



FINANCE COMMITTEE SPECIAL MEETING MINUTES

**LOS ANGELES REGIONAL
INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY**

Thursday, June 27, 2019 • 1:30 p.m.
Los Angeles Regional Interoperable Communications System
Headquarters
Large Conference Room
2525 Corporate Place, Suite 200, Monterey Park, CA 91754

Finance Committee Members Present:

Bill Song, County of Los Angeles Sheriff's Dept.
Rebekka Hosken, California Contract Cities Association
Marie DiBernardo, City of Inglewood Police Department

Alternates For Finance Committee Members Present:

Michael Iwanaga, County of Los Angeles Chief Executive Office
Leticia Rivera, County of Los Angeles LACoFD
Maria Morales, County of Los Angeles Department of Health Services
Ric Walczak, City of Covina Police Department

Officers Present:

Scott Edson, Executive Director
Susy Orellana-Curtiss, LA-RICS Administrative Deputy
Beatriz Cojulun, Committee Secretary

Absent:

John Geiger, County of Los Angeles Chief Executive Office
Karolyn (Kay) Fruhwirth, County of Los Angeles Department of Health Services
John Curley, City of Covina Police Department
Ron Sagmit, City of Signal Hill Police Department

AGENDA ITEM A



NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA

I. CALL TO ORDER

Alternate Chair Michael Iwanaga called the Regular Meeting of the Finance Committee to order at 1:32 p.m.

II. ANNOUNCE QUORUM – Roll Call

Committee Secretary, Beatriz Cojulun performed a roll call and acknowledged the presence of a quorum.

III. APPROVAL OF MINUTES (A)

A. February 28, 2019 – Special Meeting Minutes

Alternate Chair Iwanaga read in the minutes for February 28, 2019, and asked if there were any changes or corrections. With a request for correction to remove duplication of Rebecca Hosken's name on the last page of the February 28, 2019, minutes. Alternate Chair Iwanaga proposed the revised minutes for approval.

Alternate Member Kyle Zuniga sat in for Leticia Rivera for item A. Member Rebecca Hosken arrived after this item and thus she is not included in votes approving Item A.

Alternate Committee Member Kyle Zuniga motioned first to approve the change of the meeting date, seconded by Committee Member Ric Walczak.

Ayes 4: Iwanaga, Song, Morales, and DiBernardo.

MOTION APPROVED.

IV. PUBLIC COMMENTS – (None)

V. CONSENT CALENDAR – (None)

VI. REPORTS (None)



VII. DISCUSSION ITEMS – (D)

B. Finance Ad Hoc Committee Reporting

Administrative Deputy Susy Orellana-Curtiss stated that at the request of the Finance Committee Chair, reports with fiscal impact to the budget or revenue source will be presented to this Committee. As a result, there are no reports for Public Safety Broadband Network (PSBN/LTE), Land Mobile Radio (LMR), nor the Finance Ad Hoc Committee at this time.

VIII. ADMINISTRATIVE MATTERS – (E)

C. REVIEW AND RECOMMEND APPROVAL OF THE PROPOSED FISCAL-YEAR 2019-20 OPERATING BUDGET

Staff is requesting Finance Committee recommendation of adoption of the Draft Proposed Operating Budget allowing payment of expenditures incurred effective July 1, 2019, as well as to continue with LA-RICS operations. The draft budget is in accordance with the cost factors identified in the Adopted Funding Plan.

Administrative Deputy Orellana-Curtiss presented the Committee with an overview of the major categories within the Draft Proposed Operating Budget for Fiscal-Year (FY) 2019-20, in order to provide the Committee's recommendation to the Board of Directors at their next meeting on July 11, 2019.

Administrative Deputy Orellana-Curtiss stated similar to last year's budget, the current budget is in accordance with the Adopted Funding Plan, approved by LA-RICS members.

Activities captured in grant-funded expenditures category are to pay for activities relating to either:

- PSBN Round 2 Deployment paid by the Broadband Technology Opportunities Program (BTOP Grant); or
- LMR Deployment paid by the Urban Area Security Initiative (UASI Grant).

Administrative Deputy Orellana-Curtiss went on to say the grants do not cover Member-Funded activities/expenses identified in the Adopted Funding Plan as Member-Funded Operations, LMR Administrative costs, or PSBN Administrative costs. Other activities/expenses not covered by the grants are those related to



management/administration, certain Services and Supplies (S&S) costs, lease costs, certain travel expenses, as well any activities relating to the ongoing Operations and Maintenance (O&M) and/or transition or assignment of what was PSBN Round 1.

Administrative Deputy Orellana-Curtiss stated LA-RICS concluded the deployment of PSBN Round 1, transitioning assets to AT&T as the National Public Safety Broadband Network (NPSBN) operator. The Authority cannot remove itself from PSBN Round 1 activities as certain activities still require our oversight, advice and participation such as transition of the devices from member agencies with installed equipment, as well as member agencies using PSBN related equipment under PSBN/LA-RICS, and finally assisting with Site Access Agreements assignments.

Administrative Deputy Orellana-Curtiss expressed the proposed budget reflects the conclusion of all construction related activities and procurement activities under the BTOP Round 2 grant. The BTOP performance period appropriation ends September 30, 2020, which includes a 90-day close-out period. All construction and procurement related work has to be completed, invoiced and paid by no later than June 30, 2020, which coincides perfectly with the recommended FY 2019-20 Operating Budget.

Administrative Deputy Orellana-Curtiss added that grant related activities supporting the deployment of the 26 sites planned for construction in PSBN Round 2 and the purchase of Cell on Light Trucks (CoLTS), along with the associated testing and implementation costs are captured in the proposed budget.

Administrative Deputy Orellana-Curtiss shared similar to last year, the revenue funds from the AT&T Business Agreement Services, specifically to fund the router swap activities installed and deployed in member agency vehicles are contemplated in the budget. AT&T, through their agreement with LA-RICS, provided for replacement of equipment, therefore the services line item is for removal, reinstallation, and testing of new equipment.

Administrative Deputy Orellana-Curtiss addressed an item in the proposed budget regarding the disallowed costs of two (2) Los Angeles County Fire Department (LACoFD) positions within the project. These two (2) positions had been included as grant-funded under the UASI Grant. However, the LMR Grantor issued their written final determination late last winter, which was supported by the Federal Emergency Management Agency (FEMA), stating two (2) positions are not allowable, since they were previously funded by the County. Per the Grantor citing Code of Federal Regulations, this is considered supplanting. As such, the determination was made those positions and corresponding charges are not allowable costs under the grant.

Administrative Deputy Orellana-Curtiss went on to report that through the course of the Grantor's review and LA-RICS' dispute of their findings, the project continued incurring costs by choosing to maintain the positions in place pending grantor decision. During that period the two (2) positions accumulated and incurred a total of \$545,441 for over the course of three (3) fiscal years.

Lastly, Administrative Deputy Orellana-Curtiss stated in light of the final determination, LA-RICS has to reallocate those funds, which are captured under the project team expenses. LA-RICS was able to pay for a portion of those positions under the current FY 2018-19 through salary savings, under the existing Member-Funded salaries. The balance of \$428,848 has to be paid in FY 2019-20 and out the Member-Funded line item. This is reflected under the Project Team's expense, which is funded by the Joint Powers Authority (JPA) Operations and not the grant. Administrative Deputy Orellana-Curtiss concluded her report.

Committee Member Rebecca Hosken motioned first, seconded by Committee Member Bill Song.

Ayes 5: Iwanaga, Rivera, Walczak, Morales, and DiBernardo.

MOTION APPROVED.

VIII. MISCELLANEOUS – (None)

IX. CLOSED SESSION REPORT – (None)

The Committee did not enter into Closed Session.

X. ITEMS FOR FUTURE DISCUSSION AND/OR ACTION BY THE COMMITTEE

XI. ADJOURNMENT and NEXT MEETING:

The Finance Committee meeting adjourned at 1:44 p.m. The next meeting scheduled for Thursday, April 25, 2019, at 1:30 p.m., at the LA-RICS Headquarters, 2525 Corporate Place, Large Conference Room, Monterey Park, CA 91754.