



# MINUTES

LOS ANGELES  
REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

## FINANCE SPECIAL COMMITTEE MEETING

Thursday, September 12, 2013 • 1:00 p.m. to 2:30 p.m.

LA-RICS Headquarters, Large Conference Room

2525 Corporate Pl., Suite 200, Monterey Park, CA 91754

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### Official Voting Members Present:

**Stephen Sotomayor**, Chair, representative for City of Los Angeles Police Department

**Ed Roes**, City of Los Angeles Administrative Office

**Matias Farfan**, representative for City of Los Angeles, Chief Legislative Analyst

**Jan Takata**, County of Los Angeles Chief Executive Office

**Doug Cline**, representative for County of Los Angeles Fire Department

**James Alther**, representative for the LAUSD Police Department

**Daniel Jordan**, representative for California Contract Cities Association

**Erick Lee**, representative for Culver City, At Large #2

**Greg Simay**, Vice Chair, representative for City of Burbank, At Large #3

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### Representatives For Official Voting Members Present:

**Manal Dudar**, representing Andree Stecker for County of Los Angeles Department of Health Services

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### Others Present:

**Pat Mallon**, LA-RICS

**Susy Orellana-Curtiss**, LA-RICS

**Truc Moore**, LA County Council

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### Official Voting Members Absent:

**Ronnie Villanueva**, representative for the City of Los Angeles Fire Department

**Dave Culver**, representative for County of Los Angeles Sheriff's Department

**Andree Stecker**, representative for County of Los Angeles Department of Health Services

**Olivia Valero**, representative for City of Long Beach

**Robert Barnes**, representative for Los Angeles County Police Chiefs Association

**David Lantzer**, representative for Los Angeles Area Fire Chiefs' Association

**Eric E. Tsao**, representative for City of Torrance, At Large #1

**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. REPORTS –

Executive Director Pat Mallon provided an overview on the last Authority Board meeting:

- The JPA Board was updated on the Finance Committee' last meeting regarding the need to move forward with the LTE funding plan sooner rather than later. The discussion focused on the original concept of LA-RICS having a reliable funding plan in place prior to knowing the detailed design for the LMR system. This concept pushes out the funding plan at least one year. This does not work for the LTE (Long Term Evolution – data/voice) system.
- LMR contract was awarded to Motorola on August 15, 2013.
  - Grant expirations:
    - There are four UASI grants, one expires in December 2013 and three expire in March 2014.
- LTE RFP was released on August 13, 2013; proposals are due October 3, 2013, with the hopes of having a contract sometime in March/April 2014. There is a deadline of September 30, 2015 to use up \$154.6 million before the grant expires. Whatever is not spent is lost. For the public safety broadband system, 232 sites have to be built and operational before August 15, 2015 to meet grant processing requirements.
- According to the last Finance Committee meeting it was agreed that outside assistance would be solicited in order to have a funding plan.

IV. NEW BUSINESS –

1. Discussion: Consultant Presentations.

Chair Sotomayor asked Committee Member Jan Takata to introduce the consultants from PMC.

Phil Carter, President and Founder of PMC, provided a PowerPoint Presentation (see attachment) containing an overview of the company and services, as well as an introduction to the lead staff, Nancy Graham, Project Manager; Derek Wong; and Aaron Pfannenstiel.

When PMC was asked if they would stay on board after the funding plan was adopted, if and when members started opting in/out, they said they would stay on board and modify the plan as required.

Chair Sotomayor and the Committee requested a 10 minute break in order to resume with a decision.



V. OLD BUSINESS –

2. Discussion Item: LA-RICS Funding/Finance Plan continued.

Chair Sotomayor resumed the meeting by asking the Committee if they would move the motion to have the Executive Director to work with PMC and return to the next meeting with a scope of work to be provided.

A question arose regarding the need to select PMC and not look at other consultants. Jan Takata stated that out of the three firms (which are all under LA County contract) one had a conflict of interest and the second one was more of a public relations firm. PMC is ready to start at any time, whereas going with other vendors would require going through solicitations and take up another two to three months. Time is of the essence and they will be paid by the County as an in-Kind contribution.

Another question was if there are two funding plans or just one. Executive Director Mallon stated that it was up to the Finance Committee to bring it up to the JPA and for them to make that decision. He said that he thinks that the LMR funding plan could be done further down the road, but the expiration of grant funds/extensions suggests that the LTE funding plan has to be done now.

Chair Sotomayor stated that the recommendation is to authorize the Executive Director to work with the consultant to develop a scope of work and cost for the Finance Committee's consideration and approval.

Committee Member Simay called the 1st motion and Committee Member Ed Roes called the 2nd. **MOTION APPROVED.**

VI. PUBLIC COMMENT – None

VII. ITEMS FOR FUTURE DISCUSSION BY THE COMMITTEE

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

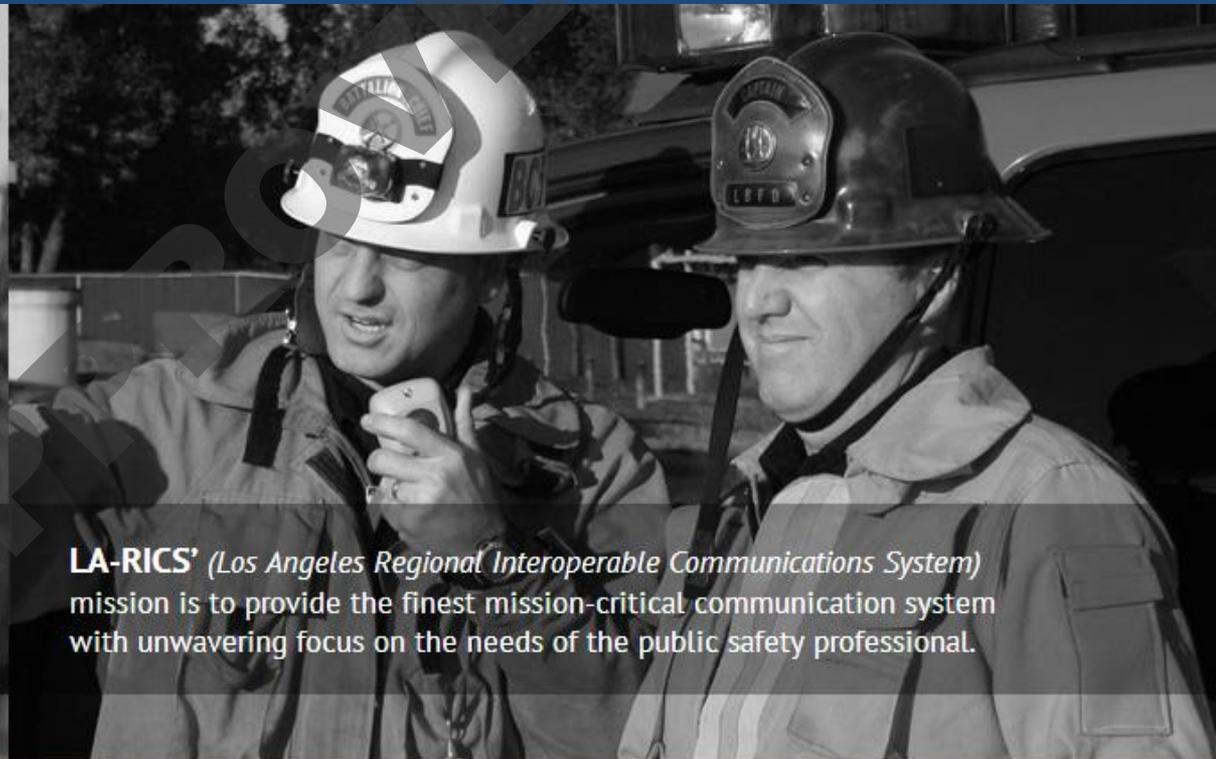
VIII. ADJOURNMENT AND NEXT MEETING:

Meeting adjourned at 2:41 p.m. by consensus.

The next 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.

# PROPOSED FUNDING PLAN APPROACH

## LA-RICS Finance Committee Meeting



**LA-RICS'** (*Los Angeles Regional Interoperable Communications System*) mission is to provide the finest mission-critical communication system with unwavering focus on the needs of the public safety professional.

# Presentation Outline

- Overview of PMC
- Introduction of Key Staff
- Approach to Developing a Proposed Funding Plan
- Questions

APPROVED

# Overview of PMC

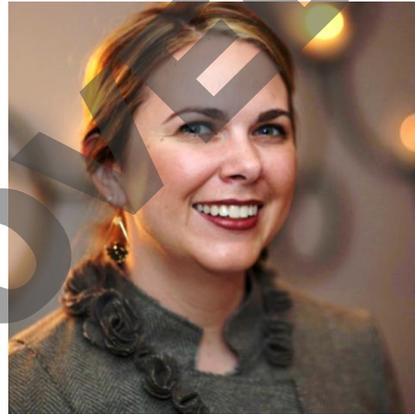
- Consulting firm specializing in municipal services
  - ▣ Public Finance
  - ▣ Community Engagement and Facilitation
  - ▣ Planning
    - Urban
    - Environmental and Sustainability
    - Hazard Mitigation and Emergency Management
  - ▣ Creative Services
  - ▣ Agency Staffing

# Key Staff

Phil Carter\*  
PMC President



Nancy Graham, AICP, IAP2\*  
Project Manager



Derek Wong, AICP  
Finance Lead



Aaron Pfannenstiel, AICP\*  
Hazards/ Emergency  
Management Lead



Nora De Cuir, IAP2  
Engagement Director



\*Present today

# Nancy Graham, AICP, IAP2

- Led the stakeholder engagement program for the National Disaster Recovery Framework Initiative for FEMA/HUD/White House
- Extensive experience facilitating stakeholder engagement programs in LA
  - ▣ County of Los Angeles
  - ▣ LADWP
  - ▣ SCAG
  - ▣ Local Cities



# Derek Wong, AICP

- Cost allocation, rate and fee studies:
  - ▣ Municipal governments and services in California
  - ▣ Fair share allocation among beneficiaries
  - ▣ Capital infrastructure and O&M cost analysis
  - ▣ Public safety related costs and fees
- Fiscal Services:
  - ▣ Impact of new programs and services on municipality's finances
  - ▣ Financial and performance auditing background

# Aaron Pfannenstiel, AICP, LEED AP

- Hazard Mitigation and Emergency Management professional
- Preparer of Local Hazard Mitigation Plans and General Plan Safety Elements throughout California
- Assists Public and Private Sector clients in active and passive mitigation of natural and man-made hazards

HAZARD RANKING WORKSHEET - City of Duarte

Hazard Type	Probability	Impact			Total Score	Hazard Planning Consideration
		Affected Area	Primary Impact	Secondary Impacts		
Disease/ Pest Management	3	3	1	1	21.60	Moderate
Dam Failure	2	2	3	3	20.80	Moderate
Earthquake (and Liquefaction)	4	4	4	4	64.00	Significant
Flood	2	2	2	2	16.00	Moderate
Hazardous Materials	3	3	4	3	40.20	Moderate
Land Subsidence (Landfill/ Golf Course)	4	1	3	3	35.20	Moderate
Landslide and Mudflow	4	2	2	2	32.00	Moderate
Wildfire	4	4	4	4	64.00	Significant
Windstorm	4	4	3	3	54.40	Significant
Man Caused Hazards (Utilities under each)						
Climate Change (under each hazard) [Drought, Extreme Heat, and Water Resources]						

# Approach to Project

- PMC will serve as a neutral party, working with all stakeholders to develop a Proposed Funding Plan, which will include cost allocation and financing strategy.
- Recognizing that the cost allocation can be based on multiple variables, PMC will lead a consensus-building process to create a “fair share” model with incentives to buy in early.
- Model will accommodate different options for service, and costs will be presented after consensus is built for “fair share” allocation.

# Goals of Model

- Allocate costs based on several variables, preventing a single agency from incurring a disproportionate cost to participate
- Clearly outline different service choices and their associated costs (examples):
  - Early adopter of both radio and data networks
  - Early adopter of data network with “roaming” option on radio network
  - Late adopter of both networks

# Process

- Stakeholders
- PMC
- JPA Leadership



# Barriers to Implementation

- Each agency has unique service needs and challenges to implementing a new system.
  - ▣ Research review of all related information available
  - ▣ Agency survey
  - ▣ Meetings with individual agencies to understand unique challenges

APPROVED

# Draft Proposed Funding Plan

- Using the results of our agency survey and stakeholder interviews, PMC will recommend a Draft Proposed Funding Plan.
- This plan will be reviewed by the JPA Finance Committee and Board of Directors.
- A stakeholder workshop will be held to gain input on the Draft Proposed Funding Plan.

# Revised Draft Proposed Funding Plan

- Based on the recommendations from the first Stakeholder Workshop we will revise the plan.
- The Revised Draft Proposed Funding Plan will be reviewed by the JPA Finance Committee and Board of Directors.
- A second stakeholder workshop will be held to collect final input on the Revised Draft Proposed Funding Plan.

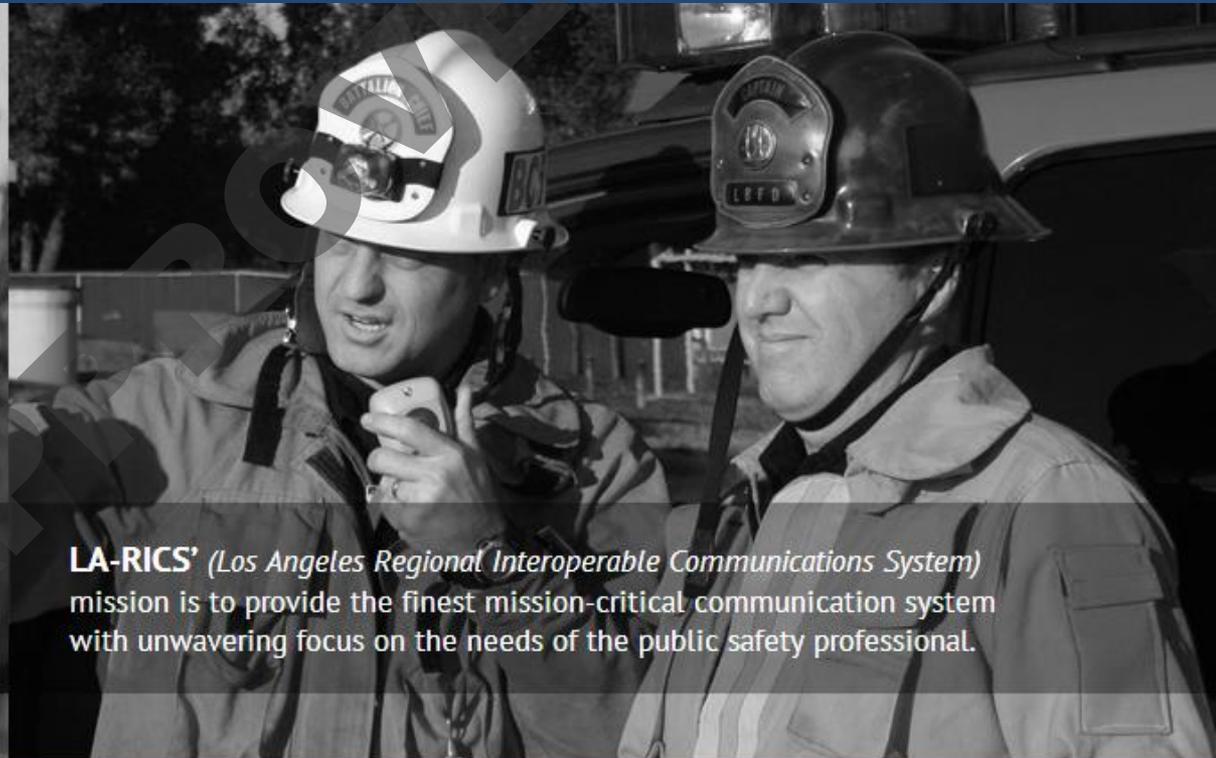
# Final Proposed Funding Plan

- Based on all the input collected from the Finance Committee, Board of Directors, and stakeholders, we will create a Final Proposed Funding Plan.
- The Final Proposed Funding Plan will be presented to the Board of Directors for approval.
- This Final Proposed Funding Plan will include the actual costs to each agency by option.

# Closing

- This is a unique project that will benefit from having several professional disciplines under one roof.
- Our multidisciplinary team allows us to bring added value to the process because we can understand the project challenges.
- We provide municipal services for many of the member agencies in the JPA, allowing us to be a neutral third party in the process.

# QUESTIONS?



**LA-RICS'** (*Los Angeles Regional Interoperable Communications System*) mission is to provide the finest mission-critical communication system with unwavering focus on the needs of the public safety professional.

Contact: [ngraham@pmcworld.com](mailto:ngraham@pmcworld.com)