



# MINUTES

LOS ANGELES  
REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

## SPECIAL FINANCE COMMITTEE MEETING

Wednesday, March 5, 2014 • 1:00 p.m.

LA County Fire Department Headquarters, Training Room 25  
1320 N. Eastern Ave., Los Angeles, CA 90063

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### Official Voting Members Present:

**Ed Roes**, City of Los Angeles Administrative Office  
**Stephen Sotomayor**, Chair, representative for City of Los Angeles Police Department  
**Matias Farfan**, representative for City of Los Angeles, Chief Legislative Analyst  
**Jan Takata**, County of Los Angeles Chief Executive Office  
**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  
**Joe Leonardi**, 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  
**Steve Smith**, representative for City of Covina, At Large #4

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### Representatives For Official Voting Members Present:

None

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### Others Present:

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

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### Official Voting Members Absent:

**June Gibson**, representative for the City of Los Angeles Fire Department  
**Doug Cline**, representative for County of Los Angeles Fire Department  
**Cynthia Evans**, representative for County of Los Angeles Sheriff's Department  
**Kay Fruhwirth**, representative for County of Los Angeles Department of Health Services



- I. CALL TO ORDER
- II. ANNOUNCE QUORUM – Chair Stephen Sotomayor took roll call, quorum was reached.
- III. REPORTS – None
- IV. NEW BUSINESS – None
- V. OLD BUSINESS –

**1. Action Item: Review and make recommendations on the proposed LA-RICS Funding Plan.**

Chair Sotomayor introduced Phil Carter, of PMC, to discuss the “Cash Flow” handout (one of the components of the Funding Plan) that was requested by the Finance Committee at the meeting on February 27, 2014. There are a couple of differences between the Cash Flow (O&M numbers fluctuated) and the Funding Model (smoothed numbers over a 15-year period).

Susy Orellana-Curtiss stated that the Operations and Technical Committees met yesterday, March 4, 2014, and was presented with the various scenarios for inclusion to the Funding Plan. These scenarios were also presented to the Finance Committee and the Board of Directors at their meeting on February 20, 2014. The Joint Committees heard a presentation by the Broadband Engineer Consultant, Joe Ross of Televate. The LA-RICS staff went over the benefits, the risks, and the cons for each of the various scenarios. Both Committees unanimously supported recommending Scenario #.

Technical Committee Chair Chief Kevin Nida walked through the various scenarios listed below:

- 1) Home Subscriber Server (HSS) Additive Alternate Maintenance (needed)
- 2) Second Additive Alternate Redundant Evolved Packet Core (needed)
- 3) Adding Location Services Additive Alternate Maintenance (needed at a later date)
- 4) Capital Replacement (deferred – Technical Committee to review)
- 5) Joint Committees are okay with the contract being awarded to Motorola. Both Committees recommended that the JPA accept the presentation and services, which they believe will be a benefit to the Authority.

Ms. Orellana-Curtiss reiterated the Joint Operations and Technical Committees recommendation is excluding the In-Kind Match and Capital Replacement; adding the HSS Additive Alternative Maintenance; and adding the Second Additive Alternate Redundant Evolved Packet Core, which are the combination of Scenarios 3, 8, and 9, which is now the new Scenario 12 (page 28 of the cash flow handout).

Committee Member Greg Simay commented that he and the City of Burbank Technical Committee Member agree with all recommendations. The nexus with the Funding Committee is that if there is computer based equipment, an agency can only get 7 years and possibly 10.



The big uncertainty that came out at the Joint Committee meeting was that it was unclear how much ownership responsibility and funding FirstNet will take and when they can take it. It seems as though FirstNet is at least responsible for the Cores and maybe the radio access network (RAN). Therefore, by the end of the 7 years, FirstNet might take over the replacement of any computer based equipment that is failing/technically, obsolete or it may go back to the members.

Chair Sotomayor stated that what he took away from the Joint Committee Meeting is that there is a single point of failure in the LTE Network with only one core. Removing some of the costs mentioned in the Joint Committee Meeting helps, but within that first year period those costs can be revisited and see what they might be after the one-year warranty period expires. In the meantime, LA-RICS should advocate to FirstNet to cover some of those costs or at least get an answer in order to revisit and let member agencies know what their share of those costs would be.

Committee Member Simay stated that according to the JPA structure, once you accept the funding plan, if you do withdraw thereafter, there is an assumed obligation incurred in the meantime. There should be an estimate of what the risk would be and also the share of the finance replacement. Chair Sotomayor stated that if the Funding Plan is approved, and if during that time FirstNet does not cover those costs, there is also a true-up period. At this point, Mr. Carter asked everyone to look at their handouts and see the Baseline Scenario with the Capital Replacement Cost which provides reasonable estimates of what the risk could be if FirstNet would not provide assistance.

Committee Member Joe Lombardi brought up the issue of Infrastructure credits being disallowed because of the BTOP Grant. Ms. Orellana-Curtiss stated that it was on the Board's Agenda for tomorrow. She went on to say that it does not allow for In-Kind to claim credit for something that is being paid for. If the Board opts to provide credit, payment, or for example, a site use, the Board would have to identify an increase in cash match.

Chair Sotomayor stated that keeping in mind that there is a deadline of 60-days that must be met and that this is still just a draft Funding Plan that allows members to input more data into this process.

Committee Member Matias Farfan suggested having a policy regarding how replacement funds are reinvested for the LMR. Chair Sotomayor said that it would be supplied. Committee Member Jan Takata said that LA County is ruled by the Government Code and could send the members copies of the codes. Committee Members also suggested a simpler form for each member agency, since most of them need to present it to others within each of their jurisdictions.

Scenario 12 was recommended by Committee Member Farfan and a motion was called and 2<sup>nd</sup> by Committee Member Steve Smith with a unanimous vote. **MOTION APPROVED.**



Regarding the release of the Funding Plan for both LMR and LTE, a motion was called by Committee Member Farfan and 2<sup>nd</sup> by Committee Member Steve Smith with a unanimous vote.

**MOTION APPROVED.**

VI. PUBLIC COMMENT – None

VII. ADJOURNMENT AND NEXT MEETING:

Meeting adjourned at 2:00 p.m. by consensus.

The next regular meeting will be held on Thursday, April 24, 2014.

APPROVED