning. And due to computer system difficulties at the LA-RICS office we were unable to send it to you earlier. Executive Director Mallon emphasized that the item was posted in time to meet the 24-hour public notice requirement.

We have been working with FirstNet to execute a Spectrum Manager Lease Agreement. This in essence allows access to the full 20 MHz spectrum. With execution of the agreement, we can request a lifting of the grant suspension from NTIA. As suggested on page number two of the letter, we have been dealing with a number of issues. The initial position of FirstNet was that they wanted to give us access to the spectrum through the end of our grant period, September 2015. Our concern was that as soon as the system is built out, we could potentially lose the spectrum. We ultimately settled on an initial period of five years, which can be extended as it is required.

We have agreed upon a key learning condition as a condition to the spectrum lease. That is to allow access to the spectrum for secondary responders and demonstrate how service can be prioritized depending on existing circumstances. This will allow the potential incorporation of public utilities, such as DWP, Southern California Edison, all of whom may be heavily involved in a major response.

The relocation of devices was something that was put in very late in the process by FirstNet. The FirstNet's Nationwide Architecture continues to be evolving. FirstNet is still listening to the users and reacting. They are suggesting that, from time to time, there might be a need by FirstNet to move and relocate some of the assets. These would be assets purchased with grant funds, and in our situation, matched with the local 20% match. In essence, that gives us a 20% ownership in the investment. Our concern is the impact on our coverage and our subscribers. Ultimately the conclusion was that FirstNet can't make a commitment of federal funds that haven't been approved for them. At the same time, we're not willing to give up assets that we own a 20% interest in. We agreed that nothing can be relocated unless we negotiate and we come up with some understanding that they need to pay the 20% that we have invested and that any move not affect our coverage.

Another late addition by FirstNet, was a "co-location of services" provision. Because FirstNet wants to be able to use the unused spectrum to generate revenue that can be used to build out the system across the country, they want to be able to partner with other operational partners, to generate revenue. And they want access to Authority sites to be able to work with those operational partners. This became a huge concern to us since LA-RICS owns no property. All of our properties are owned or leased by Authority Members. We are certainly not going to be making a commitment to FirstNet that if we execute a site use agreement with a City, that the federal government and their yet to be determined operational partners can then put whatever they want on that site. We agreed that they include good faith negotiations with the site owners on any potential shared use of the site.

Lastly, within fifteen days of execution of the SMLA, FirstNet will communicate with NTIA their support for the lifting of our suspension.

One thing I do need to clarify the recommendation listed on the agenda. The Board letter appropriately reflects, under recommendation number one, that the authority delegate to execute the spectrum manager lease agreement cannot be exercised until FirstNet's Board's approval of the SMLA. Our request is that this option be approved as well.



Chairman Bill Fujioka stated, that if we are required to provide space, that space must be with consideration that the public safety system needs take priority. This is something that our Fire and Police representatives need to emphasize as you talk with your peers. "I think it is an issue that we just keep pushing and pushing." "In my opinion is the sole priority that we are trying to achieve for the public safety side; for first and second responders. We all have to stand up and say "no." Board Member LeRoy Jackson asked, "Is this a non-exclusive agreement?" Counsel of the Authority Truc Moore stated, "All of the agreement is non-exclusive. This agreement is being essentially executed by a number of BTOP recipients and, as the leasee of this spectrum, we want to be able to decide down the line who is going to be on the spectrum. So yes it is non-exclusive".

Board Member LeRoy Jackson asked, "Who would they anticipate to be a member or participants?"

Ms. Moore responded they have not specified it yet. So the agreement had much stronger language that we were able to tone down and write out. There is some anticipation that later down the line they will approach us once they know who that is and what that process is. We do have language in here that acknowledges that despite what happens with the system it is not supposed to result in a degradation of the.

Pat Mallon stated, another thing that we are looking at is disguised poles for many of the locations. One of the options is actually a flag pole. And it is larger in diameter, but it is not adaptable to the triangular platform that they are putting on the commercial towers. So we are more interested in partnering with Authority Members to make sure that what we put in is as appealing as is possible and it may not to be conducive to other installations.

Board Member Greg Simay stated that while mission-critical voice is not a priority at present, eventually there will need to have mission critical voice in Broadband. So when we are talking about particular uses it should not only be at the expense of what we can currently do with Broadband but in anything that we can anticipate in the future. And, getting back to what Mr. Fujioka said a few minutes ago it may be necessary to use private carriers in the rural or semi-rural areas. But when you are talking major metropolitan areas like Los Angeles, there are all kinds of public agencies, including electric utilities that can offer a tremendous number of resources, fiber as well as overhead wires when it comes to accomplishing this.

Pat Mallon stated fiber was a huge bargaining chip in our favor in incorporating secondary responders and actually public utilities may be preferred as third tier responders. DWP and SCE, and perhaps even Burbank, has got some fiber that can be used for the redundancy that is required in the hardened public safety system. We could use fiber for one of the links and microwave backhaul for the other.

Board Member Greg Simay stated, my only refinement of that concept is in some instances a utility might be considered a first responder. There was recent talk by President Obama about utility officials in the Sandy Hook area. And he (our President) was essentially saying that he would favor the idea that line workers be considered first responders or among first responders when it came to certain disasters, like in Sandy Hook. So who is a first responder and who is not at a particular national disaster may shift a little bit. A lot could be Police and Fire but some could include some other agencies and that is why we need that flexibility when it comes to our Broadband lease.

Pat Mallon stated, that is the premise that we used as our demonstration project. That from time to time the incident might require a huge adaptation of what constitutes a first responder. Our demonstration project is to show how we can prioritize users on that system so that we can meet the needs of that particular incident. Whether it be because we have power lines down or it's a fire response with floods and power lines down or where you need animal control services to do



evacuations of livestock, all of those systems can be adapted. Where you are turning off service to, say SCE operating in Long Beach, because we've got an incident in the foothills or visa-versa. This will give us tremendous ability to adapt and prioritize the services. Local control is an essential element in the success of this system.

Board Member LeRoy Jackson moved to approve. Seconded by other Board Members. Without any objections; the motion carried.

MOTION APPROVED.

VIII. CLOSED SESSION REPORT – (None)

IX. MISCELLANEOUS – (None)

X. PUBLIC COMMENTS – (None)

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

- 9. FirstNet Path Forward
- 10. Project Funding
- 11. Project Risk Controls

XII. ADJOURNMENT

Chairman Bill Fujioka called for any public comment, none requested. He announced the items for future discussion and identified our next meeting to be held on July 11th. Chair Bill referred back to item number 7, the CJPIA item which needs to be voted on.

The staff asked approval for CJPIA, we had that presentation about two months ago. Any questions? The approval was asked for an annual base cost of \$10,709. Pat Mallon stated that the CJPIA did make two recommendations. One is that membership to the CJPIA requires a rolling 12-month cancellation period. If the Board approves this today and decides in August or September that it found something better, it will require a 12-month notice to drop out. The second is that CJPIA did make two recommendations that our project consider: 1) to formalize the lease arrangement for the office space on Corporate Place. That lease is currently through the Sheriff's Department; and, 2) that we designate CJPIA as our claims administrator so if we do have a claim files, the CJPIA will actually perform the investigation.

The first and second motions were received by several Board Members with no objections.

MOTION APPROVED.

The meeting was adjourned.