

A G E N D A
SPECIAL JOINT MEETING OF
THE EXECUTIVE COMMITTEE AND THE USER COMMITTEE
WEDNESDAY, NOVEMBER 15, 2017, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
SECOND FLOOR CONFERENCE ROOM
4440 W. BROADWAY, HAWTHORNE, CA

1. **CALL TO ORDER**

2. **PUBLIC DISCUSSION**

Anyone wishing to discuss items of interest to the public within the Executive Committee's jurisdiction may do so at this time. Comments shall be limited to five minutes per speaker.

3. **ACTION ITEMS**

3a. **Approval of Minutes-Regular Meeting October 17, 2017***

3b. **Budget Performance Report-October 31, 2017***

3c. **Approval of Authority Agreement with Motorola for Purchase of Mobile and Portable Radios for the INSB***

4. **EXECUTIVE DIRECTOR'S REPORT**

5. **NEW BUSINESS**

6. **CLOSED SESSION**

Conference Re: Personnel Matter
Pursuant to Government Code Section 54957.6 (Executive Director Recruitment)

Conference Re: Labor Negotiations
Pursuant to Government Code Section 54957.6 (Communications Workers of America)

Conference Re: Labor Negotiations
Pursuant to Government Code Section 54957.6 (Teamsters Local 9-1-1)

7. **ADJOURNMENT**

*Written material attached.

**Written material distributed in closed session.

Posting Place:

4440 W. Broadway, Hawthorne, CA 90250

Posting Date/Time:

November 8, 2017/1:00 PM

Signature:



Ralph Mailloux, Executive Director

**MINUTES OF A REGULAR JOINT MEETING
OF THE EXECUTIVE COMMITTEE
AND THE USER COMMITTEE**

1. **CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:00 PM on Tuesday, October 17, 2017, in the second floor conference room of the South Bay Regional Public Communications Authority, 4440 W. Broadway, Hawthorne, CA.

ROLL CALL

Present: City Manager Mark Danaj, City of Manhattan Beach
Acting City Manager Ed Medrano, City of Gardena
Acting City Manager Arnie Shadbehrr, City of Hawthorne
Chief Bob Fager, Hawthorne Police Department
Chief Eve Irvine, Manhattan Beach Police Department
Lt. Vincent Osorio, Gardena Police Department
Chief Sharon Papa, Hermosa Beach Police Department
Captain Jason Sims, Culver City Police Department
Captain Sam Agaiby, Culver City Police Department
Chief Chris Donovan, El Segundo Fire Department
Chief Robert Espinosa, Manhattan Beach Fire Department
Chief Dave White, Culver City Fire Department

Absent: None.

Also Present: Executive Director Ralph Mailloux
Administration Manager John Krok
Finance Manager Valerie Mohler
Captain Mike Ishii, Hawthorne Police Department
Chief Financial Officer Clint Osorio, City of Gardena
Management Analyst George Gabriel, City of Manhattan Beach
Mr. Carl Jacobson, City of El Segundo

2. **PUBLIC DISCUSSION**

None.

3. **ACTION ITEMS**

3a. **Approval of Minutes-Regular Meeting-September 19, 2017**

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MOTION: Acting City Manager Medrano moved to approve the minutes of September 19, 2017 as written. The motion was seconded by Acting City Manager Shadbehr and passed by unanimous voice vote.

3b. **Cash & Investments Report-September 30, 2017**

Finance Manager Mohler presented the staff report per written material of record.

The Executive Committee received and filed the Cash & Investments Report as of September 30, 2017 as written.

3c. **Budget Performance Report-September 30, 2017**

Finance Manager Mohler presented the staff report per written material of record.

Acting City Manager Medrano noted that the member cities recently paid their first installments, totaling approximately \$1,000,000, to pre-fund the Urban Area Security Initiative (UASI) 16 grant for the Interoperability Network of the South Bay (INSB).

The Executive Committee received and filed the Budget Performance Report as of September 30, 2017 as written.

3d. **Mobile and Portable Radio Purchase for INSB**

Executive Director Mailloux explained the main benefits of Motorola's proposal for the purchase of mobile and portable radios that will be necessary to operate on the Interoperability Network of the South Bay (INSB), including the following: a 37% discount with an additional 3% discount toward the purchase of portable radio accessories if procurement occurs by December 12, 2017; all extended warranties (1+4=5) to commence when the entire INSB is complete (anticipated December 2018); one spare battery for each portable radio (\$150 each value); and twelve months' interest-free financing until December 2018, with an interest rate of 3.5% if not paid off by then. Mr. Mailloux related plans for Authority staff and Comcline to meet with department representatives to complete their radio order forms, as well as his understanding that the modems currently in the vehicles can be used to connect to Wi-Fi.

In answer to questions from the Executive and User Committees, Executive Director Mailloux clarified the following: that the radios purchased would be stored at the Authority until they are needed to operate on the INSB; that the radio warranties would begin when the INSB is completely up and running; that the cities will own the radios; that Motorola offered twelve months' interest-free financing for the radios and would charge an interest rate of 3.5% if not paid off by December 2018; that Authority staff would assist in marketing the old radios; and that pricing for the new APX 900 radios for Parking & Animal Control (PACS) is not yet available.

City Manager Danaj recommended that each city enter into a contract with the Authority for the purchase of radios to help protect the Authority from any possible liability associated with the purchase

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from Motorola. However, he pointed out that the city councils' approvals of such a contract could pose a problem in meeting Motorola's purchase deadline of December 12, 2017.

Executive Director Mailloux confirmed for Chief Fager that the Authority could purchase the radios on behalf of the cities, which would assist in meeting the purchase deadline.

Chief Donovan advised that El Segundo Fire and Police Departments are moving quickly in an effort to take advantage of the Motorola discounts. He voiced concern that adding the city councils' approvals of a contract as recommended by City Manager Danaj could make it difficult to meet the deadline and, as an alternative, entertained the idea of the cities writing letters to the Authority documenting their intent with regard to the radio purchases.

Acting City Manager Medrano commented on the importance of ensuring that the member and contract agencies are on board to purchase the radios, as well as the need to know an approximate cost of the radios. He offered Gardena City Attorney Peter Wallin's assistance in preparing a boilerplate agreement between the cities and the Authority for the purchase of the radios.

Due to time constraints, City Manager Danaj mentioned the possible need for a special meeting of the Executive Committee. He supported a comparison of the CAD matrix and the assessment formula for contract cities and requested a report on the results.

Executive Director Mailloux related his intent to work with City Attorney Wallin to develop a contract template and schedule a special meeting of the Executive Committee if needed.

At the request of Chief Fager, Executive Director Mailloux verified his intent to ask Motorola to extend the radio purchase deadline to December 13, 2017.

MOTION: Acting City Manager Medrano moved to approve the staff recommendations to purchase mobile and portable radios to operate on the Interoperability Network of the South Bay (INSB), to enter into an agreement with Motorola for the Authority to purchase the radios on behalf of the member agencies and to authorize the Authority to seek reimbursement for the radio purchase through the assessments, with additions that a detailed radio price list shall be provided by Authority staff and that agreements on the member and contract cities' intents relative to the radio purchases shall be obtained.

4. **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Mailloux shared updated information on the following items: the forthcoming contract with Hermosa Beach; the upcoming kick-off meeting for the Urban Area Security Initiative (UASI) 16 Grant; the Authority's recruitment efforts for the position of communications operator; and the revenue generated from the contract agencies. He shared information on the City of Redondo Beach's interest in the Authority providing their 9-1-1 emergency communications services. In answer to questions from the Executive and User Committees, Mr. Mailloux advised that the assessment criteria established for Culver City would be used for Redondo Beach.

Acting City Manager Medrano suggested that consideration be given to reviewing the current assessment formula for contract cities, with the idea of developing a more comprehensive evaluation. He said he would not object to Authority staff meeting with Redondo Beach to review data; but, a new

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formula should be developed prior to evaluating the idea of contracting with Redondo Beach.

Chief Fager questioned how the computer aided dispatch (CAD) and records management systems (RMS) would be impacted with the addition of Redondo Beach. He voiced his concern over bringing in another contract city, such as Redondo Beach, when the member cities' needs aren't being addressed and the staffing levels in the communications center are apparently low. Emphasizing the importance of ensuring that the member cities are not subsidizing the contract cities, Chief Fager related his understanding that the matrix developed for the new computer aided dispatch (CAD) system is much more comparative than the current assessment formula for contract cities.

Administration Manager Krok advised that the Authority has a part-time communications operator program, which has been very helpful in addressing staffing needs.

Executive Director Mailloux related his opinion that the current assessment formula for contract cities is very accurate. However, should the Executive and User Committees wish to review it, he would be happy to assist. Mr. Mailloux supported the idea of comparing contract agency costs using both the CAD matrix and the assessment formula for contract cities. He shared information on the difficulty of recruiting communications operators.

Acting City Manager Medrano agreed with the idea of comparing costs using both the CAD matrix and the assessment formula for contract cities. He suggested that a working group of one city manager, one police chief and one fire chief be formed to discuss the parameters of agreements for contract agencies.

5. **NEW BUSINESS**

None.

6. **ADJOURNMENT**

The meeting was adjourned at 2:50 PM.

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Staff Report

South Bay Regional Public Communications Authority

TO: Executive Committee
THROUGH: Ralph Mailloux
FROM: Valerie Mohler
DATE: November 15, 2017
SUBJECT: Budget Performance Report/October 31, 2017

RECOMMENDATION:

Receive and file the attached Budget Performance Report for October 31, 2017.

FISCAL IMPLICATION:

As of this time, expenses are within the budgeted amounts except for a few line accounts that are overdrawn, and will be offset by savings in other accounts by year-end.

BACKGROUND:

Staff has analyzed the Authority's financial activities for the period ending October 31, 2017. Attachment 1 illustrates the overall revenues and expenses for the period. Attachment 2 shows revenue realized at 58.00% which includes the second quarter assessments. Attachment 3 shows 48.31% of the budget has been expended and/or encumbered.

The summary schedule per Attachment 1 shows that year-to-date (YTD) revenue is approximately \$3.7 million over YTD expenses. This amount is supposed to fund the Authority's activities through the end of the second quarter, including the capital expenses. Overall, expenses for each department are within the budget allocation.

DISCUSSION:

Based on a 12-month budget cycle, the estimated spending level should be at 33.33% with 66.67% remaining. The level of spending under the Salaries & Benefits category should be at 34.65% (9 payroll periods have been recorded). The level of spending under the Supplies & Services Category depends on when expenses are incurred and paid, while the Capital Outlay category depends on the progress of the project or when the project is completed.

Parts Billing and Reimbursements for Billable Parts accounts are excluded from the analysis as these accounts are supposed to offset each other. Sprint Wireless reimbursable and Reimbursements for Sprint Wireless are also excluded as participating members will be billed for these services along with their 4th quarter assessment.

Staff is available to respond if you have any questions.

Attachments: Attachment 1 – Budget Performance Summary
 Attachment 2 – Revenue Status Report (2 pages)
 Attachment 3 – Expenditure Status Report (6 pages)

SBRPCA
SUMMARY BUDGET PERFORMANCE REPORT
OCTOBER 31, 2017

<u>ACCOUNT DESCRIPTION</u>	<u>AMENDED BUDGET</u>	<u>CURRENT MONTH</u>	<u>YTD ACTUAL</u>	<u>ENCUM</u>	<u>BALANCE</u>	<u>PERCENT BALANCE</u>
TOTAL REVENUE	\$ 17,111,774	\$ 130,629	\$ 8,024,962	\$ -	\$ 9,086,812	53.10%
EXPENSE SUMMARY:						
<u>Administration</u>						
Salaries & Benefits	\$ 1,146,517	\$ 111,283	\$ 357,202	\$ -	\$ 789,315	68.84%
Supplies/Services/Equipment	\$ 803,591	\$ 42,492	\$ 334,460	\$ -	469,131	58.38%
Total Expenses - Administration	\$ 1,950,108	\$ 153,775	\$ 691,662	\$ -	\$ 1,258,446	64.53%
<u>Operations</u>						
Salaries & Benefits	\$ 7,148,964	\$ 510,744	\$ 2,021,060	\$ -	\$ 5,127,904	71.73%
Supplies/Services/Equipment	\$ 220,793	\$ 12,573	\$ 50,734	\$ -	170,059	77.02%
Total Expenses - Operations	\$ 7,369,757	\$ 523,318	\$ 2,071,794	\$ -	\$ 5,297,963	71.89%
<u>Technical Services</u>						
Salaries & Benefits	\$ 1,018,809	\$ 61,054	\$ 249,682	\$ -	\$ 769,127	75.49%
Supplies/Services/Equipment	\$ 774,100	\$ 79,864	\$ 367,739	\$ -	406,361	52.49%
Total Expenses - Technical Services	\$ 1,792,909	\$ 140,919	\$ 617,421	\$ -	\$ 1,175,488	65.56%
Total Operating Expenses	\$ 11,112,774	\$ 818,011	\$ 3,380,877	\$ -	\$ 7,731,897	69.58%
Capital Outlay	\$ 5,296,369	\$ -	\$ 980,446	\$ 3,566,685	\$ 749,238	14.15%
<u>GRAND TOTAL</u>	\$ 16,409,143	\$ 818,011	\$ 4,361,323	\$ 3,566,685	\$ 8,481,135	51.69%
RECAP						
Administration	\$ 1,950,108	\$ 153,775	\$ 691,662	\$ -	\$ 1,258,446	64.53%
Operations	7,369,757	523,318	2,071,794	-	5,297,963	71.89%
Technical Services	1,792,909	140,919	617,421	-	1,175,488	65.56%
Capital Outlay	5,296,369	-	980,446	3,566,685	749,238	14.15%
TOTAL EXPENSES	\$ 16,409,143	\$ 818,011	\$ 4,361,323	\$ 3,566,685	\$ 8,481,135	51.69%
Salaries & Benefits	\$ 9,314,290	\$ 683,082	\$ 2,627,944	\$ -	\$ 6,686,346	71.79%
Supplies/Services/Equipment	1,798,484	134,930	752,933	-	1,045,551	58.14%
Capital Outlay	5,296,369	-	980,446	3,566,685	749,238	14.15%
TOTAL EXPENSES	\$ 16,409,143	\$ 818,011	\$ 4,361,323	\$ 3,566,685	\$ 8,481,135	51.69%

YTD REVENUES OVER YTD EXPENSES

\$ 3,663,639

Differences due to rounding.

Revenue Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-50 Administration					
10-50-111 Administration					
10-50-111-4110 Gardena	2,391,301.00	0.00	1,434,780.60	956,520.40	60.00
10-50-111-4120 Hawthorne	3,359,598.00	0.00	2,015,758.80	1,343,839.20	60.00
10-50-111-4130 Manhattan Beach	1,703,280.00	0.00	1,021,968.00	681,312.00	60.00
10-50-111-4140 Hermosa Beach	700,072.00	0.00	350,036.00	350,036.00	50.00
10-50-111-4145 El Segundo	1,294,928.00	0.00	647,464.00	647,464.00	50.00
10-50-111-4146 Culver City Assessment	2,360,551.00	0.00	1,180,275.50	1,180,275.50	50.00
10-50-111-4150 El Camino Community College	893.00	0.00	789.60	103.40	88.42
10-50-111-4152 Medical Director Services/Hermosa Beach	25,000.00	0.00	12,500.00	12,500.00	50.00
10-50-111-4153 Medical Director Service/Manhattan Beach	25,000.00	0.00	26,250.00	-1,250.00	105.00
10-50-111-4154 Medical Director Services/El Segundo	25,000.00	0.00	26,250.00	-1,250.00	105.00
10-50-111-4210 Investment Earnings (LAIF)	15,000.00	9,584.28	9,584.28	5,415.72	63.90
10-50-111-4220 POST Reimbursements	600.00	0.00	0.00	600.00	0.00
10-50-111-4255 Unrealized Gain/Loss on Investments	0.00	0.00	1,894.50	-1,894.50	0.00
10-50-111-4430 Other Miscellaneous Revenue	2,500.00	16.61	282.77	2,217.23	11.31
Total Administration	11,903,723.00	9,600.89	6,727,834.05	5,175,888.95	56.52
10-60 Operations					
10-60-211 Communications Center					
10-60-211-4215 DUI Reimbursement-Overtime	2,000.00	0.00	412.28	1,587.72	20.61
10-60-211-4435 Reimbursements Sprint Wireless	82,176.00	0.00	0.00	82,176.00	0.00

Revenue Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-60-211-4440 Reimbursements/Verizon Wireless	8,465.00	0.00	0.00	8,465.00	0.00
Total Operations	92,641.00	0.00	412.28	92,228.72	0.45
10-70 Technical Services					
10-70-311 Technical Services					
10-70-311-4360 Reimbursements for Billable Parts	75,000.00	121,028.44	296,716.04	-221,716.04	395.62
10-70-311-4370 Reimbursements for GST Software	40,410.00	0.00	0.00	40,410.00	0.00
Total Technical Services	115,410.00	121,028.44	296,716.04	-181,306.04	257.10
Total SBRPCA Enterprise Fund	12,111,774.00	130,629.33	7,024,962.37	5,086,811.63	58.00

Revenue Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
20-80 Capital Infrastructure Projects					
20-80-433 2016 UASI Grant					
20-80-433-4270 Grant Reimb/P25 Comm Repeater Migration	5,000,000.00	0.00	1,000,000.00	4,000,000.00	20.00
Total Grant Fund	5,000,000.00	0.00	1,000,000.00	4,000,000.00	20.00
Grand Total	17,111,774.00	130,629.33	8,024,962.37	9,086,811.63	46.90

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
50 Administration						
50-100 Administration						
50-100-5000 Expenditures						
50-111-5101 Salaries (Full-Time)	840,147.00	63,249.66	252,535.23	0.00	587,611.77	30.06
50-111-5104 Acting Pay	1,000.00	0.00	0.00	0.00	1,000.00	0.00
50-111-5107 Merit Pay	2,800.00	0.00	0.00	0.00	2,800.00	0.00
50-111-5108 Sick Leave Payoff	25,000.00	12,439.36	12,439.36	0.00	12,560.64	49.76
50-111-5109 Vacation Leave Payoff	40,000.00	16,410.73	16,410.73	0.00	23,589.27	41.03
50-111-5201 Medical Insurance	63,281.00	5,243.72	20,971.10	0.00	42,309.90	33.14
50-111-5202 Dental Insurance	2,719.00	269.00	1,076.00	0.00	1,643.00	39.57
50-111-5203 Vision Insurance	1,255.00	103.50	414.00	0.00	841.00	32.99
50-111-5204 Life Insurance	660.00	55.00	220.00	0.00	440.00	33.33
50-111-5205 Medicare	13,548.00	1,367.26	4,190.35	0.00	9,357.65	30.93
50-111-5207 Workers' Compensation	10,150.00	726.52	3,230.54	0.00	6,919.46	31.83
50-111-5208 PERS Contributions	122,719.00	9,515.86	38,105.26	0.00	84,613.74	31.05
50-111-5209 Retirees' Medical Insurance	14,238.00	1,152.24	4,608.96	0.00	9,629.04	32.37
50-111-5212 Deferred Comp Matching Benefit	9,000.00	750.00	3,000.00	0.00	6,000.00	33.33
50-111-5301 Communications Contract Services	31,000.00	1,904.38	7,613.14	0.00	23,386.86	24.56
50-111-5302 Computer Contract Services/CAD-Tiburon	60,000.00	0.00	270.00	0.00	59,730.00	0.45
50-111-5304 Accounting/Auditing Services	14,000.00	0.00	11,250.00	0.00	2,750.00	80.36
50-111-5305 Legal Services	22,000.00	2,551.10	4,596.10	0.00	17,403.90	20.89
50-111-5306 Recruitment Costs	35,333.00	8,604.79	12,623.50	0.00	22,709.50	35.73
50-111-5307 Software Maintenance Services	45,298.00	895.00	29,432.44	0.00	15,865.56	64.98
50-111-5308 Banking Services (Fees)	6,500.00	441.81	1,403.02	0.00	5,096.98	21.58
50-111-5309 Online/Website Maintenance Services	3,500.00	225.00	1,160.00	0.00	2,340.00	33.14
50-111-5312 Medical Director Services/Paramedics	75,000.00	6,250.00	25,000.00	0.00	50,000.00	33.33
50-111-5401 Memberships & Dues	810.00	0.00	0.00	0.00	810.00	0.00
50-111-5402 Publications	350.00	0.00	0.00	0.00	350.00	0.00
50-111-5403 Conferences, Meetings & Travel	15,000.00	2,557.13	8,941.50	0.00	6,058.50	59.61
50-111-5404 Employee Services/EC-BOD	1,500.00	16.17	51.23	0.00	1,448.77	3.42

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
50-111-5407 Tuition Reimbursement	4,000.00	0.00	0.00	0.00	4,000.00	0.00
50-111-5501 Office Supplies	9,000.00	259.09	1,206.54	0.00	7,793.46	13.41
50-111-5502 Miscellaneous Supplies	1,100.00	0.00	0.00	0.00	1,100.00	0.00
50-111-5505 Voice Recording Tapes	1,500.00	0.00	0.00	0.00	1,500.00	0.00
50-111-5507 Postage	2,000.00	0.00	373.81	0.00	1,626.19	18.69
50-111-5509 Reproduction	1,500.00	0.00	0.00	0.00	1,500.00	0.00
50-111-5511 Office Equipment Lease	15,000.00	810.40	3,994.55	0.00	11,005.45	26.63
50-111-5513 General Liability Insurance Premium	170,600.00	0.00	148,586.30	0.00	22,013.70	87.10
50-111-5517 Vehicle Operations	2,000.00	0.00	62.84	0.00	1,937.16	3.14
50-111-5601 Telephone - Administration	12,000.00	827.87	4,581.63	0.00	7,418.37	38.18
50-111-5701 Maintenance - HQ	144,800.00	7,557.15	36,880.48	0.00	107,919.52	25.47
50-111-5702 Maintenance - Other Sites	6,500.00	0.00	0.00	0.00	6,500.00	0.00
50-111-5703 Electricity - HQ	97,000.00	7,932.01	28,047.52	0.00	68,952.48	28.91
50-111-5704 Electricity - Grandview	1,800.00	195.96	567.39	0.00	1,232.61	31.52
50-111-5705 Electricity - Punta Place	6,000.00	468.18	2,098.24	0.00	3,901.76	34.97
50-111-5706 Gas - HQ	12,000.00	469.95	1,419.95	0.00	10,580.05	11.83
50-111-5707 Water - HQ	3,500.00	307.86	1,252.31	0.00	2,247.69	35.78
50-111-5715 Electricity-MB Water Tower	3,000.00	218.11	626.41	0.00	2,373.59	20.88
50-111-5820 Other Equipment	0.00	0.00	2,421.15	0.00	-2,421.15	0.00
Total Administration	1,950,108.00	153,774.81	691,661.58	0.00	1,258,446.42	35.47
60 Operations						
60-200 Operations						
60-200-5000 Expenditures						
60-211-5101 Salaries (Full-Time)	4,680,891.00	289,543.69	1,192,558.59	0.00	3,488,332.41	25.48
60-211-5102 Salaries (Part-Time)	224,268.00	4,783.03	23,933.54	0.00	200,334.46	10.67
60-211-5103 Overtime	350,000.00	99,701.83	328,349.41	0.00	21,650.59	93.81
60-211-5104 Acting Pay	7,500.00	0.00	36.40	0.00	7,463.60	0.49
60-211-5105 Bilingual Pay	7,200.00	700.00	2,100.00	0.00	5,100.00	29.17
60-211-5108 Sick Leave Payoff	100,000.00	0.00	0.00	0.00	100,000.00	0.00
60-211-5109 Vacation Leave Payoff	30,000.00	0.00	1,073.91	0.00	28,926.09	3.58
60-211-5110 Training Pay	5,000.00	479.28	1,577.36	0.00	3,422.64	31.55

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
60-211-5114 Holiday Payoff	45,000.00	0.00	0.00	0.00	45,000.00	0.00
60-211-5115 Education Incentive Pay	84,498.00	6,902.56	27,117.19	0.00	57,380.81	32.09
60-211-5116 Overtime - Ridealongs with Member Cities	16,500.00	0.00	0.00	0.00	16,500.00	0.00
60-211-5201 Medical Insurance	601,750.00	40,992.44	169,791.49	0.00	431,958.51	28.22
60-211-5202 Dental Insurance	47,570.00	1,944.00	7,937.00	0.00	39,633.00	16.68
60-211-5203 Vision Insurance	17,521.00	1,024.00	4,151.00	0.00	13,370.00	23.69
60-211-5204 Life Insurance	7,656.00	506.00	2,043.93	0.00	5,612.07	26.70
60-211-5205 Medicare	80,662.00	5,904.34	23,135.02	0.00	57,526.98	28.68
60-211-5206 Unemployment Insurance	15,000.00	0.00	0.00	0.00	15,000.00	0.00
60-211-5207 Workers' Compensation	59,500.00	4,258.93	18,937.71	0.00	40,562.29	31.83
60-211-5208 PERS Contributions	704,411.00	49,365.84	199,566.81	0.00	504,844.19	28.33
60-211-5209 Retirees' Medical Insurance	59,402.00	4,638.31	18,553.24	0.00	40,848.76	31.23
60-211-5211 Social Security	4,635.00	0.00	197.32	0.00	4,437.68	4.26
60-211-5401 Memberships & Dues	190.00	0.00	0.00	0.00	190.00	0.00
60-211-5402 Publications	2,210.00	47.99	128.15	0.00	2,081.85	5.80
60-211-5403 Conferences, Meetings & Travel	31,752.00	387.00	5,615.69	0.00	26,136.31	17.69
60-211-5404 Employee Services/EC-BOD	2,500.00	350.00	350.00	0.00	2,150.00	14.00
60-211-5405 Employee Awards	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5406 POST Training	2,000.00	0.00	0.00	0.00	2,000.00	0.00
60-211-5407 Tuition Reimbursement	18,000.00	0.00	3,159.00	0.00	14,841.00	17.55
60-211-5506 Uniforms/Safety Equipment	8,000.00	-59.06	733.27	0.00	7,266.73	9.17
60-211-5509 Reproduction	500.00	0.00	353.21	0.00	146.79	70.64
60-211-5603 Telephone - El Segundo	3,000.00	194.04	659.69	0.00	2,340.31	21.99
60-211-5604 Telephone - Gardena	5,000.00	112.00	1,672.00	0.00	3,328.00	33.44
60-211-5606 Telephone - Hawthorne	6,500.00	334.54	1,276.00	0.00	5,224.00	19.63
60-211-5607 Telephone - Hermosa Beach	17,000.00	1,863.20	7,546.39	0.00	9,453.61	44.39
60-211-5608 Telephone - Manhattan Beach	13,000.00	401.99	1,441.30	0.00	11,558.70	11.09
60-211-5611 Telephone - Punta Place	10,000.00	313.54	1,252.90	0.00	8,747.10	12.53
60-211-5612 Telephone - RCC	10,000.00	899.07	3,031.29	0.00	6,968.71	30.31
60-211-5613 Sprint Wireless Reimbursable	82,176.00	6,771.93	20,314.74	0.00	61,861.26	24.72
60-211-5614 Verizon Wireless Reimbursable	8,465.00	861.79	2,540.05	0.00	5,924.95	30.01
60-211-5615 Telephone - Culver City	0.00	95.36	660.16	0.00	-660.16	0.00
Total Operations	7,369,757.00	523,317.64	2,071,793.76	0.00	5,297,963.24	28.11

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
70 Technical Services						
70-300 Technical Services						
70-300-5000 Expenditures						
70-311-5101 Salaries (Full-Time)	647,540.00	38,139.18	152,502.88	0.00	495,037.12	23.55
70-311-5103 Overtime	13,500.00	0.00	498.64	0.00	13,001.36	3.69
70-311-5106 Callback Pay	2,500.00	0.00	0.00	0.00	2,500.00	0.00
70-311-5107 Merit Pay	1,300.00	0.00	500.00	0.00	800.00	38.46
70-311-5108 Sick Leave Payoff	15,000.00	0.00	0.00	0.00	15,000.00	0.00
70-311-5109 Vacation Leave Payoff	25,000.00	0.00	0.00	0.00	25,000.00	0.00
70-311-5114 Holiday Payoff	12,000.00	0.00	0.00	0.00	12,000.00	0.00
70-311-5115 Education Incentive Pay	0.00	287.16	1,005.06	0.00	-1,005.06	0.00
70-311-5201 Medical Insurance	71,814.00	5,448.19	22,944.33	0.00	48,869.67	31.95
70-311-5202 Dental Insurance	6,426.00	183.00	765.00	0.00	5,661.00	11.90
70-311-5203 Vision Insurance	2,812.00	125.75	523.75	0.00	2,288.25	18.63
70-311-5204 Life Insurance	924.00	66.00	275.00	0.00	649.00	29.76
70-311-5205 Medicare	11,081.00	584.37	2,335.13	0.00	8,745.87	21.07
70-311-5207 Workers' Compensation	105,350.00	7,540.80	33,530.84	0.00	71,819.16	31.83
70-311-5208 PERS Contributions	73,690.00	6,150.89	24,710.91	0.00	48,979.09	33.53
70-311-5209 Retirees' Medical Insurance	29,872.00	2,529.10	10,090.66	0.00	19,781.34	33.78
70-311-5302 Computer Contract Services/CAD-Tiburon	285,000.00	0.00	0.00	0.00	285,000.00	0.00
70-311-5311 GST Software Reimbursable	42,950.00	0.00	38,010.00	0.00	4,940.00	88.50
70-311-5403 Conferences, Meetings & Travel	2,650.00	0.00	0.00	0.00	2,650.00	0.00
70-311-5503 General Technical Supplies	7,500.00	1,702.85	1,911.62	0.00	5,588.38	25.49
70-311-5506 Uniforms/Safety Equipment	2,500.00	0.00	0.00	0.00	2,500.00	0.00
70-311-5514 Parts - Billing	75,000.00	59,817.69	253,472.09	0.00	-178,472.09	337.96
70-311-5515 Parts - Telecommunications	20,000.00	760.58	4,972.70	0.00	15,027.30	24.86
70-311-5516 Install Wire, Loom & Hardware	16,000.00	2,083.14	8,420.82	0.00	7,579.18	52.63
70-311-5517 Vehicle Operations	4,500.00	500.00	952.04	0.00	3,547.96	21.16
70-311-5520 Equipment Repair	18,000.00	0.00	0.00	0.00	18,000.00	0.00
70-311-5521 Outside Technical Serv-Towers & Equip	300,000.00	15,000.00	60,000.00	0.00	240,000.00	20.00
Total Technical Services	1,792,909.00	140,918.70	617,421.47	0.00	1,175,487.53	34.44

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
80-435-5901 CIP Exp-Hawthorne Allocation	58,454.00	0.00	0.00	0.00	58,454.00	0.00
80-436-5901 CIP Exp-MB Allocation	60,253.00	0.00	0.00	0.00	60,253.00	0.00
80-446-5901 CIP Exp-Interoperability Radio Sys Proj	13,338.00	0.00	0.00	0.00	13,338.00	0.00
80-449-5901 Backup Stand Alone Radio System-Comm Ctr	52,824.00	0.00	29,924.99	0.00	22,899.01	56.65
80-452-5901 Replace Cisco Switches	35,000.00	0.00	0.00	0.00	35,000.00	0.00
80-453-5901 ESChat System and Maintenance	76,500.00	0.00	58,849.74	0.00	17,650.26	76.93
Total Expenditures	296,369.00	0.00	88,774.73	0.00	207,594.27	29.95
Total CIP	296,369.00	0.00	88,774.73	0.00	207,594.27	29.95
Total Capital Infrastructure Projects	296,369.00	0.00	88,774.73	0.00	207,594.27	29.95
Total SBRPCA Enterprise Fund	11,409,143.00	818,011.15	3,469,651.54	0.00	7,939,491.46	30.41

Expenditure Status Report

South Bay Regional PCA
 10/1/2017 through 10/31/2017

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
80-433-5901 UASI Grant P25 Comm Repeater Migration	5,000,000.00	0.00	891,671.20	3,566,684.80	541,644.00	89.17
Total Grant Fund	5,000,000.00	0.00	891,671.20	3,566,684.80	541,644.00	89.17
Grand Total	16,409,143.00	818,011.15	4,361,322.74	3,566,684.80	8,481,135.46	48.31



Staff Report

South Bay Regional Public Communications Authority

TO: Executive Committee

FROM: Ralph Mailloux

DATE: November 15, 2017

SUBJECT: Approval of Authority Agreement with Motorola for Purchase of Mobile and Portable Radios for the INSB

RECOMMENDATION

That the Executive Committee approve the Executive Director entering into an agreement with Motorola after receiving signed copies of the Communication Equipment Purchase and Reimbursement Agreement from each city, thereby committing to reimburse the Authority in order to meet Motorola's equipment purchase deadline of December 12, 2017.

BACKGROUND

At the Executive Committee meeting on October 17, 2017, Authority staff presented Motorola's proposal of October 6, 2017 (Attachment A) that would provide one year of interest-free financing for the procurement of mobile/portable radios and accessories required to operate on the Interoperability Network of the South Bay (INSB). At that time, the Executive Committee directed the Executive Director to work with Gardena's Legal Counsel to develop a boilerplate Communication Equipment Purchase and Reimbursement Agreement (Attachment B) between the Authority and the member cities to guarantee each city's payment for equipment prior to Motorola's interest-free financing deadline of December 12, 2018.

DISCUSSION

A boilerplate Communication Equipment Purchase and Reimbursement Agreement (Attachment B) was developed by the Executive Director and Gardena's Legal Counsel. Comline (the Authority's radio vendor) has been meeting with representatives from each city to develop the final Motorola order and establish associated costs that will be used to enter information into the Communication Equipment Purchase and Reimbursement Agreement and the final finance agreement with Motorola (Attachment C).

CONCLUSION

That the Executive Committee approve the Executive Director entering into an agreement with Motorola after receiving signed copies of the Communication Equipment Purchase and Reimbursement Agreement from each city, thereby committing to reimburse the Authority in order to meet Motorola's purchase deadline of December 12, 2017.

REM:ww

Attachment(s): A: Motorola's Proposal Dated October 6, 2017
B: Communications Equipment Purchase and Reimbursement Agreement
C: Motorola's Communication System Financing Agreement

Motorola Solutions, Inc.
725 S. Figueroa Ave. #1855
Los Angeles, CA 90017

October 6, 2017

Mr. Ralph Mailloux
Chairman – INSB Technical Committee
Interoperability Network of the South Bay - INSB
4440 West Broadway
Hawthorne, CA 90250

Dear Mr. Mailloux:

The following terms were discussed and have been agreed upon by Motorola Solutions.

Regarding the UASI P25 Trunked Project, the scope of work will remain the same as it is defined in the Proposal dated July 18, 2017. The South Bay Regional Public Communications Authority agrees to issue a Purchase Order on or before September 15, 2017 for the full value stated in the Proposal based on the incentive offerings outlined below.

Motorola will agree to offer Los Angeles County Contract Discount (MA-IS-1740313) plus an additional 10% discount on your combined Subscriber/Radio and Accessory purchases between September 16, 2017 and December 15, 2018. Warranty service will be provided, beginning at the time of receipt of the Subscriber/Radio and Accessories. Furthermore, the manufacturer's warranty period of 1 year plus 4 years, Service From the Start (SFS) on these new INSB Subscriber/Radio and Accessory purchases will begin upon the final acceptance of the INSB P25 infrastructure.

An additional \$1,500,000 purchase, in the aggregate, of the INSB Subscriber/ Radio and Accessory equipment must be purchased by June 15 and December 1, 2018.

Furthermore, Motorola will approve an additional 3% Discount on Radio Subscriber purchases before December 12, 2017. Orders will be shipped before December 31, 2017. The total discount for APX Subscribers (Portable and Mobile) is 40% off List price following the terms identified below:

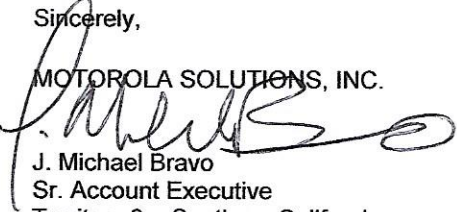
INSB Promotion:

- 40% Discount off list on APX Radio purchases (Portable and Mobile)
- The additional 3% Discount towards Radios is applied to APX Portable Radio Accessory purchases
- Minimum \$2M Radio purchase before December 12, 2017
- Free Spare Battery for every APX6000 or APX8000 purchase.
- An additional combined \$100,000 discount will be applied to RCC/ South Bay Agencies, City of Torrance and City of Redondo Beach APX Subscriber and Accessories purchases by December 12, 2017
- One year finance with No Payment/ No Interest for one year on Subscriber and Accessories Purchases made by December 12, 2017

Motorola appreciates your continued partnership and we look forward to implementing this Project with the INSB JPA.

Sincerely,

MOTOROLA SOLUTIONS, INC.



J. Michael Bravo
Sr. Account Executive
Territory 8 – Southern California

cc: Jerry P. Burch

COMMUNICATION EQUIPMENT PURCHASE AND REIMBURSEMENT AGREEMENT

This Agreement is entered into by and between the City of _____ (“City”), a California municipality, and the South Bay Regional Public Communication Authority (“RCC”), a California joint powers authority, with reference to the following:

RECITALS

- A. City is a member of the Interoperability Network of the South Bay Joint Powers Authority (“INSB”), which is in the process of developing a regional interoperability transmission/receiving system to serve its member cities.
- B. South Bay Regional Public Communications Authority (RCC) operates a regional communications system providing 911 emergency services to City.
- C. City must acquire mobile and portable radios that will be compatible with the new INSB communication system.
- D. The County of Los Angeles has contracted with Motorola Solutions Inc. (“Motorola”) for provision of mobile and portable radios that are compatible with the INSB system and RCC and the member Cities wish to make a piggyback purchase on the more favorable terms set forth in Motorola’s proposal attached hereto as Exhibit A.
- E. As stated in Exhibit A, the purchase must occur prior to December 12, 2017, for the maximum discount to be applied to the member agencies’ orders. RCC will be purchasing the mobile and portable radios for the various agencies. The actual number and cost for each radio ordered on behalf of City is itemized on the order form attached hereto as Exhibit B. RCC will be entering into a finance agreement with Motorola that allows for the first year’s finance fee to be interest free.
- F. Each agency is to provide its funds in advance of the one year deadline, November 1, 2018 in order to avoid any interest payment.

NOW, THEREFORE, the parties agree as follows:

- 1. **Equipment Purchase.** RCC agrees to purchase on behalf of City and to deliver to the City the equipment itemized on Exhibit B upon the terms indicated thereon.
- 2. **Appropriation and Payment.** City agrees to appropriate and set aside sufficient funds to purchase the equipment and to pay the funds over to RCC when payment becomes due to Motorola. Payment must be made in advance of the one year deadline, by November 1, 2018, to avoid any interest payment.
- 3. **Administration.** RCC will be responsible for administration of the contract with Motorola and will provide an appropriate invoice to the City for payment when due.
- 4. **Entire Agreement.** This Agreement contains the full and entire agreement between and among the parties with respect to the entire subject matter hereof and supersedes any and all previous or contemporaneous agreements and discussions, whether written or oral.
- 5. **Amendments to Agreement.** This Agreement may be amended only by a subsequent agreement in writing signed by all parties to this Agreement.
- 6. **Severability.** The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other of the provisions of this Agreement.

- 7. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original; however, all such counterparts shall constitute but one and the same instrument with the effective date hereof being the date set forth below herein.
- 8. **Authority to Execute.** Each person signing this Agreement warrants and represents that, to the extent he or she is executing this Agreement for and on behalf of an entity, he or she has been fully empowered and properly authorized to execute this Agreement for and behalf of said entity, and instructed by those having the requisite authority to cause said entity to make and enter into this Agreement.
- 9. **Notices.** All notices required or permitted under this Agreement shall be delivered in person or by receipted facsimile or email transmission, by overnight mail courier, or by registered or certified mail, postage prepaid, return receipt requested, to each party at its address shown below, or to any other notice address designated in writing by such party:

RCC: Attention: Executive Director
 South Bay Regional Public Communications Authority
 4440 West Broadway, Hawthorne, CA. 90250
 Telephone:
 Facsimile:
 Email:

City of _____
 Attention:
 Telephone:
 Facsimile:
 Email:

10. **Effective Date.** This Agreement shall be effective upon the date it has been executed by both parties.

In Witness Whereof, the undersigned have executed this Agreement on behalf of the parties.

South Bay Regional Public Communications Authority Dated: _____, 2017

 By: Ralph Mailloux , Executive Director

City of _____ Dated: _____, 2017

By _____, Mayor



Motorola Solutions, Inc.

Date: October 12, 2017

Financing proposal for: **South Bay Regional PCA**

Communications System Financing Proposal

Motorola Solutions Credit Company LLC is pleased to submit the following proposal for the financing of your Motorola Communications equipment in accordance with the terms and conditions outlined below:

Transaction Type: Municipal Lease-Purchase Agreement

Lessor: Motorola Solutions, Inc. (or its Assignee)

Lessee: **South Bay Regional PCA**

Amount: \$6,000,000.00

Down Payment: \$0.00

Balance to Finance: \$6,000,000.00

Equipment: As per the Motorola equipment proposal.

Title: Title to the equipment will vest with the Lessee.

Insurance: Lessee will be responsible to insure the equipment as outlined in the lease contract.

Taxes: Personal property, sales, leasing, use, stamp, or other taxes are for the account of the Lessee.

First year interest free

	<u>Option One</u>	<u>Option Two</u>	<u>Option Three</u>
Lease Term:	Three Years	Five Years	Seven Years
Payment Frequency:	Annual	Annual	Annual
Payment Structure:	Arrears	Arrears	Arrears
Lease Rate First year:	0%	0%	0%
Lease Rate remaining term:	3.30%	3.32%	3.40%
Lease Factor:	0.344212	0.213273	0.157577
Lease Payment:	\$2,065,274.26	\$1,279,637.25	\$945,462.48
Payment Commencement:	First payment due one year from contract execution.		

Expiration: This interest rate methodology is valid for all leases commenced by 12/12/2017

Indexing arrangement – Non-bank qualified structure 3, 5 and 7 year terms

The Lease Payments shall be calculated using a rate of interest ("Lease Rate") that is initially indexed to the three (3), five (5) or seven year (7) average life Interest Rate Swap (the "Index Rate") as reported on the Federal Reserve Statistical Release H.15 Report. The average life Interest Rate Swap corresponds to the respective lease term. The H.15 Report can be accessed at the Federal Reserve Bank web site: www.federalreserve.gov/releases/h15/. On the Commitment Date, the final Lease Rate will be calculated by taking the Index Rate for that date from the H.15 Report, plus a spread of 3.48% and multiplying the sum of those two numbers by .64 to calculate the Lease Rate for the 3 year term. The rate for the 5 year term will be calculated by taking the Index Rate for that date from the H.15 Report, plus a spread of 3.43% and multiplying the sum of those two numbers by .64. The rate for the 7 year term will be calculated by taking the Index Rate for that date from the H.15 Report, plus a spread of 3.46% and multiplying the sum of those two numbers by .64. The rates are then fixed for the full term of the Lease.

The following H.15 average life Index Rates were in place at the approximate time this quote was issued:

3 year : 1.67%
5 year : 1.76%
7 year: 1.82%

Qualifications: Receipt of a properly executed documentation package.

Lessee qualifies as a political subdivision or agency of the State as defined in the Internal Revenue Code of 1986. The interest portion of the Lease Payments shall be excludable from the Lessor's gross income pursuant to Section 103 of the Internal Revenue Code.

Receipt of a copy of the last years audited financial statements and current year's budget from the Lessee.

This proposal should not be construed as a commitment to finance. It is subject to final Motorola credit committee approval. This quote is based on the general level of interest rates, primarily U.S. Treasury Bills of like term maturity. Any movement in those rates in excess of 10 basis points will result in the revision of this quote.

Documentation: Municipal Equipment Lease Purchase Agreement
Opinion of Counsel
Schedule A / Equipment List
Schedule B / Amortization Schedule
8038G
UCC-1
Certificate of Incumbency
Statement of Essential Use/Source of Funds
Evidence of Insurance or Statement of Self Insurance
Resolution from governing body authorizing the execution of the Lease