

AGENDA
REGULAR JOINT MEETING OF THE EXECUTIVE COMMITTEE AND THE USER COMMITTEE
TUESDAY, FEBRUARY 15, 2022, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
CONDUCTED VIA TELECONFERENCE

PLEASE NOTE: PURSUANT TO GOVERNOR NEWSOM'S EXECUTIVE ORDER NOS. N-25-20 AND N-29-20, MEMBERS OF THE EXECUTIVE COMMITTEE, USER COMMITTEE, AND STAFF WILL PARTICIPATE IN THIS MEETING VIA A TELECONFERENCE. IN THE INTEREST OF MAINTAINING APPROPRIATE SOCIAL DISTANCING, THE AUTHORITY ENCOURAGES THE PUBLIC TO PARTICIPATE AND TO PROVIDE COMMENTS ON AGENDA ITEMS OR OTHER SUBJECT MATTER WITHIN THE JURISDICTION OF THE EXECUTIVE COMMITTEE, AND/OR USER COMMITTEE BY JOINING:

Link: <https://us02web.zoom.us/j/87115877514?pwd=WE0vNkl0Q1JDZ1NoZ2NTbHlHb09adz09>

Meeting ID: [871 1587 7514](#)

Access Code: [393077](#)

A. CALL TO ORDER

B. ROLL CALL

1. Executive Committee
2. User Committee

C. PUBLIC DISCUSSION

In the interest of maintaining appropriate social distancing, members of the Executive Committee, User Committee, and staff will participate in this meeting via teleconference. The Authority encourages the public to participate by using one of the following options for public comments:

Email your public comment to cchoi@rcc911.org by 7:30 AM, the day of the meeting to have your comment available to Executive Committee and the public.

Call (310) 973-1802 ext.100 and leave a message by 7:30 AM, the day of the meeting.

All of your comments provided by the deadlines above will be available to the Executive Committee, User Committee, and the public prior to the meeting.

In addition, you may participate by joining Zoom during the meeting by using the link above and using the "raise hand" button or entering *9 on the phone's dial pad if you would like to make a comment.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

1. Minutes from January 18, 2022
APPROVE
2. Check Register— January 2022
RECEIVE AND FILE
3. Cash & Investments Report/ December 31, 2021
RECEIVE AND FILE
4. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361
5. Agreement with the City of Culver City for Emergency Police and Fire Dispatch Services
AUTHORIZE AND APPROVE

E. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

F. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Revision to the Budgetary Policy Allowing Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities
RECOMMEND THE BOARD OF DIRECTORS ADOPT RESOLUTION ESTABLISHING A BUDGETARY POLICY THAT ALLOWS ONGOING FUNDING FOR PENSION AND OTHER POST-EMPLOYMENT BENEFITS UNFUNDED ACTUARIAL LIABILITIES
2. Fiscal Year 2022-2023 Preliminary Budget
PROVIDE DIRECTION
3. Agreement with Mark43 for Computer Aided Dispatch System
APPROVE

G. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from January 18, 2022
APPROVE
2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

I. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

J. **EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

1. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The Communications Workers of America
2. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The California Teamsters Public, Professional and Medical Employees Union Local 911

K. **ADJOURNMENT**

Posting Date/Time: February 10, 2022/3:30PM

Signature:



Ross Klun, Executive Director

D-1

**REGULAR MEETING OF THE BOARD OF DIRECTORS,
THE EXECUTIVE COMMITTEE, AND THE USER COMMITTEE**

JANUARY 18, 2022

A. CALL TO ORDER

The Board of Directors, Executive, and User Committees convened in a regular joint meeting on January 18, 2022 at 2:01PM by teleconference.

B. ROLL CALL

Present: Mayor Hildy Stern, City of Manhattan Beach
Mayor Pro Tem Rodney Tanaka, City of Gardena
Councilmember Alex Monteiro, City of Hawthorne
City Manager Clint Osorio, City of Gardena
City Manager Bruce Moe, City of Manhattan Beach
Chief Mike Ishii, Hawthorne Police Department
Chief Mike Saffell, Gardena Police Department
Chief Mike Lang, Manhattan Beach Fire Department
Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Chief Ken Powell, Culver City Fire Department
Shannon Kauffman, Operations Manager
Jennifer Petrusis, Richards Gershon Watson
Laura Kalty, Liebert Cassidy Whitmore
Vanessa Alfaro, Finance & Performance Audit Manager
Mary Beth Redding, Bartel Associates
Kateryna Doroshenko, Bartel Associates
Ross Klun, Executive Director

C. PUBLIC DISCUSSION

None.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

Motion: Vice-Chair Moe moved to approve Consent Calendar, Items #1-3. The motion was seconded by Chief Ishii and passed by voice vote.

1. Minutes from November 16, 2021
APPROVE
2. Check Register - December 2021
RECEIVE AND FILE
3. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361

E. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

F. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Fiscal Year 2020-2021 Annual Financial Report
RECEIVE AND FILE

Mr. Klun provided summary of the staff report for the FY 2020-2021 Annual Financial report.

Motion: Chief Ishii moved to receive and to file the Fiscal Year 2020-2021 Annual Financial Report. The motion was seconded by Vice-Chair Moe and passed by voice vote.

2. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of ~~\$192,692~~ **\$192,679**
RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

Chair Osorio discussed the initial funding of \$250,000. Finance Manager Alfaro recapped how the board previously delegated investment strategy selection to the Authority Treasurer, whom elected CERBT Strategy 2. Vice-Chair Moe recommended to have consulted the Authority's Treasurer. Chair Osorio would like to see how the trust investments perform over time suggesting that a funding strategy could involve making the entire contribution to the trust and at the end of the year, reimburse pay-as-you-go costs to maximize interest earnings. Finance Manager Alfaro clarified that the initial OPEB reserve was an earmarked amount for OPEB in the Enterprise Fund until June 2021 when it was transferred to the OPEB trust, thus only six months of investment earnings available. Ms. Redding commented that Chair Osorio's strategy could earn additional interest but some years may lose; long run should be positive.

Motion: Vice-Chair Moe moved to recommend to the Board of Directors to approve payment and to appropriate funds from the Enterprise Fund. The motion was seconded by Chief Ishii and passed by voice vote.

3. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability
RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

Chair Osorio inquired after which base the ADP would be paying down or off. Finance Manager Alfaro confirmed two bases were selected by working with designated CalPERS actuary.

Motion: Vice-Chair Moe moved to approve and to appropriate funds from the Enterprise Fund. The motion was seconded by Chair Osorio and passed by voice vote.

G. BOARD OF DIRECTORS CONSENT CALENDAR

Motion: Mayor Stern moved to approve Consent Calendar, Items #1-4. The motion was seconded by Vice-Chair Tanaka and passed by voice vote.

1. Minutes from September 21, 2021
APPROVE
2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361
3. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of \$192,692
APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT
4. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability
APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

H. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

I. BOARD OF DIRECTORS GENERAL BUSINESS

1. Fiscal Year 2021-2022 Mid-Year Budget Report
RECEIVE AND FILE

Mr. Klun summarized the report on the Mid-Year Budget for fiscal year 2021-2022. Vice-Chair Moe expressed frustration with Mark43 for the past four years with no progress. Chair Monteiro requested more detailed information and recommendations at the next meeting.

J. **USER COMMITTEE GENERAL BUSINESS**

1. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361

Motion: Chief Lang moved to approve AB362 Findings for Special Brown Act Requirements for teleconference meetings. The motion was seconded by Chief Ishii and passed by voice vote.

2. Minutes from September 21, 2021

APPROVE

Motion: Chief Ishii moved to approve the minutes from September 21, 2021. The motion was seconded by Chief Abell and passed by voice vote.

K. **BOARD OF DIRECTORS, EXECUTIVE AND USER COMMITTEES' COMMENTS**

None.

L. **EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

The Executive Committee entered into closed session at 2:55PM to discuss the following items.

1. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The California Teamsters Public, Professional and Medical Employees Union Local 911

2. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The Communication Workers of America

The Executive Committee returned from closed session at 3:31PM with no actions taken.

M. **ADJOURNMENT**

The meeting adjourned at 3:31PM.

D-2



Check Register FY 2021-22

January 2022

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
---	---------------------------	--------------

January 7, 2022	\$67,296.17	
January 14, 2022	\$170,579.63	
January 21, 2022	\$60,407.59	
January 28, 2022	<u>\$100,600.27</u>	

Accounts Payable Total	\$398,883.66	
------------------------	--------------	--

<u>Payroll Checks Issued Date</u>	
-----------------------------------	--

January 14, 2022	\$160,022.17
January 28, 2022	<u>\$155,399.23</u>

Payroll Total	\$315,421.40
---------------	--------------

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
	1/7/2022	00008	FEDERAL SIGNAL CORP	7906685	11/30/2021 FEDERAL SIGNAL CORP BILL	8,496.00	
			7918695	12/15/2021	FEDERAL SIGNAL CORP BILL	3,625.02	12,121.02
	1/7/2022	00007	ANZA GROUP	82783	12/15/2021 BUSINESS CARDS	186.36	186.36
	1/7/2022	00017	CHEM PRO LABORATORY, INC	682461	12/23/2021 WATER TREATMENT SERVIC	86.50	86.50
	1/7/2022	00027	HAVIS INC.	SIN157481	12/20/2021 HAVIS INC BILLABLE PARTS	750.70	750.70
	1/7/2022	00036	TALLEY INCORPORATED	10403536	12/20/2021 TALLEY INC BILLABLE PARTS	1,488.53	1,488.53
	1/7/2022	00044	TYLER TECHNOLOGIES, INC.	045-362772	12/1/2021 ANNUAL MAINTENANCE FEE	14,178.12	14,178.12
	1/7/2022	00047	MOTOROLA SOLUTIONS, INC.	8281295760	12/16/2021 MOTOROLA SOLUTIONS INC	6,584.26	
			8281296933	12/16/2021	MOTOROLA SOLUTIONS INC	362.90	6,947.16
	1/7/2022	00171	VERIZON WIRELESS	9895798790	12/23/2021 GPD DAC CHARGES/ 11/24/21	2,393.21	
			9895719851	12/23/2021	MODEM SVC. MBPD/ 11/24/21	722.87	
			9895735900	12/23/2021	DAC CHARGES HPD/ 11/24/21	374.59	
			9895360686	12/18/2021	CELL PH. CHGS: 11/19/21-12/	361.10	
			9895719852	12/23/2021	MODEM SVC. MBPD/ 11/24/21	78.02	3,929.79
	1/7/2022	00225	COMMLINE INC	0336891-IN	12/1/2021 MONTHLY FEE FOR TECH SE	15,000.00	15,000.00
	1/7/2022	00297	AT&T, ATT CALNET	000017563276	1/3/2022 PHONE SERVICE 12/03/21-1/0	546.32	546.32
	1/7/2022	00331	MITSUBISHI ELECTRIC INC	414466	1/1/2022 HQ MAINTENANCE - ELEVATO	761.27	761.27
	1/7/2022	00670	BARTEL ASSOCIATES, LLC	21-944	12/22/2021 REQUIRED VALUATION OF O	4,910.00	4,910.00
	1/7/2022	00671	MARC R. COHEN, MD	FY21-22-06	1/3/2022 MEDICAL DIRECTOR SERVIC	2,541.67	2,541.67
	1/7/2022	00803	SPARKLETTS	18193479 12242	12/24/2021 HQ MAINTENANCE - WATER I	43.00	43.00
	1/7/2022	00818	RICHARDS, WATSON & GERSH	234924	12/15/2021 GENERAL COUNSEL & LEGAL	691.60	691.60
	1/7/2022	00834	NEOGOV	INV-24446	12/25/2021 ANNUAL SUBSCRIPTION - RE	1,049.40	1,049.40
	1/7/2022	00879	CROWN CASTLE	1038815	1/1/2022 REDUNDANT INTERNET SER	1,100.00	1,100.00
	1/7/2022	00880	JUAN CHAVEZ LANDSCAPING	INV0758	12/6/2021 HQ MAINTENANCE - LANDSC	450.00	
			INV0777	1/5/2022	HQ MAINTENANCE - LANDSC	337.50	787.50
	1/7/2022	00996	WAGeworks INC., HEALTH	INV3274660	12/23/2021 MONTHLY COMPLIANCE FEE	86.75	86.75
1882	1/7/2022	00012	CALIFORNIA WATER SERVICE	5550731926	12/30/2021 FIRE PROTECTION SERVICE,	90.48	90.48
Sub total for UNION BANK:							67,296.17

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20382	1/14/2022	00219	INTERNAL REVENUE SERVICE	Ben33496	1/14/2022	FEDERAL WITHHOLDING TAX	33,504.12	33,504.12
20383	1/14/2022	00223	EMPLOYMENT DEVEL DEPT	Ben33500	1/14/2022	STATE DISABILITY INSURANC	12,994.91	12,994.91
20384	1/14/2022	00222	STATE DISBURSEMENT UNIT	Ben33506	1/14/2022	SUPPORT: PAYMENT	184.62	184.62
20385	1/14/2022	00058	CALPERS	Ben33498	1/14/2022	PERS RETIREMENT: PAYMEN	36,874.19	36,874.19
20386	1/14/2022	00221	MISSIONSQUARE RETIREMEI	Ben33502	1/14/2022	DEFERRED COMPENSATION	15,601.65	15,601.65
20387	1/1/2022	00696	GUARDIAN	533654-01	12/20/2021	GUARDIAN - DENTAL, VISION,	7,303.48	7,303.48
20388	1/12/2022	00058	CALPERS	10000001665110	12/14/2021	HEALTH PREMIUMS - JANUAI	61,878.20	61,878.20
56222	1/14/2022	00217	CALIFORNIA TEAMSTERS UN	Ben33492	1/14/2022	UNION DUES TEAMSTERS: P	1,782.00	1,782.00
56223	1/14/2022	00218	CWA LOCAL 9400	Ben33494	1/14/2022	UNION DUES CWA: PAYMENT	260.30	260.30
56224	1/14/2022	00996	WAGEWORKS INC., HEALTHE	Ben33504	1/14/2022	HEALTH CARE FSA: PAYMEN	196.16	196.16
Sub total for UNION BANK:								170,579.63

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1883	1/21/2022	00073	STATE BOARD OF EQUALIZAT012-6555960	1/21/2022	SALES & USE TAX PMT WITH	101.00	101.00
1884	1/21/2022	00069	SOUTHERN CALIFORNIA EDI\$700440732476	1/14/2022	ELEC SERV/ 12/3/21 - 1/10/22	10,918.89	
			700610392752	1/5/2022	ELECT SERV GRANDVIEW/ 1/	202.58	11,121.47
1885	1/21/2022	00651	FRONTIER 209-188-0077-04	1/1/2022	PHONE SERVICE 1/1/22 - 1/31	462.43	462.43
1886	1/18/2022	00073	STATE BOARD OF EQUALIZATL0013553667	1/7/2022	SALES & USE TAX INTEREST	10.56	10.56
1887	1/21/2022	00621	FIRST BANKCARD				
		00540	M & M WELDING 1319	12/21/2021	PARTS - BILLING	660.00	
		01015	SOCAL NEWS GROUP 18876243	12/15/2021	RECRUITMENT	399.00	
		01007	FLEXISPOT 356434	11/29/2021	OFFICE EQUIPMENT	330.74	
		00141	POWERPHONE INC 74857	11/29/2021	MANDATORY EMERGENCY M	258.00	
		01017	SHIPFASTE 1454642	12/29/2021	COVID-19: OFFICE SUPPLIES	254.99	
		00610	DIRECTV 065190124X211	12/5/2021	CABLE SERVICE	231.99	
		00583	WALMART SUPERCENTER #56112162-613399	12/6/2021	COVID-19: OFFICE SUPPLIES	185.22	
		00583	WALMART SUPERCENTER #56112161-979984	12/6/2021	COVID-19: OFFICE SUPPLIES	185.22	
		00583	WALMART SUPERCENTER #56112161-794428	12/6/2021	COVID-19: OFFICE SUPPLIES	185.22	
		00466	AMAZON MARKETPLACE 114-3928668-91	12/1/2022	OFFICE SUPPLIES	170.22	
		00467	LOWES BUSINESS 80303407	11/30/2021	OFFICE SUPPLIES	162.29	
		00971	CHILE VERDE 0022	12/24/2021	EMPLOYEE SERVICES - HOL	157.56	
		00763	PANDA EXPRESS 6537070793146	12/25/2021	EMPLOYEE SERVICES - HOL	145.08	
		00458	NENA 300062136	12/14/2021	NENA MEMBERSHIP RENEW	142.00	
		01016	RED ROBIN 311194	12/25/2021	EMPLOYEE SERVICES - CAN	126.34	
		01016	RED ROBIN 310818	12/24/2021	EMPLOYEE SERVICES - HOL	125.00	
		00466	AMAZON MARKETPLACE 113-8094364-85	12/27/2021	OFFICE SUPPLIES	116.74	
		00466	AMAZON MARKETPLACE 113-5281605-89	12/3/2021	OFFICE SUPPLIES	108.27	
		00467	LOWES BUSINESS 80305656	11/30/2021	OFFICE SUPPLIES	105.71	
		00311	APCO, AFC INC. 825949	12/14/2021	APCO MEMBERSHIP RENEW	96.00	
		00074	STAPLES INC. 9906976663	12/29/2021	JANITORIAL SUPPLIES	94.77	
		00761	BOX INV09614929	12/26/2021	SOFTWARE SERVICES	90.00	
		00982	RANDY'S DONUTS 6184630600056	12/8/2021	EMPLOYEE APPRECIATION -	67.00	
		00982	RANDY'S DONUTS 6137742172323	12/6/2021	EMPLOYEE APPRECIATION -	59.00	
		00795	MEDIA TEMPLE 324775-41	12/23/2021	MONTHLY WEBSITE HOSTING	55.00	
		00982	RANDY'S DONUTS 6183750131843	12/15/2021	EMPLOYEE APPRECIATION -	53.10	
		00466	AMAZON MARKETPLACE 113-1229469-60	12/27/2021	OFFICE EQUIPMENT	52.09	
		00982	RANDY'S DONUTS 6005098278174	12/1/2021	EMPLOYEE APPRECIATION -	47.10	

Bank : union UNION BANK

(Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total			
56225	1/21/2022	00466	AMAZON MARKETPLACE	111-6049412-03	12/5/2021	JANITORIAL SUPPLIES	44.30	5,134.44		
		00466	AMAZON MARKETPLACE	113-6702792-39	12/29/2021	OFFICE SUPPLIES	42.41			
		00714	DOOR DASH	32074F6A	12/8/2021	EMPLOYEE APPRECIATION -	39.00			
		00982	RANDY'S DONUTS	6207232866304	12/10/2021	EMPLOYEE APPRECIATION -	38.95			
		00714	DOOR DASH	2AC1D744	12/7/2021	EMPLOYEE APPRECIATION -	38.00			
		00982	RANDY'S DONUTS	6145955223912	12/7/2021	EMPLOYEE APPRECIATION -	35.80			
		00466	AMAZON MARKETPLACE	114-2330708-04	12/1/2021	OFFICE SUPPLIES	34.89			
		00466	AMAZON MARKETPLACE	111-9303622-67	12/5/2021	JANITORIAL SUPPLIES	33.69			
		00466	AMAZON MARKETPLACE	117-7039076-77	12/5/2021	JANITORIAL SUPPLIES	33.64			
		00714	DOOR DASH	6B0C0F43	12/6/2021	EMPLOYEE APPRECIATION -	32.27			
		00466	AMAZON MARKETPLACE	114-3255025-61	12/5/2021	OFFICE SUPPLIES	30.95			
		00714	DOOR DASH	225E2F54	12/8/2021	EMPLOYEE APPRECIATION -	30.00			
		00714	DOOR DASH	25419337	12/1/2021	EMPLOYEE APPRECIATION -	29.00			
		00466	AMAZON MARKETPLACE	114-3366521-32	12/7/2021	OFFICE SUPPLIES	19.82			
		00466	AMAZON MARKETPLACE	114-5977888-85	12/5/2021	JANITORIAL SUPPLIES	18.60			
		00466	AMAZON MARKETPLACE	113-3712353-60	12/5/2021	JANITORIAL SUPPLIES	17.87			
		00826	LA TIMES	011922	12/6/2021	LA TIMES MONTHLY SUBSCR	15.96			
		00466	AMAZON MARKETPLACE	113-8831762-15	12/27/2021	OFFICE SUPPLIES	14.30			
		00466	AMAZON MARKETPLACE	112-0646696-32	12/10/2021	AMAZON REFUND	-3.66			
		00087	LIEBERT CASSIDY & WHITMO	1994	11/30/2021	REFUND FOR LCW CANCELL	-75.00			
		00297	AT&T, ATT CALNET	000017616850	1/13/2022	PHONE SERV 12/13/21-1/12/2	2,708.87			
					000017620986	1/13/2022	PHONE SERV 12/13/21-1/12/2		207.50	
					000017624050	1/13/2022	PHONE SERV 12/13/21-1/12/2		201.55	
		56226	1/21/2022	00064	AT&T, ATT PAYMENT CENTER	960 461-1623 55	1/1/2022		PHONE SERVICE 11/01/2022-	1,199.86
		56227	1/21/2022	00014	CDW GOVERNMENT, INC.	Q425096	1/5/2022		REPLACEMENT MONITORS -	11,168.96
		56228	1/21/2022	00225	COMMLINE INC	0341536-IN	12/30/2021		MONTHLY FEE FOR TECH SE	15,000.00
56229	1/21/2022	00101	CORDOVA, TONY	012122	1/21/2022	RETIREE MED PREM/FEB 202	601.00			
56230	1/21/2022	00103	DIVINITY, TANJI	012122	1/21/2022	RETIREE MED PREM/FEB 202	570.78			
56231	1/21/2022	00651	FRONTIER	7002Z664-S-22C	1/5/2022	PHONE SERV 1/05/22-2/04/22	118.55			
				Y002Z665-S-22C	1/5/2022	PHONE SERV 1/05/22-2/04/22	80.94			
56232	1/21/2022	00027	HAVIS INC.	SIN158957	1/7/2022	HAVIS INC BILLABLE PARTS	74.56			
56233	1/21/2022	00442	LAWSON PRODUCTS, INC.	9309181403	1/14/2022	LAWSON PRODUCTS BILLAB	615.16			
56234	1/21/2022	00116	MEADORS, LATANYA	012122	1/21/2022	RETIREE MED PREM/FEB 202	527.48			
56235	1/21/2022	00121	PINELA, ELIZABETH	012122	1/21/2022	RETIREE MED PREM/FEB 202	570.78			
56236	1/21/2022	00141	POWERPHONE INC	75312	1/12/2022	MANDATORY EMERGENCY N	2,154.00			

Bank : union UNION BANK

(Continued)

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>Inv Date</u>	<u>Description</u>	<u>Amount Paid</u>	<u>Check Total</u>	
56237	1/21/2022	00060	RIVERA, JOSE	012122	1/21/2022	RETIREE MED PREM/FEB 202	557.02	557.02
56238	1/21/2022	00145	SETINA MFG CO INC	238133	1/11/2022	SETINA MANUFACTURING CO	130.57	130.57
56239	1/21/2022	00824	SMART JANITORIAL, COMPLE	18691	1/1/2022	HQ MAINTENANCE - CLEANIN	3,466.81	3,466.81
56240	1/21/2022	00460	SPECTRUM BUSINESS	1133787010422	1/4/2022	COMMUNICATION CONTRAC	1,900.00	1,900.00
56241	1/21/2022	00034	STEVENS, GARY	012122	1/21/2022	RETIREE MED PREM/FEB 202	601.00	601.00
56242	1/21/2022	00735	XEROX FINANCIAL SERVICES	3021097	1/10/2022	OFFICE EQUIPMENT LEASE	1,122.30	1,122.30
Sub total for UNION BANK:							60,407.59	

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20389	1/28/2022	00219	INTERNAL REVENUE SERVICE	Ben33592	1/28/2022	FEDERAL WITHHOLDING TAX	30,661.81	30,661.81
20390	1/28/2022	00223	EMPLOYMENT DEVEL DEPT	Ben33596	1/28/2022	STATE DISABILITY INSURANC	12,092.30	12,092.30
20391	1/28/2022	00222	STATE DISBURSEMENT UNIT	Ben33602	1/28/2022	SUPPORT: PAYMENT	184.62	184.62
20392	1/28/2022	00058	CALPERS	Ben33594	1/28/2022	PERS RETIREMENT: PAYMEN	36,817.43	36,817.43
20393	1/28/2022	00221	MISSIONSQUARE RETIREMEI	Ben33598	1/28/2022	DEFERRED COMPENSATION	15,765.89	15,765.89
56243	1/28/2022	00002	AFLAC	Ben33586	1/28/2022	AFLAC INSURANCE: PAYMEN	2,889.26	2,889.26
56244	1/28/2022	00217	CALIFORNIA TEAMSTERS UN	Ben33588	1/28/2022	UNION DUES TEAMSTERS: P	1,732.50	1,732.50
56245	1/28/2022	00218	CWA LOCAL 9400	Ben33590	1/28/2022	UNION DUES CWA: PAYMENT	260.30	260.30
56246	1/28/2022	00996	WAGEWORKS INC., HEALTHE	Ben33600	1/28/2022	HEALTH CARE FSA: PAYMEN	196.16	196.16
Sub total for UNION BANK:							100,600.27	

D-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM NUMBER: D-3

TO: Executive Committee

COPY TO: Tim Lilligren, Treasurer

FROM: Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Cash & Investments Report/December 31, 2021

ATTACHMENTS:

1. Cash & Investments Report for December 31, 2021
2. LAIF Month End Statement for December 31, 2021
3. PMIA Performance Report as of December 31, 2021

RECOMMENDATION

Staff recommends the Executive Committee to receive and to file the Cash & Investments Report for December 31, 2021.

BACKGROUND

Section 53646 (a) (2) of the Government Code, states that the treasurer or chief fiscal officer may render a quarterly report (regarding the local agency's cash and investments) to the chief executive officer, the internal auditor, and the legislative body of the local agency. The quarterly report shall be so submitted within 30 days following the end of the quarter covered by the report. The legislative body of a local agency may elect to require the report specified in subdivision (b) to be made on a monthly basis instead of quarterly.

At the November 21, 2006 meeting, the Executive Committee elected to receive the Cash & Investments Report on a quarterly basis. The Board of Directors receives the Cash & Investments Report annually.

DISCUSSION

Staff has completed the bank reconciliation for December 31, 2021. Attached is the Cash & Investments Report for the period.

All idle cash of the Authority is invested 100% with the State's Local Agency Investment Fund (LAIF). This complies with the Statement of Investment Policy. LAIF's monthly performance exhibits a decrease from the monthly average yields in 2020.

FISCAL IMPACT

None.

D-3

Attachment 1



Cash and Investments Report As of December 31, 2021

Funding Source	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
<u>Active Accounts</u>				
MUFG Union Bank (General/Payroll)	\$ 820,603.03		\$ (73,236.04)	\$ 747,366.99
<u>Investments</u>				
LAIF	\$ 5,760,983.47		\$ -	\$ 5,760,983.47
Total Investments	\$ 5,760,983.47	\$ -	\$ -	\$ 5,760,983.47
<u>Other Cash on Hand</u>				
Petty Cash	\$ -	\$ -	\$ -	\$ 500.00
				\$ 500.00
Total Cash & Investments				\$ 6,508,850.46
<u>Breakdown of cash by fund:</u>				
Fund 10 (Enterprise Fund)				\$ 6,479,100.46
Fund 30 (Enterprise Fund)				-
Fund 20 (SHSGP Grant Fund)				29,750.00
Total				\$ 6,508,850.46

D-3

Attachment 2

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 04, 2022

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY
TREASURER
4440 WEST BROADWAY
HAWTHORNE, CA 90250

[Tran Type Definitions](#)

Account Number: 15-19-001

December 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/8/2021	12/8/2021	RW	1691575	1651816	VANESSA ALFARO	-360,000.00
12/21/2021	12/21/2021	RD	1692320	1652557	VANESSA ALFARO	1,300,000.00
12/31/2021	12/30/2021	RW	1692902	1653157	VANESSA ALFARO	-350,000.00

Account Summary

Total Deposit:	1,300,000.00	Beginning Balance:	5,170,983.47
Total Withdrawal:	-710,000.00	Ending Balance:	5,760,983.47

D-3

Attachment 3



PMIA/LAIF Performance Report as of 01/13/22



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.212
Nov	0.203
Oct	0.203

Quarterly Performance Quarter Ended 12/31/21

LAIF Apportionment Rate ⁽²⁾ :	0.23
LAIF Earnings Ratio ⁽²⁾ :	0.00000625812849570
LAIF Fair Value Factor ⁽¹⁾ :	0.997439120
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.21%
PMIA Average Life ⁽¹⁾ :	340

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/21 \$181.4 billion

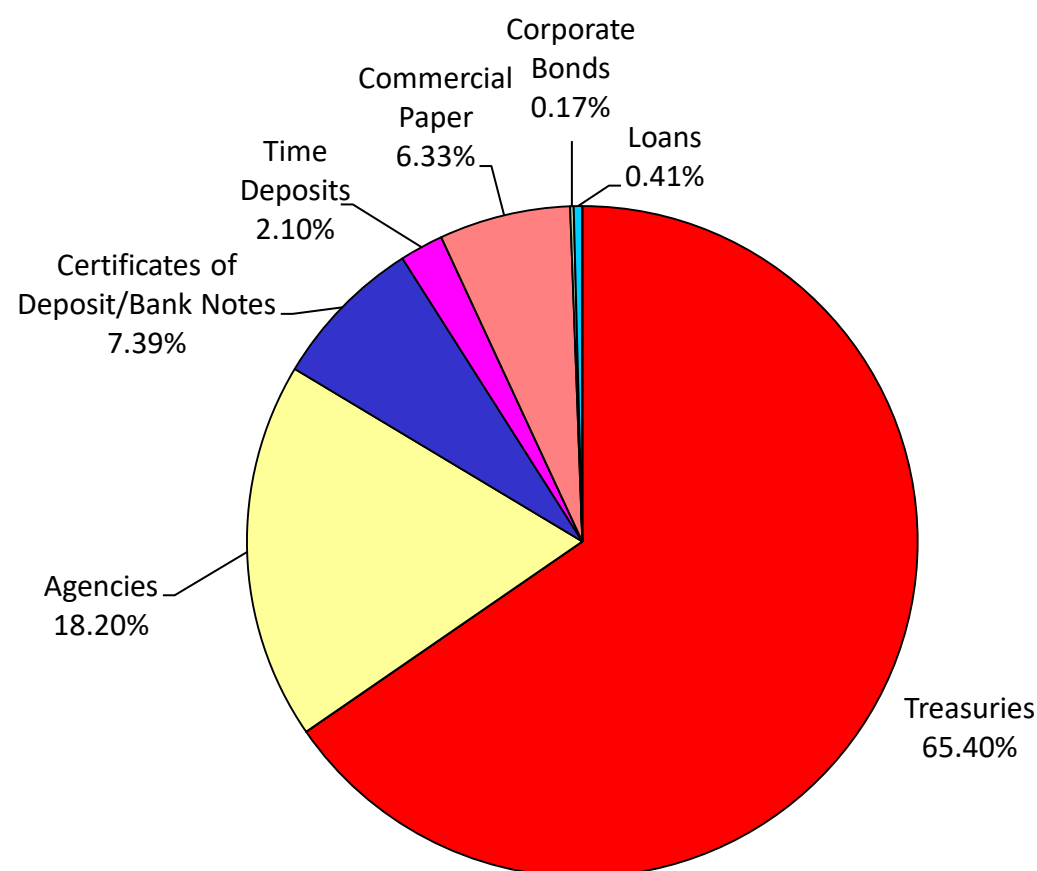


Chart does not include \$6,716,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

D-4



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM: D-4

TO: Executive Committee

FROM: M. Ross Klun, Executive Director

SUBJECT: AB 361 FINDINGS FOR SPECIAL BROWN ACT
REQUIREMENTS FOR TELECONFERENCE MEETINGS

SUMMARY:

Staff has placed this item on the agenda to give the Executive Committee an opportunity to make findings specific in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

RECOMMENDATION:

Staff recommends the Executive Committee to make the following findings so that meetings of the Executive Committee will be subject to the AB 361 special Brown Act requirements for teleconference meetings: 1) the Executive Committee has reconsidered the circumstances of the COVID-19 state of emergency; and 2) state and local officials continue to recommend measures to promote social distancing.

BACKGROUND

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are publicly accessible, and without having to identify teleconference locations on the agenda. Those special rules expired September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative

body of a local public agency makes two findings pursuant to Government Code section 54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are public accessible, and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, the legislative body must find that such emergency continues to directly impact the ability of the legislative body's members to meet in person. Alternatively, for the second finding, the legislative body must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the legislative body teleconferences for the first time under AB 361 and every 30 days thereafter.

The COVID-19 state of emergency declaration is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. Thus, the California Division of Occupational Safety and Health still requires that employers provide training on the effectiveness of physical distancing in the workplace. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

FISCAL IMPACT

None.

D-5



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM NUMBER: D-5

TO: Executive Committee

FROM: M. Ross Klun, Executive Director

SUBJECT: AGREEMENT BETWEEN THE CITY OF CULVER CITY AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY FOR EMERGENCY POLICE AND FIRE DISPATCH SERVICES

ATTACHMENTS: 1. Culver City Police and Fire Dispatch Agreement

RECOMMENDATION

Staff recommends that the Executive Committee authorize the Chairperson of the Executive Committee and the Executive Director to execute the Agreement with Culver City on behalf of the Authority.

DISCUSSION

The current 5-year police and fire dispatch agreement with Culver City expires March 1, 2022. The City desires to enter into a new agreement with the Authority for another 5-year period commencing on March 1, 2022. The new agreement is subject to the Cost Allocation Policy adopted by the Authority's Board of Directors in September 2019 and amended in October 2020. Culver City's City Council is scheduled to consider this agreement on the evening of February 14, 2022.

FISCAL IMPACT

None. The proposed FY22-23 budget incorporates services for the City of Culver City.

D-5

Attachment 1

**AGREEMENT FOR EMERGENCY
POLICE AND FIRE DISPATCH SERVICES**

THIS AGREEMENT FOR EMERGENCY POLICE AND FIRE DISPATCH SERVICES ("Agreement") is entered into as of the date set forth below by and between the City of Culver City, a charter city and municipal corporation ("City") and the South Bay Regional Public Communications Authority, a joint powers authority ("Authority").

RECITALS

- A. City desires that the Authority provide dispatch services to its police and fire departments.
- B. Authority represents that it possesses the requisite expertise, equipment, personnel and qualifications to provide such services to City.
- C. By this Agreement, the parties desire to set forth the terms and conditions under which the services are to be provided to City.

NOW, THEREFORE, in consideration of the foregoing, and the promises and covenants hereinafter set forth, the parties agree as follows:

- 1. Term of Agreement. The term of this Agreement shall be for a period of five (5) years commencing from March 1, 2022, and expiring on March 1, 2027. Thereafter, the parties may mutually agree to renew this Agreement for additional designated periods by written amendment to the Agreement.
- 2. Frequency Sharing.
 - a. Authority Channels. Subject to and in conformance with Section 90.421 and 90.421(a) of the rules and regulations of the Federal Communications Commission (FCC) and any such successor rules and regulations, and for as long as this Agreement is in effect, Authority shall permit the City to use in the City's mobile and portable transmitter units all radio frequency assignments that are licensed to Authority and its members and not licensed to City (the "Authority Channels") for the City's use in connection with emergency police and fire communications services provided by Authority.
 - b. City Channels. City will continue to maintain in its own name FCC authorizations covering the use of its frequency assignments (the "City Channels") in the mobile, portable transmitter units, and/or City Site Transmitters licensed by the FCC for use by City of Culver City emergency police communications. The City hereby designates, pursuant to and in conformance with Section 90.463(a) of the FCC's rules and any successor regulations, the Authority as its agent to control the City Site Transmitters. The foregoing notwithstanding, Authority acknowledges that City also operates certain of the City Channels pursuant to the FCC authorization bearing their call signs WPRS450 (Cul Access), WPNX959 (Cul Tac 11/12), KR6058 (Med Channels), WQFT346 (Bus Data), WPMP974 (Low Band), WPQF693 (LAAFCA Mutual Aid), and will not interpose an objection to the City's continued use of those City Channels consistent with that authorization, so long as such use causes no harmful interference to Authority's use of the City

Channels on behalf of City. If City obtains the use of additional frequency assignments, those are not subject to this Agreement and are for exclusive use of City unless City otherwise specifies in writing.

- c. Rights to City Channels Upon Termination. City and Authority agree that, upon termination of this Agreement: (i) any and all rights to the City Channels vest exclusively in City; (ii) Authority expressly waives any claims or rights to the City Channels; (iii) Authority must promptly modify any FCC authorizations it holds and cause its members to modify any FCC authorizations they hold to delete authority permitting the use of the City Channels by Authority or its members; (iv) at the City's request, Authority must promptly modify any equipment it operates and cause its members to modify any equipment they operate to remove the ability of that equipment to use the City Channels; and (v) Authority shall promptly modify its dispatch console and related equipment so that it is no longer capable of controlling the City Site Transmitters.
 - d. Rights to Authority Channels Upon Termination. City and Authority further agree that, upon termination of this Agreement: (i) any and all rights to the Authority Channels shall vest exclusively in Authority; (ii) City expressly waives any claims or rights to the Authority Channels; (iii) City must promptly modify any FCC authorizations it holds to delete authority permitting use of the Authority Channels by City; and (iv) at the Authority's request, the City must promptly modify any equipment it operates to remove the ability of that equipment to use the Authority Channels.
3. Dispatch Services.
- a. Authority shall provide City with emergency police and fire dispatch services on a 24 hours, 7 days per week basis utilizing Authority's dispatch and control station transmitter facilities located in the City of Hawthorne. Authority shall establish a separate dispatch console for dispatch services to the City's Police Department. City's Fire Department shall be dispatched by the Authority's multi-agency fire dispatch.
 - b. The Authority shall, to the extent permitted by the FCC rules, provide access to and share its radio telecommunications infrastructure and facilities with City in connection with emergency police and fire dispatch services provided by Authority to City.
4. Equipment Installation, Maintenance & Repair Services of Mobile and Portable Equipment. Equipment installation, maintenance, and repair services apply to current and future emergency lighting, sirens, mobile data computers ("MDCs"), mobile and portable radio equipment, and audio/video equipment (collectively "Emergency Equipment") used in vehicles of City Police Department and Fire Department. Authority shall install and maintain Emergency Equipment. City shall bear the cost of purchasing new or replacement lights, sirens and Authority-installed Emergency Equipment, including mobile and portable radios. When possible, the repairs required of the mobile and portable radios and MDCs will be done by Authority staff. However, repairs exceeding the capabilities of Authority

staff will be sent to an outside vendor for an estimate of charges and after obtaining City's approval of such estimate, the Authority may authorize the repair of such equipment, the costs of which shall be billed by Authority back to City. As a result of Police and Fire Task Force action, the Authority's Technical Services Division maintains specific types of mobile radios, portable radios and MDCs. For standardization purposes, City will be provided specifications for Authority-recognized equipment. If City requests in writing that Authority purchase equipment, material, apparatus, and parts specifically and solely intended for installation and/or maintenance of City's equipment under this Section, City will be billed separately by Authority for the cost of such purchases.

5. Fiscal Year. The fiscal years referred to in this Agreement shall refer to an annual period beginning on July 1 and ending the following calendar year on June 30.
6. Consideration for Services. In consideration for all services provided by Authority to City in this Agreement, City shall pay to Authority the fees described in this Section:

- a. An annual assessment fee as determined by the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors. For reference purposes, the current Cost Allocation Policy in effect at the time of the execution of this Agreement is incorporated into this Agreement as Exhibit A. Authority will notify City of any amendments to this policy adopted by the Board of Directors within 30 days of such adoption.

The annual assessment fee shall be increased or decreased each year this Agreement is in effect based on the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors. Authority shall notify City by April 1 of each year this Agreement is in effect of the annual assessment fee for the ensuing fiscal year.

- b. A workload support fee for Technical Services Division equipment installation, maintenance, and repair services as determined by the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors.

In accordance with the policy, the billing of workload support fees will occur on a quarterly basis.

- c. The annual assessment fee for services to be paid to Authority by City shall be paid in four equal installments and on a quarterly basis, due by July 15th, October 15th, January 15th, and April 15th of each fiscal year.
- d. At City's election, Authority shall furnish City quarterly invoices, at least thirty (30) days before the due date of installment payments. A five percent (5%) penalty shall attach to service payments received by Authority's Treasurer 15 to 29 days late, and a ten percent (10%) penalty shall attach to service payments received by Authority's Treasurer that are 30 or more days late.

7. Maintenance of Radio Equipment at City Sites. The Authority is not responsible for maintenance of the equipment located at the City Sites.
8. Nature of Agreement. This Agreement shall not convey to City any duties, obligations, responsibilities, or privileges of membership in Authority; City is

contracting for service only. Authority and City agree that this Agreement shall not confer on City any rights to the assets of Authority.

9. Dispute Resolution. City and Authority shall attempt to settle any claim, dispute, or controversy arising from this Agreement through consultation and negotiation in good faith and in a spirit of mutual cooperation. If those attempts fail, the dispute shall be mediated by a mediator chosen jointly by City and Authority within thirty (30) days after notice by one of the parties demanding non-binding mediation. Neither party may unreasonably withhold consent to the selection of a mediator, and City and Authority shall share the cost of the mediation equally. The parties may agree to engage in some other form of non-binding alternative dispute resolution ("ADR") procedure in lieu of mediation. Any dispute that cannot be resolved between the parties through negotiation or mediation within two months after the day of the initial demand for non-binding mediation may then be submitted to a court of competent jurisdiction in the County of Los Angeles, California. If a lawsuit is necessary to resolve any dispute arising out of any of the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees and costs of suit as adjudicated and determined by the Court.
10. Indemnification.
 - a. City agrees to indemnify, hold harmless and defend Authority and all its successors and assignees, and its officers, directors, agents and employees, and all of the officers, officials, and employees of each of the cities that are members of the Authority at the time the Agreement is in effect from any and all claims, demands, losses, damages, actions, causes of action, suits, expenses and or liability whatsoever, including attorney's fees and costs of suit, arising from or occasioned by any act, omission or negligence of the City of Culver City or its agents, officers, servants or employees, in the performance of this Agreement.
 - b. Authority agrees to indemnify, hold harmless and defend City and all its successors and assignees, and its officers, directors, agents and employees from any and all claims, demands, loss, damages, actions, causes of action, suits, expenses and or liability whatsoever, including attorney's fees and costs of suit, arising from or occasioned by any act, omission or negligence of Authority or its agents, officers, servants or employees, in the performance of this Agreement.
11. Governing Law. The rights and obligations of the parties hereunder shall be governed by, construed and enforced in accordance with the laws of the State of California. Venue for any action arising from this Agreement shall be the Los Angeles Superior Court or appropriate federal district court for the Central District of California.
12. Entire Agreement. This Agreement contains the full and entire agreement between and among the parties with respect to the entire subject matter hereof and supercedes any and all previous or contemporaneous agreements and discussions, whether written or oral. Any and all prior or contemporaneous

discussions, negotiations, writings, commitments and/or undertakings are merged herein, and no representations by any party not embodied herein shall be valid or binding.

13. Amendments to Agreement. This Agreement may be amended only by a subsequent agreement in writing signed by all parties to this Agreement.
14. 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.
15. 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.
16. 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 on behalf of said entity, and instructed by those having the requisite authority to cause said entity to make and enter into this Agreement.
17. Notices. Notices shall be given pursuant to this Agreement by personal service on the party to be notified, or by written notice upon such party sent by Registered Mail of the United States Postal Service addressed as follows:

CITY: Attention: City Clerk
 City of Culver City
 9770 Culver Blvd.
 Culver City, CA 90232

CC to: City Attorney
 City of Culver City
 9770 Culver Blvd.
 Culver City, CA 90232

AUTHORITY: Attention: Executive Director
 South Bay Regional Public Communications Authority
 4440 West Broadway
 Hawthorne, CA 90250

The notices shall be deemed to have been given as of the date of personal service, or three days after deposit of the same in the custody of the United States Postal Service. City agrees to provide any required notice to Authority to or addressed to any new headquarters/facility that Authority may move to, upon City being advised of Authority's new address. Authority agrees to provide any required notice to City at or addressed to any new headquarters/facility that City may move to, upon Authority being advised of City's new address.

18. Default. In the event of default by either party hereto, upon written notice by the non-defaulting party, the defaulting party shall have thirty (30) days to cure any

default hereunder unless such relates to the provision of emergency services, in which event the defaulting party shall be required to cure a default as soon as is practicable. Failure to cure a default as required by this section shall constitute a material breach of this Agreement and grounds for immediate termination for cause.

19. Joint Drafting. Should a dispute arise respecting this Agreement, the Agreement shall be interpreted as though it were jointly drafted by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement entered into this _____ day of _____, 20_____.

CITY OF CULVER CITY

SOUTH BAY REGIONAL PUBLIC
COMMUNICATIONS AUTHORITY

JOHN NACHBAR, City Manager

CLINT OSORIO, Chairperson
Executive Committee

M. ROSS KLUN, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

CAROL SCHWAB, City Attorney

JENNIFER PETRUSIS, General Counsel

EXHIBIT “A”

Cost Allocation Policy

Section 1. Background. This Cost Allocation Policy is based on the Matrix Consulting Group’s *Report on the Cost of Services and Cost Allocation Study – August 2019* that was accepted by the Executive Committee on August 20, 2019.

Section 2. Updating of Policy. In accordance with the consultant’s recommendations, the assessment methodologies and corresponding cost allocation model that serve as the foundation of this Cost Allocation Policy should be updated every 5-7 years or when a new agency begins to receive, or an existing agency ceases to receive, services from the Authority.

Section 3. Total Fiscal Year Costs. As established by the Authority’s Budgetary Policy, staff shall develop a preliminary fiscal year operating and capital outlay budget for presentation to the Executive Committee in February of each year. This budget will include the total costs to operate the Authority for the fiscal year (“Total Fiscal Year Costs”). Based on this preliminary budget, staff shall separate the Total Fiscal Year Costs into the following three categories:

1. Administrative costs
2. Operations Department costs
3. Technical Services Division costs

Each agency shall be assessed its proportionate share of Operations Department and Technical Services Division costs, including commensurate allocations of indirect Administrative costs, as part of the fiscal year budget adopted by the Board of Directors in March of each year.

Section 4. Administrative Costs. The portion of the Total Fiscal Year Costs relating to the Authority’s Administration shall be determined to be its Administrative costs. Such costs shall include:

1. Personnel Costs: Administration Department salaries and benefits
2. Operating Costs: Administration Department supplies, equipment, and services
3. Fixed Assets: Annual depreciation costs associated with building and equipment
4. Capital Outlay: Any capital improvement program expenses
5. Reallocation of Technical Services Costs: Any Authority-wide costs budgeted in the Technical Services Division
6. Revenue Offsets: Reimbursement and investment earnings revenues

Section 4.A. Administrative Functions. Administrative costs shall be allocated to the following four functional areas:

Function	Allocation of Administrative Costs
Authority-wide support	14%
Financial support	10%
Personnel and support services support	54%
Operations support	22%
Total	100%

Section 4.B. Allocation of Administrative Costs. Administrative costs from the four functional areas shall be allocated between the Operations Department and the Technical Services Division in accordance with the following schedule:

Function	Operations Department	Technical Services Division	Total
Authority-wide support	81%	19%	100%
Financial support	50%	50%	100%
Personnel and support services support	92%	8%	100%
Operations support	100%	0%	100%

Section 5. Operations Department Costs. The portion of the Total Fiscal Year Costs relating to dispatching services shall be determined to be the Operations Department costs. Such costs shall include:

1. Personnel Costs: Operations Department salaries and benefits
2. Operating Costs: Operations Department supplies, equipment, and services
3. Revenue Offsets: Reimbursement revenues
4. Incoming Indirect Support: Administrative costs and support received from the Technical Services Division

Section 5.A. Operations Department Functions. As part of the annual budget development process, the Executive Director shall develop a staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch. All Operations Department costs shall be allocated according to this staffing allocation plan.

Beginning in Fiscal Year 2020-2021 and until a modified staffing allocation plan is recommended by the Executive Director and approved by the Executive Committee, the staffing allocation plan and corollary allocation of Operations Department costs between the three functional areas is as follows:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	32%
Police Dispatch	6.0	55%
Fire Dispatch	1.5	13%
Total	11.0	100%

Section 5.B. Allocation of Operations Department Costs. The allocation of Operations Department costs between its three functional areas shall be in accordance with the following schedules:

Call-Taking	Percent of Call-Taking Allocation	Percent of Total Operations Department Costs
9-1-1 Calls	60%	19%
Non-Emergency Calls	40%	13%
Total	100%	32%

Call-Taking charges will be derived by each agency's corresponding percentage of 9-1-1 calls and non-emergency calls. In developing the Call-Taking allocations, a rolling three-year average of calls for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Police Dispatch	Percent of Police Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	39%
CAD Incident Volume	30%	16%
Total	100%	55%

For Police Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all police calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Fire Dispatch	Percent of Fire Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	9%
CAD Incident Volume	30%	4%
Total	100%	13%

For Fire Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all fire calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Section 6. Technical Services Division Costs. The portion of the Total Fiscal Year Costs relating to vehicle upfitting services shall be determined to be the Technical Services Division costs. Such costs shall include:

1. Personnel Costs: Technical Services Division salaries and benefits
2. Operating Costs: Technical Services Division supplies, equipment, and services
3. Excluded Costs: Certain line items relating to Authority-wide functions and support

4. Revenue Offsets: Reimbursement revenues
5. Incoming Indirect Support: Administrative costs

Section 6.A. Technical Services Division Functions. The Technical Services Division costs shall be allocated to the following two functional areas:

Function	Allocation of Technical Services Division Costs
Dedicated Support	50%
Workload Support	50%
Total	100%

Section 6.B. Allocation of Technical Services Division Costs. The Technical Services Division's functional costs will be allocated in accordance with the following schedules:

Dedicated Support	Percent of Dedicated Support Allocation	Percent of Total Technical Services Division Costs
Number of Police & Fire Vehicles	100%	50%
Total	100%	50%

Dedicated Support charges will be derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. All such vehicles shall be listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. Accounting of and billing for Dedicated Support will occur as part of the annual assessment process.

Workload Support	Percent of Workload Support Allocation	Percent of Total Technical Services Division Costs
Number of Work Orders	100%	50%
Total	100%	50%

For Fiscal Year 2020-2021, Workload Support charges will be derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

Section 7. Cost Adjustment Surcharge for Contract Agencies. In addition to the assessments for Operations Department and Technical Services Division costs, each contract agency shall be required to pay any cost adjustment surcharge as established by a resolution of the Executive Committee. This cost adjustment surcharge can be assessed in order to fund future costs related to unfunded liabilities associated with the California Public Employees' Retirement System ("CalPERS"), Other Post-Employment Benefits ("OPEB") and/or long-term capital improvement needs, which are not currently accounted for in annual budgets. The aforementioned resolution shall specify the source(s) of costs for the surcharge, provide for surcharge funds to accumulate in a separate restricted fund, and designate parameters and conditions under which surcharge funds may be expended.

Section 8. Policy Exceptions. This policy shall be not be applicable to any contract agency that has entered into an agreement with the Authority which authorizes a specific assessment amount that is less than this policy would otherwise require.

F-1



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM NUMBER: F-1

TO: Executive Committee

FROM: Ross Klun, Executive Director
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Revision to the Budgetary Policy Allowing Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities

ATTACHMENTS: 1. Resolution
2. Resolution No. 321 - Redlined

RECOMMENDATION

Staff recommends the Executive Committee recommend the Board of Directors to adopt a resolution establishing a budgetary policy that allows ongoing funding for pension and Other Post-employment Benefits ("OPEB") unfunded actuarial liabilities ("UAL").

BACKGROUND

- September 2019: Staff presented information to the Executive Committee about the Authority's unfunded pension and OPEB liabilities and options for addressing these growing liabilities.
- February 2020: During the Executive Committee meeting, staff was directed to provide additional information about Section 115 trust providers for OPEB liabilities and to implement strategies to reduce the Authority's pension UAL.
- July 2020: Staff presented options for Section 115 trust providers to the Executive Committee and committee members agreed that CalPERS' CERBT program offered the best combination of costs, investment returns, and industry experience. The Executive Committee elected to recommend the CERBT program for consideration by the Board of Directors, with initial funding of \$250,000 held in the Authority's Enterprise Fund as an OPEB reserve since October 2011.
- September 2020: The Board of Directors approved a resolution to establish a Section 115 trust for OPEB liabilities with the CERBT program with an initial

transfer of \$250,000 and delegated selection of the investment strategy to the Authority Treasurer.

- June 2021: The Section 115 trust was established and funded as of June 30, 2021.
- January 2022: After recommendation from the Executive Committee, the Board of Directors appropriated funds from the Enterprise Fund and approved:
 - 1) a payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for OPEB in the amount of \$192,679, and
 - 2) an Additional Discretionary Payment ("ADP") in the amount of \$281,864 towards the Authority's CalPERS pension UAL.

DISCUSSION

The Authority's Budgetary Policy has been revised to include the ability to make ongoing contributions to the Authority's Section 115 Trust for OPEB and ADPs towards the Authority's pension liability.

Section 6 – Excess Funds of the Budgetary Policy now includes Section 6.C. and 6.D. as follows:

6.C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.

6.D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

Additionally, the revision to the policy repeals all previous budget resolutions, includes minor edits and formatting improvements, as well as clarification language recommended by legal counsel and the Authority Treasurer.

If recommended, the revision to the Budgetary Policy will be presented to the Board of Directors in March for consideration.

FISCAL IMPACT

None. The Enterprise Fund balance may decrease in years where a budget surplus is not sufficient to cover the trust contribution or ADP.

F-1

Attachment 1

RESOLUTION NO. ____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
ESTABLISHING A BUDGETARY POLICY**

WHEREAS, Article IV (E & F) of the Bylaws of the South Bay Regional Public Communications Authority (Authority) authorizes the Board of Directors to establish an annual budget for the Authority and to exercise any other power to implement the annual budget; and

WHEREAS, Article IV (D) of the Bylaws of the Authority has appointed the Executive Committee to be responsible for the day-to-day management and control of the operations of the Authority; and

WHEREAS, the Authority recognizes the need to establish a budgetary policy to assure efficient and effective management of the funds entrusted to the Authority by its Members; and

WHEREAS, the Executive Director of the Authority shall be authorized to commit and expend the budgeted funds to carry out the mission of the Authority; and

WHEREAS, this Resolution is intended to repeal any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby adopts the following budgetary policy:

SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET

- **Fiscal Period:** The year beginning July 1 and ending June 30
- **Budgeted Funds:** Fund 10/SBRPCA Enterprise Fund and Fund 20/Grant Fund
- **Budget Components:** Operating Budget; Capital Improvement Projects
- **Budget Categories:** Salaries & Benefits; Supplies & Services; Capital Outlay
- **Object Codes:** Line accounts such as Salaries; Overtime; Office Supplies; Legal Services; etc.
- **Departments:** Administration, Operations, Technical Services

SECTION 2: POLICY

- A. The Executive Director shall prepare a preliminary operating and capital outlay budget and present it to the Executive Committee at the Committee's regularly scheduled meeting in February of each year.
- B. The preliminary budget shall include an estimated amount that each Member City will be charged to support the budget appropriation during the coming fiscal year.
- C. The preliminary budget will also include a 10% Operational and Capital Reserve for operating and/or capital expense contingencies. The initial starting point for these reserves will be the combined Operating Reserve and Equipment Replacement Fund amounts detailed in the adopted Fiscal Year 2018/2019 budget.
- D. In circumstances where reserves have been appropriated by the Board of Directors, the budget will include a plan to replenish the reserves to this prescribed level within three (3) years.
- E. After the Executive Committee has reviewed and approved the preliminary budget, this recommended budget shall be submitted to the Board of Directors at the Board's regularly scheduled meeting in March of each year.
- F. The Board of Directors shall adopt the budget in March of each year according to the Authority's Bylaws.

SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL

- A. The legal level of budgetary control for management purposes is set by the Board of Directors at the fund level.

SECTION 4: BUDGET AMENDMENTS

- A. The Executive Director may execute operating budget transfers between object codes within the budget categories and between departments provided that such transfers do not result in an increase to the overall budget.
- B. Changes to the capital improvement projects budget will require pre-approval by the Board of Directors.
- C. Budget amendments that are between budget categories or increase the total amount of the budget will require pre-approval by the Board of Directors.
- D. Appropriations from the Reserve will require pre-approval by the Board of Directors.
- E. Unencumbered appropriations lapse at year-end. Any carryover appropriations will require approval by the Board of Directors.

SECTION 5 - FINANCIAL REPORTING

- A. The Executive Director shall present a quarterly budget performance report to the Executive Committee.
- B. The Executive Director shall present a mid-year budget report to the Board of Directors at the Board's meeting in January of each year.
- C. The Executive Director shall present fiscal year-end audited financial statements to the Executive Committee at the Committee's regularly scheduled meeting in February of each year or sooner.

SECTION 6 – EXCESS FUNDS

- A. Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- B. The actual amount to be remitted shall be determined by the Board of Directors.
- C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.
- D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

BE IT FURTHER RESOLVED, that any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee is hereby repealed.

The secretary shall certify to the adoption of this Resolution by the Board of Directors of the South Bay Regional Public Communications Authority.

Passed, approved, and adopted in a meeting held on the 15th day of March, 2022 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Alex Monteiro, Councilmember
Chairman, Board of Directors

M. Ross Klun, Executive Director
Secretary, Board of Directors

F-1

Attachment 2

RESOLUTION NO. ~~321~~___

RESOLUTION OF THE BOARD OF DIRECTORS ~~EXECUTIVE COMMITTEE~~ OF THE SOUTH
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
ESTABLISHING A BUDGETARY POLICY

WHEREAS, Article IV (E & F) of the Bylaws of the South Bay Regional Public Communications Authority (Authority) authorizes the Board of Directors to establish an annual budget for the Authority and to exercise any other power to implement the annual budget; and

WHEREAS, Article IV (D) of the Bylaws of the Authority has appointed the Executive Committee to be responsible for the day-to-day management and control of the operations of the Authority; and

WHEREAS, the Authority recognizes the need to establish a budgetary policy to assure efficient and effective management of the funds entrusted to the Authority by its Members; and

WHEREAS, the Executive Director of the Authority shall be authorized to commit and expend the budgeted funds to carry out the mission of the Authority; and

WHEREAS, this Resolution is intended to repeal any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee. previously adopted Resolution 321 as the Authority's budgetary policy and the Board of Directors desires to repeal Resolution 321., on August 21, 2007, established the Authority's budgetary policy by repealing Section 1.0 and 4.0 of Resolution No. 69 and Sections 1 and 2 of Resolution 194 and adopting Resolution No. 256.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors ~~Executive Committee of the Authority~~ hereby adopts the following budgetary policy:

SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET

- **Fiscal Period:** The year beginning July 1 and ending June 30
- **Budgeted Funds:** Fund 10/SBRPCA Enterprise Fund and Fund 20/Grant Fund
- **Budget Components:** Operating Budget; Capital Improvement Projects
- **Budget Categories:** Salaries & Benefits; Supplies & Services; Capital Outlay
- **Object Codes:** Line accounts such as Salaries; Overtime; Office Supplies; Legal Services; etc.
- **Departments:** Administration, Operations, Technical Services

SECTION 2: POLICY

- A. The Executive Director shall prepare a preliminary operating and capital outlay budget and present it to the Executive Committee at the Committee's regularly scheduled meeting in February of each year.
- B. The preliminary budget shall include an estimated amount that each Member City will be charged to support the budget appropriation during the coming fiscal year.
- C. The preliminary budget will also include a 10% Operational and Capital Reserve for operating and/or capital expense contingencies. The initial starting point for these reserves will be the combined Operating Reserve and Equipment Replacement Fund amounts detailed in the adopted Fiscal Year 2018/2019 budget.
- D. In circumstances where reserves have been appropriated by the Board of Directors ~~and/or the Executive Committee~~, the budget will ~~included~~include a plan to replenish the reserves to this prescribed level within three (3) years.
- E. After the Executive Committee has reviewed and approved the preliminary budget, this recommended budget shall be submitted to the Board of Directors at the Board's regularly scheduled meeting in March of each year.
- F. The Board of Directors shall adopt the budget in March of each year according to the Authority's Bylaws.

SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL

- A. The legal level of budgetary control for management purposes is set by the Board of Directors ~~and/or the Executive Committee~~ at the fund level.

SECTION 4: BUDGET AMENDMENTS

- A. The Executive Director may execute operating budget transfers between object codes within the budget categories and between departments provided that such transfers do not result in an increase to the overall budget.
- B. Changes to the capital improvement projects budget will require pre-approval by the Board of Directors ~~and/or the Executive Committee~~.
- C. Budget amendments that are between budget categories or increase the total amount of the budget will require pre-approval by the Board of Directors ~~and/or the Executive Committee~~.

- D. Appropriations from the Reserve will require pre-approval by the Board of Directors ~~and/or the Executive Committee.~~
- E. Unencumbered appropriations lapse at year-end. ~~Any carryover appropriations will require approval by the Board of Directors and/or the Executive Committee.~~

SECTION 5 - FINANCIAL REPORTING

- A. The Executive Director shall present a quarterly budget performance report to the Executive Committee.
- B. The Executive Director shall present a mid-year budget report to the Board of Directors at the Board's meeting in January of each year.
- C. The Executive Director shall present a fiscal year-end audited financial statements to the Executive Committee at the Committee's regularly scheduled meeting in February of each year or sooner.

SECTION 6 – EXCESS FUNDS

- A. Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- B. The actual amount to be remitted shall be determined by the Board of Directors ~~and/or the Executive Committee.~~
- C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.
- D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

BE IT FURTHER RESOLVED, that any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee

Resolution 321 is Sections 1 through 4 of Resolution No. 256 adopted on August 21, 2007
are hereby repealed.

The secretary shall certify to the adoption of this Resolution by the Executive
CommitteeBoard of Directors of the South Bay Regional Public Communications
Authority.

Passed, approved, and adopted in a meeting held on the 15th day of
MarchDecember, 202218 by the following vote:

Ayes: Medrano, Moe, Shadbehr.

Noes: None.

Absent: None.

Abstain: None.

Alex Monteiro, CouncilmemberEdward Medrano, Chair
Executive DirectorErick B. Lee, Secretary
Chairman, Board of DirectorsExecutive Committee
Board of DirectorsExecutive Committee

M. Ross Klun,
Secretary,

F-2



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM NUMBER: F-2

TO: Executive Committee

FROM: Ross Klun, Executive Director
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: FISCAL YEAR 2022-2023 PRELIMINARY BUDGET

ATTACHMENTS: 1. Fiscal Year 2022-2023 Preliminary Budget

RECOMMENDATION

Staff recommends the Executive Committee to provide direction on the preliminary budget for Fiscal Year 2022-2023.

DISCUSSION

The Authority derives its revenue from five main sources:

1. Member City Assessments
2. Contract City Assessments
3. Technical Services Division Workload Support Charges
4. Reimbursements from Member and Contract Agencies and Other Revenues
5. Investment Earnings

Member Cost Allocation Assessment

Assessments for Member Cities are based on the Cost Allocation Policy adopted by the Board of Directors in September 2019 and as updated in Fiscal Year 2020-21, and includes a 3.98% discount for the City of Manhattan Beach and premiums for the City of Gardena and the City of Hawthorne of 1.69% and 1.73%, respectively. A summary of the Fiscal Year 2022-2023 assessments is as follows:

Member City	FY21-22 Assessment	FY22-23 Assessment	Increase (Decrease)
Gardena	\$2,141,335	\$2,233,811	\$92,476
Hawthorne	2,619,842	2,729,338	109,496
Manhattan Beach	1,461,578	1,606,565	144,987
Totals	\$6,222,755	\$6,569,714	\$346,959

The above Member City assessment amounts do not include Technical Services Division Workload Support charges. These amounts are described below in the section titled “Technical Services Division Workload Support Charges.”

Contract City Cost Allocation Assessment

The assessment for the cities of El Segundo and Hermosa Beach are based on the Cost Allocation Policy with discounts for El Segundo to allow cost increases to be phased-in over a four-year period through FY23-24. The current agreement with Culver City expires on March 1, 2022. A new five-year agreement, which transitions Culver City to the Cost Allocation Policy, is pending City Council approval. Therefore, the assessment is also derived using the Cost Allocation Policy.

Contract City	FY21-22 Assessment	FY22-23 Assessment	Increase (Decrease)
Culver City	\$2,691,169	\$2,762,991	\$71,822
El Segundo	1,699,634	1,869,811	170,177
Hermosa Beach	758,305	798,138	39,833
Totals	\$5,149,108	\$5,430,940	\$281,832

The above Contract City assessment amounts do not include Technical Services Division Workload Support charges. These amounts are described below in the section titled “Technical Services Division Workload Support Charges.”

Technical Services Division Workload Support Charges

In accordance with the Cost Allocation Policy adopted by the Board of Directors, an additional \$565,791 in costs related to vehicle upfitting services provided by the Technical Services Division will be billed back to the Member Cities and Contract Cities throughout the year. Workload Support charges are derived by each agency’s corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

Revenue Summary

Total revenues are estimated to increase by 5.08% to \$13,470,762 compared to the revenue projections in the Fiscal Year 2021-2022 Adopted Budget.

Expense Summary

The preliminary expenditure budget is \$12,841,154, which represents an increase of \$538,798 or 4.38% in expenses compared to the Fiscal Year 2021-2022 Adopted Budget.

REVENUE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	Inc/(Dec) \$	Inc/(Dec) %
Assessments						
Member Cities	\$6,558,300	\$6,023,386	\$6,222,755	\$6,569,714	\$346,959	5.58%
Contract Cities	5,291,029	4,901,495	5,149,108	5,430,940	281,832	5.47%
Subtotal Assessments	\$11,849,329	\$10,924,881	\$11,371,863	\$12,000,654	\$628,791	5.53%
Non-Assessment Revenue	\$1,299,929	\$1,321,169	\$1,448,004	\$1,470,108	22,104	1.53%
Grand Total	\$13,149,258	\$12,246,050	\$12,819,867	\$13,470,762	\$650,895	5.08%
EXPENSE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Proposed	FY22-23 Proposed	Inc/(Dec) \$	Inc/(Dec) %
Operating Budget	\$12,688,443	\$11,834,095	\$12,102,356	\$12,641,154	\$538,798	4.45%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
Total	\$12,938,443	\$12,086,595	\$12,302,356	\$12,841,154	\$538,798	4.38%
Salaries & Benefits	\$10,170,486	\$9,359,304	\$9,582,138	10,045,152	463,014	4.83%
Supplies/Svcs/Equip	2,517,957	2,474,791	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
Total	\$12,938,443	\$12,086,595	\$12,302,356	\$12,841,154	\$538,798	4.38%
Revenues Over (Under) Expenses	\$210,815	\$159,455	\$517,511	\$629,608		

Changes from Prior Year

The following are the ten most significant increases in budgeted accounts:

Salaries/Full-Time (\$201,974): Includes contracted and estimated increases from MOUs and agreements with employee groups.

PERS Contribution-UAL (\$82,605): Increase relates to a rise in the Unfunded Actuarial Liability required payment for pension benefits.

Deferred Comp Matching (\$60,600): Includes contracted and estimated increases from MOUs and agreements with employee groups.

General Liability Insurance (\$43,500): Increase relates to industry-wide increases due to current market conditions.

Salaries (Part-Time) (\$30,000): Increase relates to upcoming project-based needs.

Overtime (\$26,111): Increase relates to updated projection for team schedule built-in overtime hours. The team schedule stabilizes overtime compared to prior years.

Holiday Payoff (\$25,000): Increase relates to projected rise in use of benefit provided to certain labor groups.

Legal Services (\$25,000): Increase relates to anticipated needs for upcoming labor and contracts negotiations.

Electricity – HQ (\$25,000): Increase relates to industry-wide increases due to current market conditions.

Dental Insurance (\$19,781): Increase relates to premium increases and updated benefit projections.

Work Plans for Fiscal Year 2022-2023

Some of the notable work plans staff anticipates accomplishing in Fiscal Year 2022-2023 include:

1. Implement Mark43 Computer Aided Dispatch (“CAD”)
Work with Mark43 to complete development and Go-Live on the CAD system.
2. Develop a 5-Year Capital Improvement Plan (CIP)
Conduct a needs assessment and then create a 5-year CIP plan for the Authority.
3. Review Technical Services Division Billing Methodology
Review current cost allocation methodology for Technical Services Workload Support and develop recommendations for improvements.
4. Management and Confidential Successor Agreement
Negotiate a successor agreement with the Management and Confidential Employees. Their current MOU expires on June 30, 2022.
5. Initiatives to Improve Fire Dispatching
Continue working with the Fire Task Force to refine call processing and dispatch procedures, reduce dispatch and overall response times, and explore other improvements to emergency service delivery.
6. Compliance with National Fire Protection Association (NFPA) Standard 1221
Continue to monitor dispatching procedures to ensure event processing time for emergency fire events is in compliance with NFPA Standard 1221. Work with Mark43 to ensure the CAD system will produce reports that document compliance with the standard.
7. City Contracts for Services and Regional Fire Dispatching
Continue to monitor developments in the region regarding dispatch services. If requested, develop a Phase Two Feasibility study for the City of Redondo Beach. Work with fire departments and related stakeholders in the area, as appropriate, in determining the feasibility of establishing a regional fire dispatch center.

8. Records Retention Policy

Develop a Records Retention Schedule for the Authority per Government Code Section 60201.

Attachment #1 (Fiscal Year 2022-2023 Preliminary Budget) details staff's proposed use of budgeted funds along with descriptions of the Authority's programs, associated work plan objectives, and performance measure data.

This preliminary budget continues to fund the Authority's goal of providing an outstanding level of service to the communities it serves. Upon receipt of direction from the Executive Committee, the final recommended budget will be presented to the Board of Directors for consideration of adoption at the joint meeting of the Board of Directors, Executive Committee, and User Committee on March 15, 2022.

FISCAL IMPACT

As proposed, revenues are anticipated to exceed expenditures by \$629,608 as indicated below:

Estimated Cash Available (Fund 10) as of June 30, 2022	\$5,026,334
FY 2022-23 Revenues	13,470,762
FY 2022-23 Expenditures	12,841,154
Revenues Over Expenditures	629,608
Pension and OPEB Funding	(454,254)
Estimated Cash Available (Fund 10) as of June 30, 2023	\$5,201,688
Operating and Capital Reserve	(1,344,009)
Available Balance after Reserve Allocation	\$3,857,679

Allocation of Estimated Cash Available after Reserve Allocation		
Member	June 30, 2022	June 30, 2023
City of Gardena	\$1,200,504	\$1,237,544
City of Hawthorne	1,686,618	1,738,656
City of Manhattan Beach	855,097	881,480
Total	\$3,742,219	\$3,857,679

F-2

Attachment 1



SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY



SBRPCA

Fiscal Year 2022-2023
Preliminary Budget

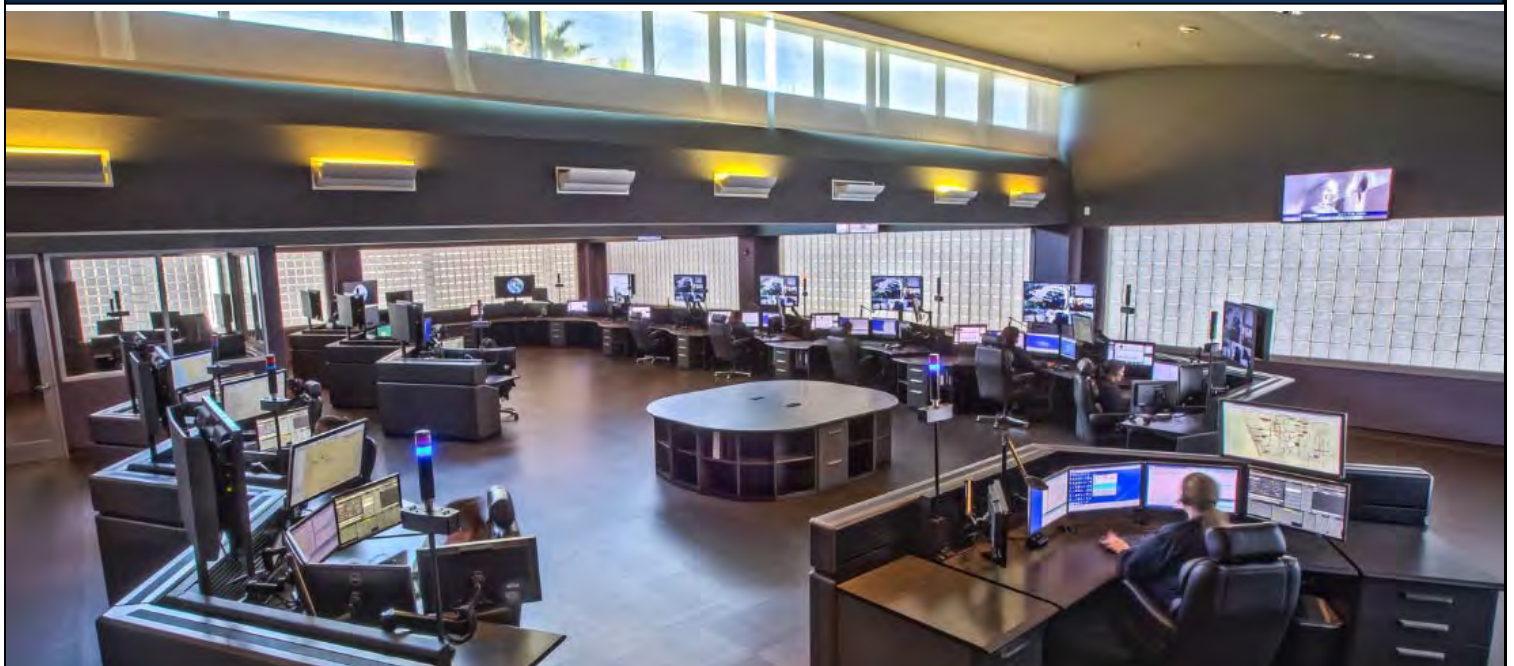


Table of Contents

Budget Message	6
Authority Profile	16
Personnel Summary	22
Financial Summaries	23
Administration Department	34
Operations Department	40
Technical Services Division	46
Appendix	50
Budget Policy	56
Fiscal Year 2022-2023 Budget Resolution	60



AUTHORITY OFFICIALS

Board of Directors

Rodney Tanaka
Mayor Pro Tem
City of Gardena

Alex Monteiro
Councilmember
City of Hawthorne

Hildy Stern
Mayor
City of Manhattan Beach

Executive Committee

Clint Osorio
City Manager
City of Gardena

Vontray Norris
City Manager
City of Hawthorne

Bruce Moe
City Manager
City of Manhattan Beach

User Committee

Michael Saffell
Chief of Police
City of Gardena

Michael Ishii
Chief of Police
City of Hawthorne

Derrick Abell
Chief of Police
City of Manhattan Beach

Mike Lang
Fire Chief
City of Manhattan Beach

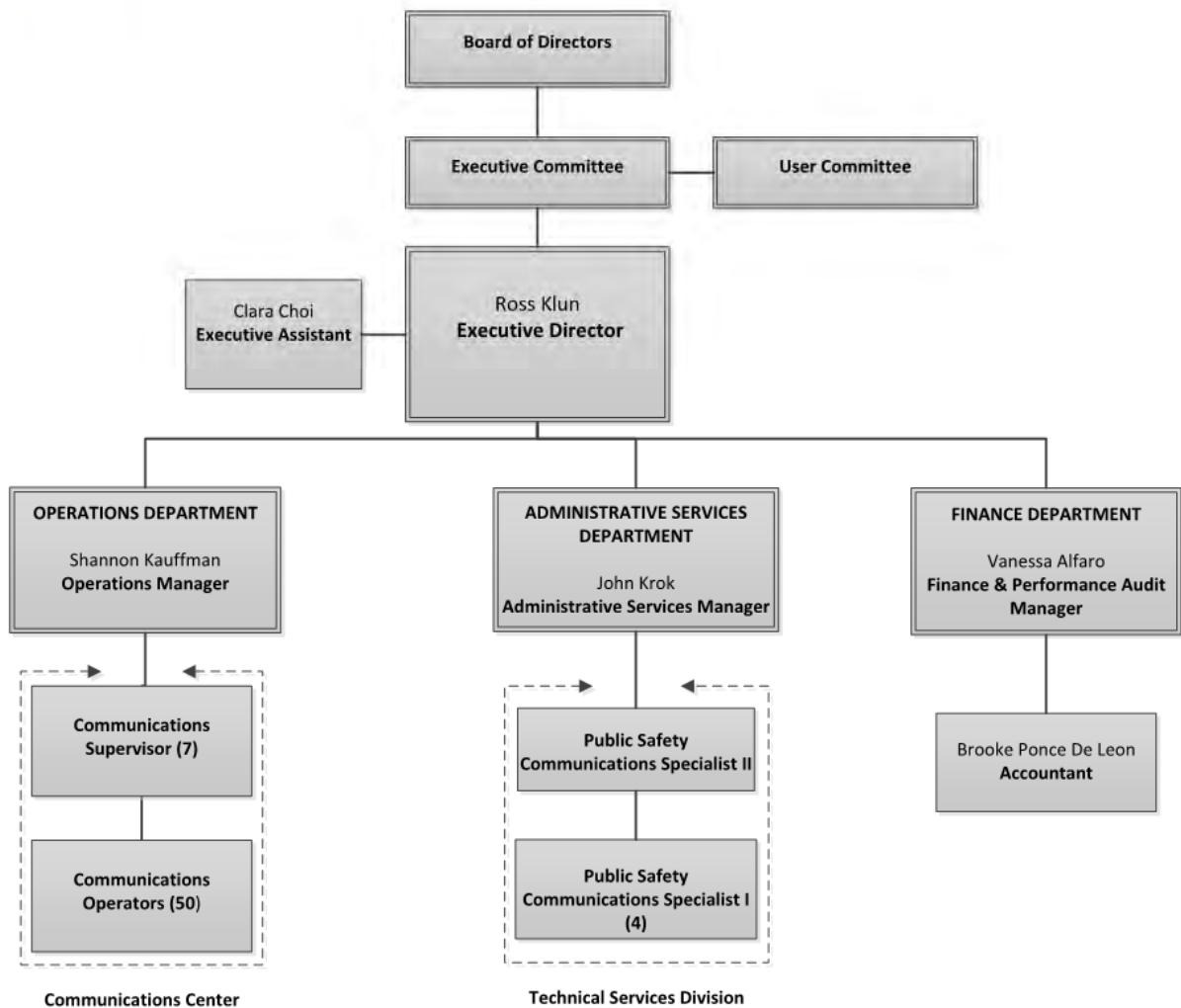
SBRPCA Staff

Ross Klun, *Executive Director*
Shannon Kauffman, *Operations Manager*
John Krok, *Administrative Services Manager*
Vanessa Alfaro, *Finance & Performance Audit Manager*
Brooke Ponce De Leon, *Accountant*
Clara Choi, *Executive Assistant*



Organization Chart

Fiscal Year 2022-2023



VISION

To lead the way in regional emergency communications and shape the future of public safety through collaboration with our communities.

MISSION

We are dedicated to professionalism and excellence in public safety communications.

VALUES

TEAMWORK

We collaborate with one another and with our fire and police departments to manage incidents in the field and ensure the safety of the first responders and the public.

PROFESSIONALISM

With our actions and our demeanor, we provide the highest levels of service to our communities.

EMPATHY

A tangible display of empathy to callers shows respect to the people we serve and can help diffuse stressful situations for police officers and firefighters.

INNOVATION

We embrace continuous improvement as the cornerstone of continued service excellence and sustained fiscal viability.



Budget Message

February 15, 2022

Members of the Executive Committee and the User Committee:

This past calendar year has been another eventful year for the Authority. I am pleased to report some of the agency's accomplishments in 2021 as follows:

- Phone calls received: 354,088
 - 911 Calls: 132,512
 - 7 Digit Calls: 221,576
- Calls for Service dispatched: 319,858
 - Police: 307,806
 - Fire: 12,052
- Technical Services Division completed 399 work orders of various equipment used in Police, Fire, and Public Works vehicles in CY2021.
- Processed 259 applications, which is more than double last year's number, subsequently hired 6 new Communications Operators, and expanded the Authority's recruitment program and hiring process to online platforms as a result of pandemic social-distancing.
- Celebrated the retirement of four Communications Operators, each with 25+ years with the Authority. Recognized an additional six employees with career service awards for reaching milestones of 20 or 25 years.
- Integrated a new executive director into the Authority's management team and continued to build relationships with Authority's key stakeholders.
- Engaged with the Authority's Police Task Force and Fire Task Force to resume regular monthly meetings and increase overall dialog between the Authority and our public safety partners.
- Reduced dispatch Call Entry Time for fire and medical calls by an average of 8 seconds advancing the Authority's goal to meet and exceed national dispatch call processing standards.
- Established and funded a Section 115 Trust for Other Post-Employment Benefits (OPEB).

- Negotiated a new agreement with MissionSquare Retirement, and an agreement with Shuster Advisory Group, LLC., that resulted in a reduction in plan fees along with superior investment options for our employees in the 457(b) retirement plan.
- Completed talks on a successor 5-year contract for police and fire dispatch services with the City of Culver City. The city is expected to approve the agreement during their February 2022 city council meeting. This will incorporate the last city into the Authority's Cost Allocation Policy.
- Continued to utilize the Authority's Continuity of Operations Plan, and COVID-19 Prevention Program, to provide employees a healthy and safe workplace. As such, the Authority has experienced no disruption to the critical services we provide.
- Collaborated with Interoperability Network of the South Bay (INSB) to determine the final location of the sixth INSB radio site in Manhattan Beach.
- Completed a capital improvement upgrade to the Authority's computer systems agency-wide.
- Entered into an agreement with the Teamsters Public, Professional and Medical Employees Union Local 911 to extend the MOU for one (1) year.

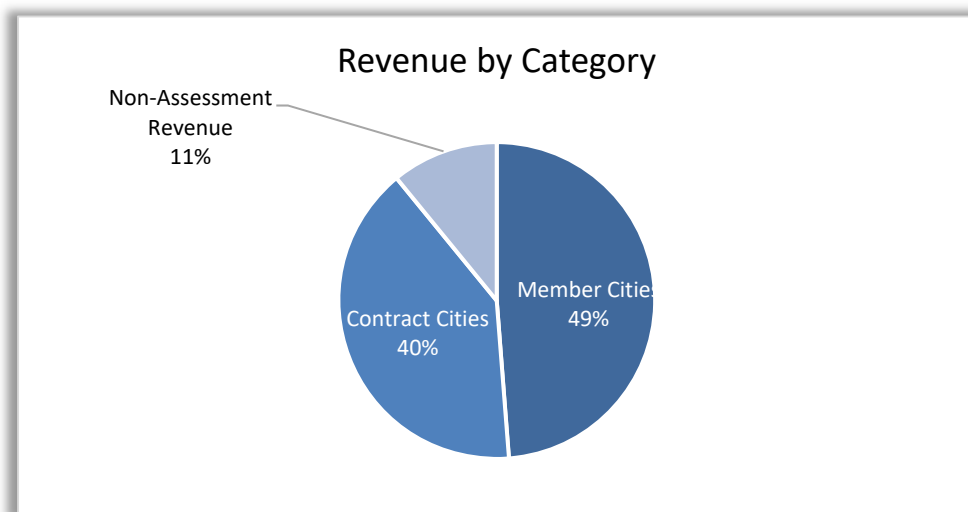
Having these accomplishments in mind, staff is ready to build on these successes and respectfully submits the Fiscal Year 2022-2023 Preliminary Budget. In developing this budget, staff was mindful of the financial impact to the Member Cities, while maintaining the Authority's goal of continuing to provide an outstanding level of service to the communities served.

Assessments for Member Cities are based on the Cost Allocation Policy adopted by the Board of Directors in Fiscal Year 2019-20 and include a 3.98% discount for the City of Manhattan Beach and premiums for the City of Gardena and the City of Hawthorne of 1.69% and 1.73%, respectively.

The assessments for the cities of Culver City, Hermosa Beach, El Segundo are based on the Cost Allocation Policy with discounts for the City of El Segundo to allow cost increases to be phased-in through FY2023-2024.

Total revenues are estimated to increase by 5.08% to \$13,470,762. Assessment amounts do not include Technical Services Division Workload Support charges, which total \$565,791 for Fiscal Year 2022-2023. These charges will be billed to member and contract cities on a quarterly basis in accordance with the Cost Allocation Policy and the Authority's agreements with the cities of El Segundo and Hermosa Beach. Culver City's agreement expires on March 1, 2022. A tentative five-year agreement based on the Cost Allocation Policy is pending City Council approval and is expected to be presented in February 2022.

REVENUE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	\$ Inc (Dec)	% Inc (Dec)
Assessments						
Member Cities	\$6,558,300	\$6,023,386	\$6,222,755	\$6,569,714	\$346,959	5.58%
Contract Cities	5,291,029	4,901,495	5,149,108	5,430,940	281,832	5.47%
Subtotal Assessments	\$11,849,329	\$10,924,881	\$11,371,863	\$12,000,654	\$628,791	5.53%
Non-Assessment Revenue	\$1,299,929	\$1,321,169	\$1,448,004	\$1,470,108	\$22,104	1.53%
Grand Total	\$13,149,258	\$12,246,050	\$12,819,867	\$13,470,762	\$650,895	5.08%

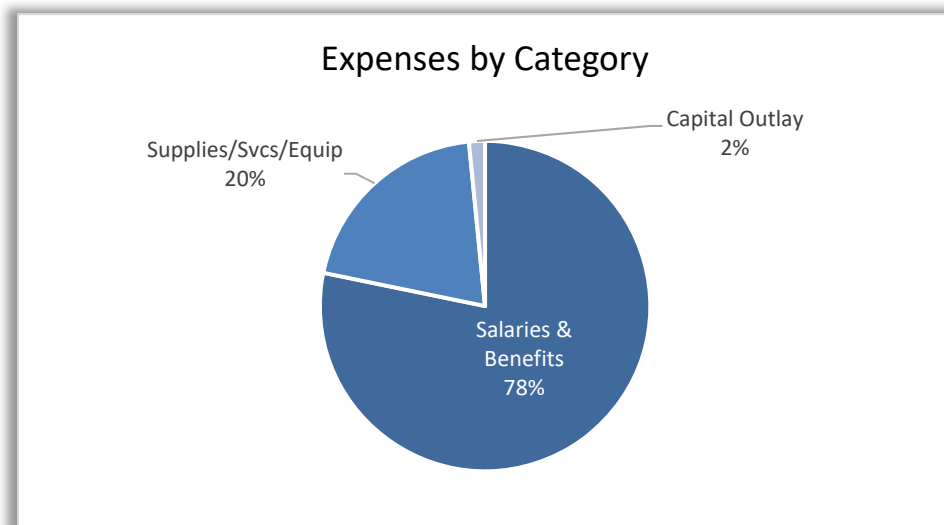


The preliminary expenditure budget is \$12,841,154, which represents an increase of \$538,798 or 4.38% in expenses compared to the adopted budget for Fiscal Year 2021-2022. Due to the COVID-19 pandemic, the FY20-21 Adopted Budget of \$12,938,443 decreased to \$12,086,595 through a

budget amendment recommended by the Executive Committee and approved by the Board of Directors. Accordingly, the budget adopted for FY21-22 was designed to provide consistency for our member and contract cities during uncertain financial times while maintaining sufficient operating resources for the Authority. The FY22-23 Proposed Budget remains below pre-pandemic levels.

The following tables and charts illustrate the significant budget categories with their corresponding increases and decreases.

EXPENSE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	\$ Inc (Dec)	% Inc (Dec)
Operating Budget	\$12,688,443	\$11,834,095	\$12,102,356	\$12,641,154	\$538,798	4.45%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
Total	\$12,938,443	\$12,086,595	\$12,302,356	\$12,841,154	\$538,798	4.38%
Salaries & Benefits	\$10,170,486	\$9,359,304	\$9,582,138	\$10,045,152	\$463,014	4.83%
Supplies/Svcs/Equip	2,517,957	2,474,791	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
Total	\$12,938,443	\$12,086,595	\$12,302,356	\$12,841,154	\$538,798	4.38%



Changes from the Prior Year:

The following are the ten most significant increases in budgeted accounts:

Summary of Top 10 Expenditure Increases				
Line Item	FY21-22 Adopted	FY22-23 Proposed	Inc (Dec) \$	Inc (Dec) %
Salaries (Full-Time)	\$ 6,365,776	\$ 6,567,750	\$ 201,974	3.17%
PERS Contribution-UAL	593,961	676,566	82,605	13.91%
Deferred Comp Matching	37,500	98,100	60,600	161.60%
General Liability Insurance	216,000	259,500	43,500	20.14%
Salaries (Part-Time)	-	30,000	30,000	0.00%
Overtime	202,389	228,500	26,111	12.90%
Holiday Payoff	75,000	100,000	25,000	33.33%
Legal Services	75,000	100,000	25,000	33.33%
Electricity - HQ	110,000	135,000	25,000	22.73%
Dental Insurance	52,673	72,454	19,781	37.55%

1. Salaries/Full-Time (\$201,974): Includes contracted and estimated increases from MOUs and agreements with employee groups.
2. PERS Contribution-UAL (\$82,605): Increase relates to a rise in the Unfunded Actuarial Liability required payment for pension benefits.
3. Deferred Comp Matching (\$60,600): Includes contracted and estimated increases from MOUs and agreements with employee groups.
4. General Liability Insurance (\$43,500): Increase relates to industry-wide increases due to current market conditions.
5. Salaries (Part-Time) (\$30,000): Increase relates to upcoming project-based needs.
6. Overtime (\$26,111): Increase relates to updated projection for team schedule built-in overtime hours. The team schedule stabilizes overtime compared to prior years.
7. Holiday Payoff (\$25,000): Increase relates to projected rise in use of benefit provided to certain labor groups.
8. Legal Services (\$25,000): Increase relates to anticipated needs for upcoming labor and contracts negotiations.

9. Electricity – HQ (\$25,000): Increase relates to industry-wide increases due to current market conditions.
10. Dental Insurance (\$19,781): Increase relates to premium increases and updated benefit projections.

Additional Budget Information

Beginning in Fiscal Year 2015-2016, CalPERS began to require payment for each agency's unfunded actuarial liability (UAL) as a separate payment for each coverage plan. These payments are based on each plan's total liability rather than by plan individual payroll to allow employers to track their own UAL and pay it down faster if they choose. Normal Cost rates for FY2022-23 for Tier 1, Tier 2, and PEPRAs employee groups are 10.87%, 8.63%, and 7.47%, respectively. All employees pay at least one half of the employee contribution previously paid by the Authority. UAL payments for Tier 1, Tier 2, and PEPRAs employee groups are \$660,966, \$8,552, and \$7,048, respectively. The total increase in retirement costs for Fiscal Year 2022-2023 is \$67,910.

Additionally, costs for step increases earned by newer employees who have not yet reached the top of the approved salary range for their positions are included. Total costs for salary and benefit increases in the preliminary budget for Fiscal Year 2022-2023 are \$463,014.

The remaining increases to operating expenses are included in a detailed listing by account in the subsequent pages.

Capital Outlay for Fiscal Year 2022-2023:

The capital outlay project request is for \$200,000 for communications, technology, and infrastructure replacement purchases.

Members' Assessments for Fiscal Year 2022-2023: The calculation of the assessments is found in the Financial Summaries section of the document. The budget, as presented, uses the Cost Allocation Policy adopted in FY2019-20 and as updated in FY2020-21, and applies discounts and premiums outlined in the Authority's ByLaws through Fiscal Year 2022-23.

Assessments for Contract Cities:

The current agreement with Culver City expires on March 1, 2022. A new five-year agreement, which transitions Culver City to the Cost Allocation Policy, is pending City Council approval. Culver City's assessment based on the Cost Allocation Policy is \$2,762,991, an increase of \$71,822.

El Segundo's assessment is \$1,869,811, an increase of \$170,177. A new agreement was finalized in January 2020, which transitioned El Segundo to the Cost Allocation Policy over a four-year period. The agreement provides a discount of \$92,762 for the FY22-23 assessment. The current agreement expires on June 30, 2030.

Hermosa Beach's assessment is \$798,138, an increase of \$39,833. A new agreement was finalized in Fall 2020 effective July 1, 2020, which transitioned Hermosa Beach to the Cost Allocation Policy and combined police dispatching services with the City of Manhattan Beach. The current agreement expires on June 30, 2030.

Technical Services Division Workload Support Charges

Under the Cost Allocation Policy, Technical Services Division costs are allocated to the following two functional areas:

Function	Allocation of Technical Services Division Costs	Fiscal Year 2022-2023 Cost Allocation
Dedicated Support	50%	\$565,791
Workload Support	50%	\$565,791
Total	100%	\$1,131,582

Dedicated Support charges are derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. All such vehicles are listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. The Dedicated Support portion of Technical Services Division costs is included as part of each city's annual assessment.

Effective Fiscal Year 2020-2021, Workload Support charges are derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis for member and contract cities.

Operations Department

As part of the annual budget development process, staff has reviewed the current staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch and recommends no modification to the existing allocation plan illustrated below:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	35%
Police Dispatch	5.0	50%
Fire Dispatch	1.5	15%
Total	10.00	100%

Other Revenues:

These include interest income from the Authority's investment with the Local Agency Investment Fund (LAIF), and reimbursements from participating agencies for wireless services, GST software maintenance, and other reimbursable services.

Work Plan Objectives for Fiscal Year 2022-2023:

Staff believes the preliminary budget will provide the necessary funds to accomplish the Authority's objectives for the coming year, which include:

1. Implement Mark43 Computer Aided Dispatch ("CAD")
Work with Mark43 to complete development and Go-Live on the CAD system.
2. Develop a 5-Year Capital Improvement Plan (CIP)
Conduct a needs assessment and then create a 5-year CIP plan for the Authority.
3. Review Technical Services Division Billing Methodology
Review current cost allocation methodology for Technical Services Workload Support and develop recommendations for improvements.
4. Management and Confidential Successor Agreement
Negotiate a successor agreement with the Management and Confidential Employees. Their current MOU expires on June 30, 2022.
5. Initiatives to Improve Fire Dispatching
Continue working with the Fire Task Force to refine call processing and dispatch procedures, reduce dispatch and overall response times, and explore other improvements to emergency service delivery.
6. Compliance with National Fire Protection Association (NFPA) Standard 1221
Continue to monitor dispatching procedures to ensure event processing time for emergency fire events is in compliance with NFPA Standard 1221. Work with Mark43

to ensure the CAD system will produce reports that document compliance with the standard.

7. City Contracts for Services and Regional Fire Dispatching

Continue to monitor developments in the region regarding dispatch services. If requested, develop a Phase Two Feasibility study for the City of Redondo Beach. Work with fire departments and related stakeholders in the area, as appropriate, in determining the feasibility of establishing a regional fire dispatch center.

8. Records Retention Policy

Develop a Records Retention Schedule for the Authority per Government Code Section 60201.

Fund Balance/Reserves:

In accordance with the Executive Committee's Budget Policy, as established by Resolution No. 321, the preliminary Fiscal Year 2022-2023 budget includes a 10% Operational and Capital Reserve of \$1,284,115.

In October 2011 the Executive Committee established a reserve in the amount of \$250,000 for future funding of OPEB liabilities. In September 2020, the Board of Directors approved a resolution to establish a Section 115 Trust for pre-funding OPEB obligations and the \$250,000 reserve was transferred to the Trust in June 2021.

Additionally, in January 2022, the Board of Directors approved an Additional Discretionary Payment (ADP) towards the Authority's pension liability and a contribution to the Section 115 Trust for OPEB of \$281,864 and \$192,679, respectively. A revision to the Budget Policy is being presented simultaneously to allow ongoing funding of pension and OPEB unfunded liabilities using budgetary surplus and unrestricted available fund balance each fiscal year. Therefore, fund balance projections include tentative ADPs and trust contributions over the next several years.

The available Enterprise Fund cash balance is projected to be \$3,742,219 by June 30, 2022 and \$3,857,219 by June 30, 2023, and has been allocated to each member based on its ownership percentage of the Authority.

Acknowledgement:

I thank the Board of Directors, the Executive Committee, the User Committee, and the Police and Fire Task Forces for their continued support for another successful year at the Authority. I also want to thank the Authority staff for consistently providing outstanding service to the communities we serve.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Ross Klun". The signature is fluid and cursive, with the first name "Ross" and last name "Klun" clearly distinguishable.

Ross Klun, Executive Director

Authority Profile

Mission

The South Bay Regional Public Communications Authority (SBRPCA) is dedicated to professionalism and excellence in public safety communications.

Overview

The South Bay Regional Public Communications Authority (Authority) was organized on October 14, 1975 under the provisions of the Joint Exercise of Powers Act of the Government Code of the State of California. The purpose of the Authority is to provide a forum for discussion, study, development, implementation, operations, and maintenance of a consolidated regional public safety services communications system. At the present time, the Authority serves the cities of Gardena, Hawthorne, and Manhattan Beach in the aforementioned capacity. The Authority also provides services to the cities of Culver City, El Segundo and Hermosa Beach under contract.

The Authority's Board of Directors, consisting of one Councilmember from each of the Member Cities, maintains authority over the annual budget for the Authority. Policy management is relegated to the Executive Committee, consisting of City Managers from each of the Member Cities. The Executive Director, who is appointed by the Executive Committee, manages the day-to-day operations. A User Committee, consisting of Police and Fire Chiefs from the Member Cities, provides direction relative to the needs of the organization. Police Officers and Firefighters from the Member Cities make up the Police and Fire Task Forces, which provide feedback and recommendations to facilitate an optimum level of service and safety for citizens, police officers, and firefighters.

The Authority annually processes approximately 320,000 police and fire incidents in the Southern California region of Los Angeles County commonly referred to as the "South Bay."

The Authority is budgeted for 68 full-time positions. Five (5) Technical Services staff members install radio communications equipment, light bars, mobile cameras, computer systems, and all necessary equipment for full-service, emergency vehicles. Staff also coordinates capital projects and provides technical services to the following external agencies: El Camino College Campus Police Department; Gardena Public Works Department; Hermosa Beach Public Works Department; L.A. Impact; Manhattan Beach Public Works Department; and Palos Verdes Estates.

Brief Profiles of Member/Client Cities

City of Gardena – incorporated on September 11, 1930 as a general law city with a Council-Manager form of government; located 13 miles south of metropolitan Los Angeles in the South Bay area of Los Angeles County; full service city including its own municipal bus lines; 5.9 square miles; population of 59,713; 6 parks, 1 community center, 1 municipal pool, 1 parkette, and 2 gymnasiums. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 300 full time employees.

City of Hawthorne – incorporated in 1922 as a general law city with a Council-Manager form of government; ideally located near the Los Angeles International Airport, connected by rail to the Port of Los Angeles and downtown Los Angeles, and surrounded by the San Diego (I-405), Harbor (I-110), and Glenn M. Anderson (I-105) Freeways; the City of Hawthorne could easily be termed the “Hub of the South Bay”; 6 square miles; population of nearly 87,000; 10 parks including 1 skate park; 1 pool; 1 sports center; 1 memorial center; and 1 senior center. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 260 full time employees.

City of Manhattan Beach – incorporated on December 7, 1912 as a general law city with a Council-Manager form of government; located 19 miles southwest of downtown Los Angeles on the southerly end of Santa Monica Bay; 3.88 square miles; population of 35,183; full service city with its own police, fire/emergency services personnel; 2.1 miles of beach front and a 928-foot long pier; a 9-hole golf course; 2 community centers; 54 acres of developed parks; 21 acres parkway; and 40 acres of recreational beach. The City has approximately 305 full time employees.

City of Culver City – incorporated in 1917 as a general law city and transitioned to a charter city in 1947. The City operates under a Mayor/City Council-City Manager form of government; located 5 miles north of Los Angeles International Airport; 5.2 square miles; population of 39,437 full service city with its own police and fire/emergency services personnel; 18 parks.

City of El Segundo – incorporated on January 18, 1917 as a general law city with a Council-Manager form of government; located 14 miles southwest of downtown Los Angeles, adjacent to the City of Los Angeles International Airport and borders the Century Freeway (105) on the north and the San Diego Freeway (405) on the east, both of which provide linkages to other major freeways traveling north, south and east; 5.5 square miles; population of 17,500; full service city with its own police, fire/emergency services personnel; 1 police station, 2 fire stations, 22 parks,

13 recreational facilities and 91.2 acres of parks. The city has approximately 285 full time employees.

City of Hermosa Beach – incorporated on January 14, 1907 as a general law city with a Council-Manager form of government; located 4 miles south of Los Angeles International Airport; 1.43 square miles; population of 19,614 full service city with its own police and fire protection; emergency medical services; 20 parks; 36.52 acres of beach; 19.50 acres of open space park; 1 community theatre. The City has approximately 136 full time employees.

Description of Funds

The accounts of the Authority are organized in funds, which is considered a separate accounting entity. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity (net assets), revenues, and expenses. The Authority uses only one Proprietary Fund Type as follows:

Enterprise Fund (Fund 10) – Used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues; (b) has third-party requirements that the cost of providing services, including capital costs, be recovered with fees and charges; or, (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

Grant Fund (Fund 20) – During Fiscal Year 2009-2010, the Authority received a State Homeland Security Grant to equip the “new” Punta Place Radio Site. Revenues and expenses for this grant were accounted for in this Fund. The project was completed in Fiscal Year 2010-2011 and all revenues were received during Fiscal Year 2011-2012. Additionally, the Authority received a grant under the 2016 Urban Area Security Initiative (UASI) program to build out the Interoperability Network of the South Bay. This project was completed in Fiscal Year 2018-2019. Purchases associated with this grant were also made from Fund 20. The fund remains open to account for the equipment (capital assets) purchased with these grants.

Basis of Accounting and Budgeting

Proprietary fund types are accounted for using the “economic resources” measurement focus and accrual basis of accounting. This means that all assets and liabilities (whether current or non-current) associated with the activity are included on the balance sheet. Their reported fund equity presents total net assets. The operating statements of the proprietary funds present increases (revenues) and decreases (expenses) in total net assets.

Revenues are recognized when they are earned and expenses are recognized when the liability is incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are member assessments and charges for services. Operating expenses include the costs of legal, accounting, and other administrative services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budget Process

Departments begin developing their budget requests in October and submit them in November to the Finance unit of the Administration Department. Finance staff compiles all the requests and also calculates the personnel costs based on payroll information, along with any new labor-negotiated items.

In January, the Executive Director reviews the requests with departments and makes necessary changes for the preliminary budget to be submitted to the Executive Committee. Around the same time, staff prepares the mid-year budget report, which is submitted to the Board of Directors. In February, the Executive Committee meets with the Executive Director and staff to discuss the preliminary budget and makes recommendations. Finance staff incorporates all of the changes, if any, and prepares the recommended budget document. Afterwards, staff presents the recommended budget to the Board of Directors for final approval in March.

Budget Amendments

During the year, the Executive Director may execute line item transfers within the following major budget categories as long as the total expenses of each category remain unchanged: Salaries & Benefits; Services & Supplies; and Capital Outlay. However, the legal level of budgetary authority is set at the Fund level, as determined by the Board of Directors. The Board of Directors reviews and approves any budget amendments (increases and decreases) at the January meeting when the mid-year budget report is submitted.

Revenue Estimates

Assessments: Revenues that support the Authority's operations come from assessments to its Members.

Prior to the Fiscal Year 2008-2009 budget, assessments were developed based on the percentage of system utilization and the communications equipment maintained. On January 15, 2008, the Board amended the Bylaws to change the assessment formula based on the Member Cities' ownership share instead of system usage. The ownership share was based on the Members' share of the bonds issued in 2001 to finance the Authority's headquarters.

In September 2019, the Board amended the Bylaws to adopt a new Cost Allocation Policy based on a Comprehensive Cost of Service and Allocation Study that was completed in August 2019. This policy ties assessments as closely as possible to the services provided to its Member and Contract Cities. The amended Bylaws provide for Manhattan Beach's assessments to gradually increase to the full amount under the Cost Allocation Policy over a four year period. In order to accomplish this phasing of assessment increases, the City of Manhattan Beach's assessment is calculated according to the Cost Allocation Policy, but it receives a series of diminishing discounts over a three-year period. During this same period, assessments for the City of Gardena and the City of Hawthorne are calculated according to the policy, but a premium is added on top of the calculated amounts to make-up for the discount provided to the City of Manhattan Beach. For Fiscal Year 2022-2023, Manhattan Beach receives a 3.98% discount on its assessment. Gardena and Hawthorne pay premiums of 1.69% and 1.73% on their assessments, respectively.

The Authority entered into a new agreement for dispatching services with the City of El Segundo, effective July 1, 2020. Under the new agreement, the City's assessment is based on the Cost Allocation Policy after a four-year phasing-in of significant increases. The agreement caps the assessment for Fiscal Year 2022-2023 at \$1,869,811.

The Authority entered into a new agreement for dispatching services with the City of Hermosa Beach, effective July 1, 2020. Under the new agreement, the City has combined police dispatching services with the City of Manhattan Beach and is subject to the Cost Allocation Policy.

The current agreement with Culver City expires on March 1, 2022. A new five-year agreement, which transitions Culver City to the Cost Allocation Policy, is pending City Council approval.

Other Revenues:

These include interest income from the Authority's investment with the State's Local Agency Investment Fund (LAIF); and reimbursements from participating agencies for wireless services, GST software maintenance, and other reimbursable services.

Operating Departments

Administration – Includes the day-to-day management of the Authority's operations based on the Board of Directors' and the Executive Committee's policy guidelines; managing the Communications Center; Personnel and Training; and Finance (accounting including accounts payable, accounts receivable, payroll, cash receipts, bank reconciliation, budgeting, and financial reporting). The department is staffed with: an Executive Director; an Operations Manager; an Administrative Services Manager; a Finance & Performance Audit Manager; an Accountant; and an Executive Assistant.

Operations – Seven (7) Communications Supervisors and fifty (50) Communications Operators provide 911 services to the Member Cities, the City of Culver City, City of El Segundo and the City of Hermosa Beach. The combined resident population served for all six (6) cities is approximately 261,000 people.

Technical Services – Provides installation, repairs, and maintenance of telecommunications equipment services to the Members Cities and other clients, as well as maintenance of the Authority's facilities. The department is staffed with one (1) Public Safety Communications Specialist II and four (4) Public Safety Communications Specialist I positions.

Personnel Summary (Full-Time Employees Only)

Department/Position Title	FY 19-20 Adopted	FY 20-21 Adopted	FY 20-21 Amended	FY 21-22 Adopted	FY 22-23 Proposed
Administration Department					
Executive Director	1	1	1	1	1
Operations Manager	1	1	1	1	1
Administration Manager ¹	0	0	0	0	0
Finance & Performance Audit Manager ²	1	1	1	1	1
Information Technology Manager ¹	0	0	0	0	0
Executive Assistant ³	1	1	1	1	1
Administrative Services Manager ⁴	1	1	1	1	1
Accountant	1	1	1	1	1
Subtotal	6	6	6	6	6
Operations Department					
Communications Supervisor ⁵	7	8	7	7	7
Communications Operator ^{6,7}	54	55	50	50	50
Subtotal	61	63	57	57	57
Technical Services Division					
Lead Communications Technician	0	0	0	0	0
Communications Technician ¹	0	0	0	0	0
Public Safety Communications Specialist II	1	1	1	1	1
Public Safety Communications Specialist I	4	4	4	4	4
Subtotal	5	5	5	5	5
Grand Total	72	74	68	68	68

Notes

1. Position eliminated.
2. Formerly titled "Accounting & Finance Manager."
3. Formerly titled "Executive Secretary."
4. Formerly titled "Technical Services Manager."
5. One (1) additional position proposed in FY21 to provide adequate support in special assignments; eliminated in FY21 amendment to budget.
6. One (1) additional position proposed in FY21 to provide adequate support in Communications Center; eliminated in FY21 amendment to budget.
7. Four (4) positions eliminated in FY21 due to combined police dispatching between Hermosa Beach and Manhattan Beach

FINANCIAL SUMMARIES



Fund Balance Estimates

Fund 10 - Enterprise Fund	
Beginning Balance	
Cash Available as of June 30, 2021	\$ 4,983,367
Operating and Capital Reserve	(1,230,236)
Available Cash	\$ 3,753,131
Gardena - 32.08%	1,204,004
Hawthorne - 45.07%	1,691,536
Manhattan Beach - 22.85%	857,590
Fiscal Year 2021-22 Estimated Revenues & Expenditures	
Revenues	12,819,867
Expenditures	12,302,356
Revenues Over (Under) Expenditures	\$ 517,511
Estimated Balance - End of FY2021-22	
Pension and OPEB Funding	(474,543)
Estimated Cash Available on June 30, 2022	5,026,334
Operating and Capital Reserve (10% of Budget)	(1,284,115)
Estimated Available Cash After Reserve Allocations	\$ 3,742,219
Gardena - 32.08%	1,200,504
Hawthorne - 45.07%	1,686,618
Manhattan Beach - 22.85%	855,097
Fiscal Year 2022-23 Budget Resources	
Assessments	
Gardena	2,233,811
Hawthorne	2,729,338
Manhattan Beach	1,606,565
Member City Subtotal	6,569,714
Culver City	2,762,991
El Segundo	1,869,811
Hermosa Beach	798,138
Contract City Subtotal	5,430,940
Non-Assessment Revenues	1,470,108
Total Budget Resources	13,470,762
Fiscal Year 2022-23 Budget Expenses	
Operating	12,641,154
Capital	200,000
Total Budget Expenses	12,841,154
Revenues Over (Under) Expenditures	\$ 629,608
Estimated Balance - End of FY2022-23	
Pension and OPEB Funding	(454,254)
Estimated Cash Available on June 30, 2023	5,201,688
Operating and Capital Reserve	(1,344,009)
Estimated Available Cash After Reserve Allocations	\$ 3,857,679
Gardena - 32.08%	1,237,544
Hawthorne - 45.07%	1,738,656
Manhattan Beach - 22.85%	881,480

Assessments & Methodologies

Assessments	FY21-22 Assessment	FY22-23 Base	FY22-23 Bylaws Adjustments	Contract Adjustments	Other Adjustments	FY22-23 Assessment	Increase (Decrease) Amount
Member Cities							
Gardena	\$ 2,141,335	\$ 2,196,687	\$ 37,124			\$ 2,233,811	92,476
Hawthorne	2,619,842	2,682,923	46,415			2,729,338	109,496
Manhattan Beach	1,461,578	1,673,156	(66,592)			1,606,565	144,987
Subtotal	6,222,755	6,552,766		-		6,569,714	346,959
Contract Cities							
Culver City	\$ 2,691,169	2,762,991		-		2,762,991	\$ 71,822
El Segundo	1,699,634	1,962,573		(92,762)		1,869,811	170,177
Hermosa Beach	758,305	798,138		-		798,138	39,833
Subtotal	\$ 5,149,108	5,523,702		\$ (92,762)		\$ 5,430,940	\$ 281,832
Total Assessments	\$ 11,371,863	\$ 12,076,468				\$ 12,000,654	\$ 628,791

METHODOLOGIES

Member Cities	<p>Per the Authority's Bylaws, member cities will be charged the following premiums or receive the following discounts to allow phase-in of the Cost Allocation Policy:</p> <p>For FY20-21: City of Gardena: 4.93%, City of Hawthorne: 5.30%; City of Manhattan Beach: (11.95%)</p> <p>For FY21-22: City of Gardena: 3.33%, City of Hawthorne: 3.50%; City of Manhattan Beach: (7.97%)</p> <p>For FY22-23: City of Gardena: 1.69%, City of Hawthorne: 1.73%; City of Manhattan Beach: (3.98%)</p> <p>Assessment does not include Technical Services Division Workload Support Charges. Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>
Contract Cities	
Culver City	<p>Starting FY22-23, assessment based on Authority's Cost Allocation Policy. Agreement pending approval as of February 2022.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>
El Segundo	<p>Starting FY20-21, assessment based on Authority's Cost Allocation Policy to be phased in over a four year period in amounts not-to-exceed as follows:</p> <p>FY20-21 \$1,493,738; FY21-22 \$1,699,634; FY22-23 \$1,869,811; FY23-24 \$2,044,684</p> <p>Agreement expires 06/30/2030.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>
Hermosa Beach	<p>Starting FY20-21, assessment based on Authority's Cost Allocation Policy and shared dispatching services with the City of Manhattan Beach. Agreement expires 06/30/2030.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>

Assessments & Methodologies - Supplemental Information

Unadjusted Assessment Calculations per Cost Allocation Policy - FOR INFORMATION ONLY

Assessments	Gardena	Hawthorne	Manhattan Beach	Culver City	El Segundo	Hermosa Beach	TOTAL
OPERATIONS							
Call-Taking Emergency Calls	\$ 613,289	\$ 908,828	\$ 184,575	\$ 396,444	\$ 199,913	\$ 111,546	\$ 2,414,595
Call-Taking Non-Emergency Support	297,620	339,412	239,846	487,377	131,102	114,372	1,609,730
Police - Dedicated Dispatch Support	806,630	806,630	403,315	806,630	806,630	403,315	4,033,150
Police - Calls for Service Readiness Support	387,090	523,584	205,703	271,249	212,303	128,564	1,728,493
Fire - Dedicated Dispatch Support	-	-	402,432	402,432	402,432	-	1,207,297
Fire - Calls for Service Readiness Support	-	-	128,678	258,187	130,548	-	517,413
TECHNICAL SERVICES							
Technical Support - Dedicated Support	92,057	104,470	108,607	140,672	79,645	40,340	565,791
Total Calculated	\$ 2,196,687	\$ 2,682,923	\$ 1,673,156	\$ 2,762,991	\$ 1,962,573	\$ 798,138	\$ 12,076,468

Cost Allocation Data

City	3 Year Average			
	911 Calls	Non-Emergency Calls	Police Calls for Service	Fire Calls for Service
Gardena	28,469	42,252	68,151	-
Hawthorne	42,188	48,185	92,182	-
Manhattan Beach	8,568	34,050	36,216	3,716
Culver City	18,403	69,191	47,756	7,456
El Segundo	9,280	18,612	37,378	3,770
Hermosa Beach	5,178	16,237	22,635	-
3 Year Average	112,086	228,527	304,318	14,942

City	Vehicle Inventories		
	Police	Fire	Total
Gardena	89	-	89
Hawthorne	101	-	101
Manhattan Beach	89	16	105
Culver City	108	28	136
El Segundo	64	13	77
Hermosa Beach	39	-	39
Total	490	57	547

Revenues by Account

Account Number & Title	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
Enterprise Fund (Fund 10)								
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,174,993	\$ 2,083,118	\$ 1,666,078	\$ 2,141,335	\$ 2,233,811	\$ 92,476	4.32%
10-50-111-4120 Hawthorne	3,359,598	2,664,597	2,552,293	1,966,383	2,619,842	2,729,338	109,496	4.18%
10-50-111-4130 Manhattan Beach	1,703,280	1,718,710	1,387,975	1,045,475	1,461,578	1,606,565	144,987	9.92%
Member City Subtotal	7,454,179	6,558,300	6,023,386	4,677,936	6,222,755	6,569,714	346,959	5.58%
10-50-111-4140 Hermosa Beach	975,208	1,132,062	742,528	742,528	758,305	798,138	39,833	5.25%
10-50-111-4145 El Segundo	1,372,870	1,493,738	1,493,738	1,493,738	1,699,634	1,869,811	170,177	10.01%
10-50-111-4146 Culver City	2,587,601	2,665,229	2,665,229	2,665,229	2,691,169	2,762,991	71,822	2.67%
Contract City Subtotal	4,935,679	5,291,029	4,901,495	4,901,495	5,149,108	5,430,940	281,832	5.47%
Subtotal Assessments	\$ 12,389,858	\$ 11,849,329	\$ 10,924,881	\$ 9,579,431	\$ 11,371,863	\$ 12,000,654	\$ 628,791	5.53%
10-50-111-4150 El Camino Community College	653	790	790	-	790	790	-	0.00%
10-50-111-4151 Annual Maint-MDC - Director	-	-	-	-	-	-	-	0.00%
10-50-111-4152 Medical Director/Hermosa Beach	-	-	-	-	-	-	-	0.00%
10-50-111-4153 Medical Director/Manhattan Beach	30,250	30,500	30,500	30,500	30,500	30,500	-	0.00%
10-50-111-4154 Medical Director/El Segundo	27,708	30,500	30,500	-	-	-	-	0.00%
10-50-111-4210 Investment Earnings (LAIF)	85,856	50,000	50,000	30,381	50,000	30,000	(20,000)	-40.00%
10-50-111-4220 POST Reimbursements	3,495	1,400	1,400	360	6,450	5,000	(1,450)	-22.48%
10-50-111-4255 Unrealized Gain/Loss on Investments	16,746	-	-	(21,872)	-	-	-	0.00%
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-	-	0.00%
10-50-111-4430 Other Miscellaneous Revenue	68,955	2,500	2,500	977	2,500	2,500	-	0.00%
10-50-111-4240 911 Reimbursements	3,000	8,000	8,000	-	8,000	5,000	(3,000)	-37.50%
10-50-111-4241 Redondo Beach Maint Agreement	-	13,000	13,000	10,238	13,000	13,000	-	0.00%
Subtotal Administration - Other	\$ 236,663	\$ 136,690	\$ 136,690	\$ 50,584	\$ 111,240	\$ 86,790	\$ (24,450)	-21.98%
10-60-211-4215 DUI Reimbursement-Overtime	544	2,000	2,000	-	2,000	1,000	(1,000)	-50.00%
10-60-211-4435 Reimbursements Sprint Wireless	53,602	70,000	70,000	44,537	70,000	1,200	(68,800)	-98.29%
10-60-211-4440 Reimbursements/Verizon Wireless	42,805	25,000	25,000	50,035	50,000	60,000	10,000	20.00%
10-60-211-4460 Pink Patch Project	250	-	-	-	-	-	-	0.00%
Subtotal Operations	\$ 97,201	\$ 97,000	\$ 97,000	\$ 94,572	\$ 122,000	\$ 62,200	\$ (59,800)	-49.02%
10-70-311-4310 Labor-Installation-Member	125	320,991	309,477	354,342	290,910	305,134	14,224	4.89%
10-70-311-4320 Labor-Installation-NonMember	436	92,556	125,310	93,617	171,162	260,657	89,495	52.29%
10-70-311-4360 Reimbursements for Billable Parts	687,720	600,000	600,000	508,851	700,000	700,000	-	0.00%
10-70-311-4370 Reimbursements for GST Software	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-	-	0.00%
10-70-311-4375 Reimb Net Motion Licenses & Maint	-	-	-	-	-	-	-	0.00%
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-	-	0.00%
10-70-311-4455 Culver City Transition Reimb	-	-	-	-	-	-	-	0.00%
Subtotal Technical Services	\$ 740,973	\$ 1,066,239	\$ 1,087,479	\$ 1,009,501	\$ 1,214,764	\$ 1,321,118	\$ 106,354	8.76%
Subtotal Non-Assessment Revenues	\$ 1,074,837	\$ 1,299,929	\$ 1,321,169	\$ 1,154,657	\$ 1,448,004	\$ 1,470,108	\$ 22,104	1.53%
Total Enterprise Fund (Fund 10) Revenues	\$ 13,464,695	\$ 13,149,258	\$ 12,246,050	\$ 10,734,088	\$ 12,819,867	\$ 13,470,762	\$ 650,895	5.08%
Grant Fund (Fund 20)								
20-80-433-4270 Grant Reimb	-	-	-	5,670	-	-	-	-
Total Grant Fund (Fund 20) Revenues	\$ -	\$ -	\$ -	\$ 5,670	\$ -	\$ -	\$ -	-
Grand Total All Funds	\$ 13,464,695	\$ 13,149,258	\$ 12,246,050	\$ 10,739,758	\$ 12,819,867	\$ 13,470,762	\$ 650,895	5.08%

Expenses by Department - Enterprise Fund (10)

Department/Description	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
Administration								
Salaries & Benefits	\$ 1,133,162	\$ 1,278,828	\$ 1,169,105	\$ 979,631	\$ 1,274,756	\$ 1,349,947	\$ 75,191	5.90%
Supplies/Services/Equip	1,061,824	1,068,710	1,028,014	924,279	983,917	1,132,460	148,543	15.10%
Subtotal Administration	\$ 2,194,986	\$ 2,347,538	\$ 2,197,119	\$ 1,903,910	\$ 2,258,673	\$ 2,482,407	\$ 223,734	9.91%
Operations								
Salaries & Benefits	\$ 7,513,253	\$ 8,121,218	\$ 7,447,274	\$ 7,151,895	\$ 7,544,742	\$ 7,922,665	\$ 377,923	5.01%
Supplies/Services/Equip	216,130	271,205	268,735	252,891	288,259	212,865	(75,394)	-26.15%
Subtotal Operations	\$ 7,729,383	\$ 8,392,423	\$ 7,716,009	\$ 7,404,785	\$ 7,833,001	\$ 8,135,530	\$ 302,529	3.86%
Technical Services								
Salaries & Benefits	\$ 721,996	\$ 770,440	\$ 742,925	\$ 719,830	\$ 762,640	\$ 772,540	\$ 9,900	1.30%
Supplies/Services/Equip	1,330,831	1,178,042	1,178,042	982,346	1,248,042	1,250,677	2,635	0.21%
Subtotal Technical Services	\$ 2,052,827	\$ 1,948,482	\$ 1,920,967	\$ 1,702,177	\$ 2,010,682	\$ 2,023,217	\$ 12,535	0.62%
Total Operating Expenses	\$ 11,977,196	\$ 12,688,443	\$ 11,834,095	\$ 11,010,872	\$ 12,102,356	\$ 12,641,154	\$ 538,798	4.45%
Total Capital Outlay	\$ 119,398	\$ 250,000	\$ 252,500	\$ 219,402	\$ 200,000	\$ 200,000	\$ -	0.00%
Grand Total	\$ 12,096,594	\$ 12,938,443	\$ 12,086,595	\$ 11,230,274	\$ 12,302,356	\$ 12,841,154	\$ 538,798	4.38%
Department Summary								
Administration	\$ 2,194,986	\$ 2,347,538	\$ 2,197,119	\$ 1,903,910	\$ 2,258,673	\$ 2,482,407	\$ 223,734	9.91%
Operations	7,729,383	8,392,423	7,716,009	7,404,785	7,833,001	8,135,530	302,529	3.86%
Technical Services	2,052,827	1,948,482	1,920,967	1,702,177	2,010,682	2,023,217	12,535	0.62%
Capital Outlay	119,398	250,000	252,500	219,402	200,000	200,000	-	0.00%
Grand Total	\$ 12,096,594	\$ 12,938,443	\$ 12,086,595	\$ 11,230,274	\$ 12,302,356	\$ 12,841,154	\$ 538,798	4.38%
Major Category Summary								
Salaries & Benefits	\$ 9,368,411	\$ 10,170,486	\$ 9,359,304	\$ 8,851,356	\$ 9,582,138	\$ 10,045,152	\$ 463,014	4.83%
Supplies/Services/Equip	2,608,785	2,517,957	2,474,791	2,159,516	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	119,398	250,000	252,500	219,402	200,000	200,000	-	0.00%
Grand Total	\$ 12,096,594	\$ 12,938,443	\$ 12,086,595	\$ 11,230,274	\$ 12,302,356	\$ 12,841,154	\$ 538,798	4.38%

Expenses by Account

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 5,660,114	\$ 6,871,132	\$ 6,291,684	\$ 5,818,587	\$ 6,365,776	\$ 6,567,750	\$ 201,974	3.17%
5102	Salaries (Part-Time)	112,833	40,000	-	85,095	-	30,000	30,000	0.00%
5103	Overtime	930,141	202,389	202,389	242,502	202,389	228,500	26,111	12.90%
5104	Acting Pay	13,855	10,000	13,682	17,322	11,243	16,218	4,975	44.25%
5105	Bilingual Pay	6,629	8,400	8,400	7,271	8,400	9,600	1,200	14.29%
5107	Merit Pay	73,995	4,350	4,350	3,864	4,350	3,200	(1,150)	-26.44%
5108	Sick Leave Payoff	124,376	157,451	157,451	130,185	159,401	155,819	(3,582)	-2.25%
5109	Vacation Leave Payoff	130,176	93,472	93,472	128,639	101,628	109,939	8,311	8.18%
5110	Training Pay	14,285	15,000	15,000	13,122	15,000	15,000	-	0.00%
5112	Other Pay	6,300	34,680	29,790	14,117	17,200	13,000	(4,200)	-24.42%
5114	Holiday Payoff	132,890	75,000	75,000	102,600	75,000	100,000	25,000	33.33%
5115	Education Incentive	104,682	104,300	104,300	110,227	116,900	122,605	5,705	4.88%
5116	Overtime-Ridealongs	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	587,380	809,989	730,654	625,720	758,957	738,469	(20,488)	-2.70%
5202	Dental Insurance	39,848	46,807	46,198	47,394	52,673	72,454	19,781	37.55%
5203	Vision Care	15,034	21,795	19,833	17,015	19,124	22,108	2,984	15.60%
5204	Life Insurance	7,021	9,768	8,943	7,528	8,976	10,609	1,633	18.19%
5205	Medicare	105,694	110,819	102,399	93,732	102,344	107,312	4,968	4.85%
5206	Unemployment Insurance	22,401	5,000	5,000	20,279	10,000	20,000	10,000	100.00%
5207	Workers' Compensation	101,068	132,500	91,488	91,488	100,637	105,669	5,032	5.00%
5208	PERS Contribution	662,510	810,996	757,258	700,101	744,679	729,984	(14,695)	-1.97%
5209	Retirees' Medical Insurance	62,145	76,000	76,000	60,588	76,000	88,000	12,000	15.79%
5211	Social Security	-	-	-	-	-	-	-	0.00%
5212	Deferred Comp Matching	33,908	36,500	31,875	18,750	37,500	98,100	60,600	161.60%
5219	PERS Contribution-UAL	421,122	494,138	494,138	494,138	593,961	676,566	82,605	13.91%
5220	Deferred Comp Matching	-	-	-	1,091	-	4,250	4,250	0.00%
Subtotal Salaries & Benefits		\$ 9,368,411	\$ 10,170,486	\$ 9,359,304	\$ 8,851,356	\$ 9,582,138	\$ 10,045,152	\$ 463,014	4.83%
5300	Maintenance & Operations	-	-	-	-	-	-	-	0.00%
5301	Communications Contract Svcs	35,580	54,000	48,000	46,422	48,000	48,000	-	0.00%
5302	IT Computer Contract Services	200,000	200,000	200,000	200,000	200,000	200,000	-	0.00%
5304	Accountant/Auditing Services	20,850	33,000	46,000	23,496	33,000	33,000	-	0.00%
5305	Legal Services	170,978	95,000	75,000	81,311	75,000	100,000	25,000	33.33%
5306	Recruitment Costs	69,086	68,530	34,000	23,854	46,750	61,645	14,895	31.86%
5307	Software Maintenance Services	49,996	77,537	61,037	57,100	64,652	76,550	11,898	18.40%
5308	Banking Services (Fees)	5,336	6,000	6,000	7,110	6,000	7,500	1,500	25.00%
5309	Website Maintenance Service	2,075	7,500	7,500	3,233	7,500	7,500	-	0.00%
5311	GST Software Reimbursable	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
5312	Medical Director Services	57,958	61,000	61,000	30,500	30,500	30,500	-	0.00%
5313	Temporary Staffing	54,049	50,000	40,000	-	20,000	20,000	-	0.00%
5401	Membership Dues	1,479	3,220	2,680	689	2,680	3,130	450	16.79%
5402	Publications	784	2,060	2,060	550	2,460	2,460	-	0.00%
5403	Conferences, Meeting & Travel	21,135	51,675	38,202	13,296	38,526	42,932	4,406	11.44%
5404	Employee Services/EC-BOD	4,465	13,000	8,000	37,432	8,000	8,000	-	0.00%
5405	Employee Awards	-	500	500	972	500	1,500	1,000	200.00%
5406	POST Training	1,744	24,865	11,908	3,185	12,608	12,608	-	0.00%
5407	Tuition Reimbursement	251	18,000	18,000	3,680	16,000	16,000	-	0.00%
5501	Office Supplies	15,324	9,000	9,000	5,634	9,000	10,000	1,000	11.11%
5502	Janitorial Supplies	19,328	9,100	9,100	13,016	12,100	12,100	-	0.00%
5503	General Technical Supplies	5,883	7,500	7,500	9,527	7,500	7,500	-	0.00%
5504	Vending Machine Supplies	240	-	-	-	-	-	-	0.00%
5505	Voice Recording Tapes	-	-	-	-	-	-	-	0.00%
5506	Uniforms/Safety Equipment	4,474	10,500	15,000	12,170	10,500	10,500	-	0.00%
5507	Postage	610	1,600	2,800	209	2,800	2,800	-	0.00%
5508	Shipping Costs	169	1,200	-	-	-	-	-	0.00%
5509	Reproduction	25	2,000	2,000	7	2,000	2,000	-	0.00%
5511	Office Equipment Lease	14,606	15,750	15,750	12,839	15,750	15,750	-	0.00%
5513	General Liability Insurance	159,707	175,678	198,512	194,067	216,000	259,500	43,500	20.14%
5514	Parts - Billing	789,466	600,000	600,000	428,581	700,000	700,000	-	0.00%
5515	Parts - Telecommunications	-	-	-	-	-	-	-	0.00%
5516	Install Wire, Loom & Hardware	-	30,000	30,000	-	-	-	-	0.00%
5517	Vehicle Operations	3,465	6,500	6,500	4,629	6,500	6,500	-	0.00%
5520	Equipment Repair	-	5,000	5,000	-	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towers/Equip	324,761	325,000	325,000	309,658	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%

Expenses by Account

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5525	Culver City Infrastructure Trans	-	-	-	-	-	-	-	0.00%
5601	Telephone - Administration	13,450	15,000	15,000	15,475	15,000	17,000	2,000	13.33%
5603	Telephone - El Segundo	2,472	3,000	3,000	2,287	3,000	3,000	-	0.00%
5604	Telephone - Gardena	15,649	3,000	3,000	1,003	15,000	3,000	(12,000)	-80.00%
5606	Telephone - Hawthorne	7,647	6,000	6,000	9,358	6,000	14,500	8,500	141.67%
5607	Telephone - Hermosa Beach	33,158	27,000	27,000	28,392	30,000	12,000	(18,000)	-60.00%
5608	Telephone - Manhattan Beach	4,744	6,000	6,000	4,183	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,502	4,500	4,500	1,115	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,652	11,000	11,000	10,049	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	51,567	70,000	70,000	42,567	70,000	1,200	(68,800)	-98.29%
5614	Verizon Wireless Reimbursable	47,264	25,000	25,000	53,063	50,000	60,000	10,000	20.00%
5615	Telephone-Culver City	14,480	14,500	14,500	10,178	14,500	14,500	-	0.00%
5701	Maintenance/HQ	164,381	164,150	194,650	148,648	161,650	164,150	2,500	1.55%
5702	Maintenance/Other	-	-	-	-	-	-	-	0.00%
5703	Electricity - HQ	109,008	98,000	98,000	127,190	110,000	135,000	25,000	22.73%
5704	Electricity - Grandview	1,652	2,200	2,200	2,183	2,200	3,000	800	36.36%
5705	Electricity - Punta	8,526	6,600	6,600	9,561	9,000	10,000	1,000	11.11%
5706	Gas - HQ	9,459	11,000	11,000	11,492	11,000	16,000	5,000	45.45%
5707	Water - HQ	3,722	3,850	3,850	3,005	3,850	4,850	1,000	25.97%
5715	Electricity - MB Water Tower	5,625	2,750	2,750	1,630	3,500	3,500	-	0.00%
5810	Office Equipment	13,906	12,000	2,000	69,933	2,000	12,000	10,000	500.00%
5820	Other Equipment	610	15,000	30,000	31,351	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	796	-	-	996	-	2,500	2,500	0.00%
5840	Vehicles	-	-	-	-	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 2,608,785	\$ 2,517,957	\$ 2,474,791	\$ 2,159,516	\$ 2,520,218	\$ 2,596,002	\$ 75,784	3.01%
Total Operating Expenses		\$ 11,977,196	\$ 12,688,443	\$ 11,834,095	\$ 11,010,872	\$ 12,102,356	\$ 12,641,154	\$ 538,798	4.45%
5901	Total Capital Outlay	119,398	250,000	252,500	213,732	200,000	200,000	-	0.00%
Total Enterprise Fund (Fund 10)		\$ 12,096,594	\$ 12,938,443	\$ 12,086,595	\$ 11,224,604	\$ 12,302,356	\$ 12,841,154	\$ 538,798	4.38%
5901	Grant Fund (20)	-	-	-	5,670	-	-	-	0.00%
Grand Total All Funds		12,096,594	12,938,443	12,086,595	11,230,274	12,302,356	12,841,154	538,798	4.38%

Notes:

Proposed budget excludes non-cash expenses such as accrued leave, depreciation, and gain (loss) on disposal of fixed assets
FY 2020-21 Amended budget includes appropriations after budget adoption

5 Year Revenue Projections - Enterprise Fund (10)

Account Number & Title	FY21-22 Adopted	FY22-23 Proposed	FY23-24 Projected	FY24-25 Projected	FY25-26 Projected	FY26-27 Projected
Enterprise Fund (Fund 10)						
10-50-111-4110 Gardena	\$ 2,141,335	\$ 2,233,811	\$ 2,298,725	\$ 2,351,000	\$ 2,404,995	\$ 2,462,213
10-50-111-4120 Hawthorne	2,619,842	2,729,338	2,807,710	2,871,532	2,937,448	3,007,292
10-50-111-4130 Manhattan Beach	1,461,578	1,606,565	1,750,099	1,789,987	1,831,198	1,874,886
Member City Subtotal	\$ 6,222,755	\$ 6,569,714	\$ 6,856,534	\$ 7,012,519	\$ 7,173,641	\$ 7,344,391
10-50-111-4140 Hermosa Beach	758,305	798,138	835,071	854,086	873,730	894,552
10-50-111-4145 El Segundo	1,699,634	1,869,811	2,053,789	2,100,485	2,148,715	2,199,821
10-50-111-4146 Culver City	2,691,169	2,762,991	2,890,835	2,956,620	3,024,574	3,096,591
Contract City Subtotal	\$ 5,149,108	\$ 5,430,940	\$ 5,779,695	\$ 5,911,191	\$ 6,047,019	\$ 6,190,964
Subtotal Assessments	\$ 11,371,863	\$ 12,000,654	\$ 12,636,229	\$ 12,923,709	\$ 13,220,660	\$ 13,535,355
10-50-111-4150 El Camino Community College	\$ 790	\$ 790	\$ 823	\$ 862	\$ 907	\$ 958
10-50-111-4152 Medical Director Service/Hermosa Beach	-	-	-	-	-	-
10-50-111-4153 Medical Director Service/Manhattan Beach	30,500	30,500	31,781	33,275	35,005	37,000
10-50-111-4154 Medical Director Services/El Segundo	-	-	-	-	-	-
10-50-111-4210 Investment Earnings (LAIF)	50,000	30,000	31,260	32,729	34,431	36,394
10-50-111-4220 POST Reimbursements	6,450	5,000	5,210	5,455	5,739	6,066
10-50-111-4255 Unrealized Gain/Loss on Investments	-	-	-	-	-	-
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-
10-50-111-4430 Other Miscellaneous Revenue	2,500	2,500	2,605	2,727	2,869	3,033
10-50-111-4240 911 Reimbursements	8,000	5,000	5,210	5,455	5,739	6,066
10-50-111-4241 Redondo Beach Maint Agreement	13,000	13,000	13,546	14,183	14,920	15,771
Subtotal Administration - Other	\$ 111,240	\$ 86,790	\$ 90,435	\$ 94,686	\$ 99,609	\$ 105,287
10-60-211-4215 DUI Reimbursement-Overtime	2,000	1,000	1,042	1,091	1,148	1,213
10-60-211-4435 Reimbursements Sprint Wireless	70,000	1,200	1,250	1,309	1,377	1,456
10-60-211-4440 Reimbursements/Verizon Wireless	50,000	60,000	62,520	65,458	68,862	72,787
10-60-211-4460 Pink Patch Project	-	-	-	-	-	-
Subtotal Operations	\$ 122,000	\$ 62,200	\$ 64,812	\$ 67,859	\$ 71,387	\$ 75,456
10-70-311-4310 Labor-Installation-Member	290,910	305,134	313,386	321,303	329,597	338,542
10-70-311-4320 Labor-Installation-NonMember	171,162	260,657	267,706	274,469	281,554	289,195
10-70-311-4360 Reimbursements for Billable Parts	700,000	700,000	729,400	763,682	803,393	849,187
10-70-311-4370 Reimbursements for GST Software	52,692	55,327	57,651	60,360	63,499	67,119
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	-	-	-	-
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-
10-70-311-4455 Culver City Transition Reimbursement	-	-	-	-	-	-
Subtotal Technical Services	\$ 1,214,764	\$ 1,321,118	\$ 1,368,143	\$ 1,419,814	\$ 1,478,043	\$ 1,544,042
Subtotal Non-Assessment Revenues	\$ 1,448,004	\$ 1,470,108	\$ 1,523,390	\$ 1,582,358	\$ 1,649,040	\$ 1,724,785
Total Enterprise Fund Revenues	\$ 12,819,867	\$ 13,470,762	\$ 14,159,619	\$ 14,506,067	\$ 14,869,700	\$ 15,260,140
Grant Fund (Fund 20)						
20-80-433-4270 Grant Fund	-	-	-	-	-	-
Total Grant Fund Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total All Funds	\$ 12,819,867	\$ 13,470,762	\$ 14,159,619	\$ 14,506,067	\$ 14,869,700	\$ 15,260,140

Notes:

1. Member City assessments are based on the Cost Allocation Policy and adjustments provided through FY22-23 in the Bylaws.
2. El Segundo is based on the Cost Allocation Policy with phase-in discounts through FY23-24.
3. CPIU Projection is the three (3) year average CPIU, escalated by 50 basis points per year

5 Year Expense Projections - Enterprise Fund (10)

Department/Description	FY21-22 Adopted	FY22-23 Proposed	FY23-24 Projected	FY24-25 Projected	FY25-26 Projected	FY26-27 Projected
Administration						
Salaries & Benefits	\$ 1,274,756	\$ 1,349,947	\$ 1,376,946	\$ 1,404,485	\$ 1,432,575	\$ 1,461,226
Supplies/Services/Equipment	983,917	1,132,460	1,180,023	1,235,484	1,299,730	1,373,814
Subtotal Administration	\$ 2,258,673	\$ 2,482,407	\$ 2,556,969	\$ 2,639,969	\$ 2,732,304	\$ 2,835,040
Operations						
Salaries & Benefits	\$ 7,544,742	\$ 7,922,665	\$ 8,081,118	\$ 8,242,741	\$ 8,407,595	\$ 8,575,747
Supplies/Services/Equipment	288,259	212,865	460,805	471,230	483,306	497,232
Subtotal Operations	\$ 7,833,001	\$ 8,135,530	\$ 8,541,924	\$ 8,713,971	\$ 8,890,902	\$ 9,072,979
Technical Services						
Salaries & Benefits	\$ 762,640	\$ 772,540	\$ 787,991	\$ 803,751	\$ 819,826	\$ 836,222
Supplies/Services/Equipment	1,248,042	1,250,677	1,303,205	1,364,456	1,435,408	1,517,226
Subtotal Technical Services	\$ 2,010,682	\$ 2,023,217	\$ 2,091,196	\$ 2,168,207	\$ 2,255,233	\$ 2,353,448
Total Operating Expenses	\$ 12,102,356	\$ 12,641,154	\$ 13,190,089	\$ 13,522,147	\$ 13,878,439	\$ 14,261,467
Total Capital Outlay	\$ 200,000	\$ 200,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Grand Total	\$ 12,302,356	\$ 12,841,154	\$ 13,440,089	\$ 13,772,147	\$ 14,128,439	\$ 14,511,467
Department Summary						
Administration	\$ 2,258,673	\$ 2,482,407	\$ 2,556,969	\$ 2,639,969	\$ 2,732,304	\$ 2,835,040
Operations	7,833,001	8,135,530	8,541,924	8,713,971	8,890,902	9,072,979
Technical Services	2,010,682	2,023,217	2,091,196	2,168,207	2,255,233	2,353,448
Capital Outlay	200,000	200,000	250,000	250,000	250,000	250,000
Grand Total	\$ 12,302,356	\$ 12,841,154	\$ 13,440,089	\$ 13,772,147	\$ 14,128,439	\$ 14,511,467
Major Category Summary						
Salaries & Benefits	\$ 9,582,138	\$ 10,045,152	\$ 10,246,055	\$ 10,450,976	\$ 10,659,996	\$ 10,873,196
Supplies/Services/Equipment	2,520,218	2,596,002	2,944,034	3,071,171	3,218,444	3,388,272
Capital Outlay	200,000	200,000	250,000	250,000	250,000	250,000
Grand Total	\$ 12,302,356	\$ 12,841,154	\$ 13,440,089	\$ 13,772,147	\$ 14,128,439	\$ 14,511,467

Notes:

1. Salaries and benefits projections are based upon known and anticipated increases in employee compensation per MOUs
2. CalPERS increases are based upon projections provided by CalPERS for the normal cost and the UAL.
3. Supplies/Services/Equipment are increased by the three (3) year average CPIU, escalated by 50 basis points per year.

5 Year Fund Balance Projections - Enterprise Fund (10)

	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Cash Balance Projections	Estimate	Projected	Projected	Projected	Projected	Projected
Beginning Balance	\$ 4,983,367	\$ 5,026,334	\$ 5,201,688	\$ 5,514,405	\$ 6,083,325	\$ 6,659,586
Operating and Capital Reserve	(1,230,236)	(1,284,115)	(1,344,009)	(1,377,215)	(1,412,844)	(1,451,147)
Available Cash	\$ 3,753,131	\$ 3,742,219	\$ 3,857,679	\$ 4,137,190	\$ 4,670,481	\$ 5,208,440
Budget Resources						
Assessments						
Gardena	\$ 2,141,335	\$ 2,233,811	\$ 2,298,725	\$ 2,351,000	\$ 2,404,995	\$ 2,462,213
Hawthorne	2,619,842	2,729,338	2,807,710	2,871,532	2,937,448	3,007,292
Manhattan Beach	1,461,578	1,606,565	1,750,099	1,789,987	1,831,198	1,874,886
Member City Subtotal	\$ 6,222,755	\$ 6,569,714	\$ 6,856,534	\$ 7,012,519	\$ 7,173,641	\$ 7,344,391
Culver City	2,691,169	2,762,991	2,890,835	2,956,620	3,024,574	3,096,591
El Segundo	1,699,634	1,869,811	2,053,789	2,100,485	2,148,715	2,199,821
Hermosa Beach	758,305	798,138	835,071	854,086	873,730	894,552
Contract City Subtotal	\$ 5,149,108	\$ 5,430,940	\$ 5,779,695	\$ 5,911,191	\$ 6,047,019	\$ 6,190,964
Non-Assessment Revenues	1,448,004	1,470,108	1,523,390	1,582,358	1,649,040	1,724,785
Total Budget Resources	\$ 12,819,867	\$ 13,470,762	\$ 14,159,619	\$ 14,506,067	\$ 14,869,700	\$ 15,260,140
Budget Expenses						
Operating	\$ 12,102,356	\$ 12,641,154	\$ 13,190,089	\$ 13,522,147	\$ 13,878,439	\$ 14,261,467
Capital	200,000	200,000	250,000	250,000	250,000	250,000
Total Budget Expenses	\$ 12,302,356	\$ 12,841,154	\$ 13,440,089	\$ 13,772,147	\$ 14,128,439	\$ 14,511,467
Revenues Over (Under) Expenditures	\$ 517,511	\$ 629,608	\$ 719,530	\$ 733,921	\$ 741,261	\$ 748,673
Ending Estimated Balance						
Pension and OPEB Funding	(474,543)	(454,254)	(406,814)	(165,000)	(165,000)	(172,000)
Ending Balance	\$ 5,026,334	\$ 5,201,688	\$ 5,514,405	\$ 6,083,325	\$ 6,659,586	\$ 7,236,259
Operating and Capital Reserve	(1,284,115)	(1,344,009)	(1,377,215)	(1,412,844)	(1,451,147)	(1,486,859)
OPEB Reserve	-	-	-	-	-	-
Available Balance After Reserve Allocations	\$ 3,742,219	\$ 3,857,679	\$ 4,137,190	\$ 4,670,481	\$ 5,208,440	\$ 5,749,400
Gardena - 32.08%	1,200,504	1,237,544	1,327,211	1,498,290	1,670,867	1,844,407
Hawthorne - 45.07%	1,686,618	1,738,656	1,864,632	2,104,986	2,347,444	2,591,254
Manhattan Beach - 22.85%	855,097	881,480	945,348	1,067,205	1,190,128	1,313,738

Note: 5 year projections include tentative long-term plans to address pension & OPEB unfunded liabilities but not long-term plans for Capital Improvements.

ADMINISTRATION DEPARTMENT



Administration Department

The department has six (6) positions: an Executive Director; an Operations Manager; an Administrative Services Manager; a Finance & Performance Audit Manager; an Accountant; and an Executive Assistant.

Management

The Authority operates under the overall direction of the Executive Director, who implements the policies adopted by the Executive Committee; manages the day-to-day operations; conducts labor negotiations; guides the development of the annual budget; works closely with Authority's legal counsel; oversees construction/ maintenance of all transmission and receiver sites; secures grants; coordinates the agenda for monthly meetings with the Executive Committee, the User Committee, and the Police and Fire Task Force; and negotiates maintenance agreements with other governmental agencies. An Executive Assistant supports the entire organization.

Operations

The Operations Manager oversees the Communications Center's daily operations, policies and procedures, and technology and equipment, including the activities performed by the Communications Center's 57 employees; and may act as the Executive Director during the Executive Director's absence.

Administrative Services

The Administrative Services Manager oversees recruitment; maintains personnel records; processes required documents for health and other insurance coverage and retirement benefits for all employees; manages the Technical Services Division; coordinates training for all staff; and may act as the Executive Director during the Executive Director's absence.

Accounting & Finance

The Finance & Performance Audit Manager manages the overall accounting functions; prepares the annual budget; monitors cash flow; invests idle cash; prepares monthly budget performance reports and quarterly cash and investments reports; coordinates the annual financial audit; and advises the Executive Director in financial matters. Payroll, accounts payable, cash receipts, accounts receivable, journal entries; preparation of the Annual Report for Special Districts and Government Compensation Report to the State Controller, federal and state payroll tax returns and the quarterly Sales & Use Tax Report; and other related accounting functions are also performed by the Finance & Performance Audit Manager and an Accountant assigned to the Department.

Expenses by Account - Administration Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 792,872	\$ 847,612	\$ 794,052	\$ 691,889	\$ 870,626	\$ 906,839	\$ 36,213	4.16%
5102	Salaries (Part-Time)	-	40,000	-	-	-	30,000	30,000	0.00%
5104	Acting Pay	1,341	-	3,682	11,574	1,243	6,218	4,975	400.24%
5107	Longevity Pay	2,150	2,350	2,350	2,250	2,350	2,450	100	4.26%
5108	Sick Leave Payoff	30,492	33,358	33,358	23,997	35,271	35,969	698	1.98%
5109	Vacation Leave Payoff	60,534	24,086	24,086	32,327	32,242	32,939	697	2.16%
5112	Other Pay	6,300	34,680	29,790	14,117	17,200	13,000	(4,200)	-24.42%
5114	Holiday Payoff	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	57,808	88,393	87,658	35,587	94,993	95,812	819	0.86%
5202	Dental Insurance	6,184	7,607	6,998	6,131	7,607	8,988	1,381	18.15%
5203	Vision Care	1,543	1,726	1,597	1,308	1,726	2,226	500	28.97%
5204	Life Insurance	637	792	759	706	792	936	144	18.18%
5205	Medicare	13,093	13,660	12,866	11,792	14,448	14,461	13	0.09%
5206	Unemployment Insurance	-	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	8,181	10,725	7,405	7,405	8,051	8,454	403	5.01%
5208	PERS Contribution	79,563	90,317	85,607	74,724	91,601	92,307	706	0.77%
5209	Retirees' Medical Insurance	4,986	6,000	6,000	5,108	6,000	6,000	-	0.00%
5212	Deferred Comp Matching	33,908	36,500	31,875	18,750	37,500	21,600	(15,900)	-42.40%
5219	PERS Contribution-UAL	33,569	41,022	41,022	41,968	53,106	71,748	18,642	35.10%
Subtotal Salaries & Benefits		\$ 1,133,162	\$ 1,278,828	\$ 1,169,105	\$ 979,631	\$ 1,274,756	\$ 1,349,947	\$ 75,191	5.90%
5301	Communications Contract Svcs	35,580	54,000	48,000	46,422	48,000	48,000	-	0.00%
5302	IT Computer Contract Services	55,000	55,000	55,000	55,000	55,000	55,000	-	0.00%
5304	Accountant/Auditing Services	20,850	33,000	46,000	23,496	33,000	33,000	-	0.00%
5305	Legal Services	170,978	95,000	75,000	81,311	75,000	100,000	25,000	33.33%
5306	Recruitment Costs	69,086	68,530	34,000	23,854	46,750	61,645	14,895	31.86%
5307	Software Maintenance Services	49,996	77,537	61,037	57,100	64,652	76,550	11,898	18.40%
5308	Banking Services (Fees)	5,336	6,000	6,000	7,110	6,000	7,500	1,500	25.00%
5309	Website Maintenance Service	2,075	7,500	7,500	3,233	7,500	7,500	-	0.00%
5312	Medical Director Services	57,958	61,000	61,000	30,500	30,500	30,500	-	0.00%
5313	Temporary Staffing	54,049	50,000	40,000	-	20,000	20,000	-	0.00%
5401	Membership Dues	779	390	390	689	390	840	450	115.38%
5402	Publications	784	350	350	550	750	750	-	0.00%
5403	Conferences, Meeting & Travel	10,058	21,725	16,725	6,266	16,725	16,725	-	0.00%
5404	Employee Services/EC-BOD	2,977	10,500	5,500	34,926	5,500	5,500	-	0.00%
5405	Employee Awards	-	-	-	141	-	500	-	0.00%
5407	Tuition Reimbursement	-	-	-	-	-	-	-	0.00%
5501	Office Supplies	15,324	9,000	9,000	5,634	9,000	10,000	1,000	11.11%
5502	Janitorial Supplies	19,328	9,100	9,100	13,016	12,100	12,100	-	0.00%
5504	Vending Machine Supplies	240	-	-	-	-	-	-	0.00%
5507	Postage & Shipping	610	1,600	1,600	209	1,600	1,600	-	0.00%
5509	Reproduction	25	1,500	1,500	7	1,500	1,500	-	0.00%
5511	Office Equipment Lease	14,606	15,750	15,750	12,839	15,750	15,750	-	0.00%
5513	General Liability Insurance	159,707	175,678	198,512	194,067	216,000	259,500	43,500	20.14%
5517	Vehicle Operations	50	2,000	2,000	490	2,000	2,000	-	0.00%
5601	Telephone - Administration	13,450	15,000	15,000	15,475	15,000	17,000	2,000	13.33%
5701	Maintenance/HQ	164,381	164,150	194,650	148,648	161,650	164,150	2,500	1.55%
5703	Electricity - HQ	109,008	98,000	98,000	127,190	110,000	135,000	25,000	22.73%
5704	Electricity - Grandview	1,652	2,200	2,200	2,183	2,200	3,000	800	36.36%
5705	Electricity - Punta	8,526	6,600	6,600	9,561	9,000	10,000	1,000	11.11%
5706	Gas - HQ	9,459	11,000	11,000	11,492	11,000	16,000	5,000	45.45%
5707	Water - HQ	3,722	3,850	3,850	3,005	3,850	4,850	1,000	25.97%
5715	Electricity - MB Water Tower	5,625	2,750	2,750	1,630	3,500	3,500	-	0.00%
5810	Office Equipment	132	10,000	-	7,821	-	10,000	10,000	0.00%
5820	Other Equipment	472	-	-	-	-	-	-	0.00%
5830	Furniture & Fixtures	-	-	-	413	-	2,500	2,500	0.00%
Subtotal Supplies/Services/Equip		\$ 1,061,824	\$ 1,068,710	\$ 1,028,014	\$ 924,279	\$ 983,917	\$ 1,132,460	\$ 148,543	15.10%
Total Expenses - Administration		\$ 2,194,986	\$ 2,347,538	\$ 2,197,119	\$ 1,903,910	\$ 2,258,673	\$ 2,482,407	\$ 223,734	9.91%

Account Detail - Administration Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs and agreement with employees
5104	Acting Pay	Per MOU with Management & Confidential Employees
5107	Longevity Pay	Based on longevity starting at 10 years of service @ \$250 plus \$50 increase for each additional year
5108	Sick Leave Payoff	Per MOU paid @ 100% of pay rate; max 120 hours paid (twice/year)
5109	Vacation Leave Payoff	Per MOU paid @ 100% of pay rate; max 100 hours paid (twice/year)
5112	Other Pay	Includes automobile allowance and General Leave Payoff
5201	Medical Insurance	Per MOU and employment agreement - cafeteria plan limit
5202	Dental Insurance	Per MOU and employment agreement - cafeteria plan limit
5203	Vision Care	Per MOU and employment agreement - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer rate
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRAs employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5212	Deferred Comp Matching	Per MOU and employment agreement
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5301	Communications Contract Svcs	Consultant for frequency issues; Monthly charge for internet services
5302	Computer Contract Svcs/CAD	IT support from Hawthorne; CAD consultant
5304	Accountant/Auditing Services	Annual independent audit, GASB75 Valuation (as needed), other consulting services
5305	Legal Services	Authority's legal counsel; ongoing general consulting and labor negotiations consulting
5306	Recruitment Costs	See attached detail sheet
5307	Software Maintenance Services	See attached detail sheet
5308	Banking Services (Fees)	Union Bank services (not offset by earnings allowance)
5309	Website Maintenance Service	Hosting/licensing fees
5312	Medical Director Services	Administrative services for review and provision of input into the development of agencies' fire departments' policies and procedures that impact patient care. State mandated.
5401	Membership Dues	See attached detail sheet
5402	Publications	See attached detail sheet
5403	Conferences, Meetings & Travel	See attached detail sheet
5404	Employee Services/EC-BOD	Includes Exec Comm/Board of Directors' meeting expenses/other employee services
5405	Employee Awards	Employee recognition
5407	Tuition Reimbursement	Reimbursement of college/university class tuition and eligible expenses per MOU
5501	Office Supplies	Pens, paper, envelopes, folders, printer cartridges, and other office supplies
5502	Janitorial Supplies	Cleaning and other supplies
5504	Vending Machine Supplies	Outsourced; Vending machine contractor took over in February 2017.
5507	Postage & Shipping	Postage/UPS/Express mail services
5509	Reproduction	Accounts Payable & Payroll checks; W-2's; 1099's; budget doc, etc.
5511	Office Equipment Lease	Copier and postage meter
5513	General Liability Insurance	Authority's various insurance coverages including cyber, property, earthquake, etc.
5517	Vehicle Operations	Gasoline/maintenance cost
5601	Telephone - Administration	Telephone for Administration
5701	Maintenance/HQ	See attached detail sheet
5702	Maintenance/Other	Fuel tank cleaning, permit fees, and other maintenance costs for other sites
5703	Electricity - HQ	Utilities; Electricity for HQ
5704	Electricity - Grandview	Utilities; Electricity for Grandview site
5705	Electricity - Punta	Utilities; Electricity for Punta Place site
5706	Gas - HQ	Utilities; Gas for HQ
5707	Water - HQ	Utilities; Water for HQ
5810	Office Equipment	Computers, printers, laptops, etc.
5820	Other Equipment	Television, tools, etc.
5830	Furniture & Fixtures	Chairs, work stations, etc.

Account Detail - Administration Department

Communications Contract Services

10-50-111-5301

Spectrum internet	24,800
Crown Castle internet	13,200
Sheriffs Data Network (SDN)	10,000
Total	\$ 48,000

Recruitment

10-50-111-5306

Advertising - Daily Breeze and job websites (NeoGov, etc.)	1,250
Job Fairs - Various agencies	1,500
Miscellaneous advertising - Member Cities' newspapers, etc.	1,000
Community events (As Requested)	500
Background investigations (15 @ \$2,000 each)	30,000
Psychological exams (15 @ \$400 each)	6,000
Physical exams	4,770
Polygraph exams	4,125
Credit Report	500
Criticall Annual Subscription	2,000
Marketing Materials	2,500
Fingerprinters/LiveScan/DOJ/SS# check	1,500
Criticall Personality Tests	6,000
Total	\$ 61,645

Software Maintenance Services

10-50-111-5307

EDEN annual maintenance cost (software support and licensing updates)	14,600
EDEN Operating Systems & Database Administration - online service to manage server and update EDEN software regularly	6,600
Annual Barracuda Spam updates for Server	2,200
Schedule Express - staff scheduling software maintenance @ \$756/month	9,520
Powerphone annual maintenance (digital system)	1,600
Email certificate renewal	750
ESC shop software annual maintenance cost	1,500
Extreme Routers Annual Maintenance	3,500
Jot Forms	1,200
Solar Winds Annual Maintenance	3,000
Other Software Maintenance	10,000
Fortiguard security software for network	10,000
Box Subscription - Distribution of 9-1-1 and radio recordings	1,080
LEFTA software licensing and maintenance	2,000
Zoom Subscription	
ESRI Annual Maintenance	1,500
Exaq Vision Annual Maintenance - Security System	4,000
Stancil Annual Maintenance - Logging Recorder	2,500
Media Temple Website Annual Maintenance	1,000
Total	\$ 76,550

Memberships

10-50-111-5401

Executive Director annual dues	450
CAL Chiefs (Fire Chiefs Communications Section) - Group membership annual dues	50
California Society of Municipal Finance Officers (CSMFO) - Finance Manager/Accountant annual dues	110
California Background Investigators Association (CBIA)	70
Government Finance Officers Association (GFOA) - Finance Manager annual dues	160
Total	\$ 840

Publications

10-50-111-5402

Labor Law Compliance Center - Labor Law posters	150
Government Finance Officers Association publications as needed	200
Media Subscriptions	400
Total	\$ 750

Account Detail - Administration Department

Conferences, Meetings, & Travel	
10-50-111-5403	
LA County PSAP quarterly meetings - Operations Manager/Administration Supervisor	225
CSDA Board Secretary/Clerk Conference & Certificate Program	2,000
Labor Law Seminars and Conferences	10,000
California Society of Municipal Finance Officers (CSMFO) - annual conference/ February	1,500
Leadership Retreat	-
CSMFO bi-monthly Chapter meetings	275
CalPERS Ed Forum, Anaheim	1,250
Government Tax Seminar	475
GFOA/CSMFO finance workshops	1,000
Total	\$ 16,725
Maintenance/HQ	
10-50-111-5701	
Gardening Service (grounds)	6,000
Janitorial Service	45,000
Tree Trimming Services	6,500
Fuel Tank Cleaning and diesel refills	5,000
Generator Service (contract and repairs) - includes HQ, Punta, MBWT, Grandview, & 1500 Gal Diesel	12,000
Various permit fees - South Coast Air Quality Management District (AQMD) & LA County Fire Hazmat Program	2,500
Fire Alarm, Fire Alarm Inspection & Fire Extinguishers Service and Repairs	7,500
Elevator Maintenance Contract - \$7,600 for contract; \$2,000 for repairs	9,600
Water Treatment (for HVAC closed loop system)	1,200
HVAC Maintenance - Contract plus necessary repairs	33,350
DirectTV Services	2,500
Roll-up door Annual Maintenance - Tech Services Bay	2,500
Floor Mat Cleaning	\$ -
Exterminator Service	3,500
Water Filtration Service	1,000
Uninterrupted Power Supply (UPS) Maintenance - includes Tower Radio Room	12,000
Building Exterior Annual Cleaning	5,000
Plumbing, Security Gate & Other repairs	7,500
Facility replacement light bulbs/hardware	1,500
Total	\$ 164,150

OPERATIONS DEPARTMENT



Operations Department

The Operations Department is the Communications Center which is staffed with seven (7) Communications Supervisors and 50 Communications Operators. Communications Operators must attend and graduate from an accredited 120-hour Basic Academy hosted by Golden West College, Rio Hondo College, or the Riverside County Sheriffs' Department. The Basic Academy is accredited by the California Commission on Peace Officer Standards and Training (POST).

A new part-time program was implemented in Fiscal Year 2012-2013 which authorizes up to 5 part-time Communications Operators working a maximum of 999 hours each per year. The program's goal is to reduce overtime through the use of these part-time employees.

The Communications Center personnel answer all 9-1-1 and 7-digit emergency police and fire calls for the Cities of Manhattan Beach, Gardena, and Hawthorne (Members), as well as the cities of Culver City, El Segundo and Hermosa Beach (under contract). These calls are processed utilizing a computer-aided dispatch (CAD) system, and then dispatched to the appropriate police or fire department field units. The Communications Center operates 24 hours a day, 7 days a week.

When working the Complaint Operator position, a Communications Operator is responsible for receiving and responding appropriately and quickly to all incoming calls for service. These calls for service may be received via police and fire emergency lines, 9-1-1 lines, SMS/Text-to-911, TTY/TDD (Telecommunication Device for the Deaf), police and fire department hotlines, as well as hotlines from Chevron, Northrop, or the Hawthorne Airport Tower. Upon receipt of the call, the operator must determine the validity, nature, and priority of the call. These calls are entered as incidents to be dispatched to police and fire personnel or may be transferred appropriately.

When functioning as a Police or Fire Dispatcher, the Communications Operator is responsible for prompt and effective transmissions of dispatches as well as the coordination and intercommunication of all field units. The job requires considerable exercise of initiative and independent judgment in determining priorities and coordinating a variety of simultaneous activities of a critical nature. The operator processes requests for other city services and information from outside agencies as well as requests for information from law enforcement databases.

Prior Year Accomplishments:

- Received 354,088 calls in CY2021
 - 911 Calls: 132,512
 - 7 Digit Calls: 221,576
- Averaged 37 seconds for Police dispatch (Priority E and 1 calls) and 14 seconds for Fire dispatch in CY2021.
- Answered 97.55% of overall calls and 96.13% at the busiest hour within 10 seconds, and 99.45% of overall calls within 15 seconds in CY2021.
- Responded to 731 Text-to-911 Sessions in CY2021.

Expenses by Account - Operations Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 4,399,312	\$ 5,546,631	\$ 5,025,397	\$ 4,658,826	\$ 5,025,397	\$ 5,176,790	151,393	3.01%
5102	Salaries (Part-Time)	112,833	-	-	85,095	-	-	-	0.00%
5103	Overtime	926,436	195,539	195,539	239,929	195,539	225,000	29,461	15.07%
5104	Acting Pay	12,514	10,000	10,000	5,749	10,000	10,000	-	0.00%
5105	Bilingual Pay	6,629	8,400	8,400	7,271	8,400	9,600	1,200	14.29%
5107	Merit Pay	63,000	-	-	-	-	-	-	0.00%
5108	Sick Leave Payoff	80,848	106,313	106,313	95,731	106,350	106,350	-	0.00%
5109	Vacation Leave Payoff	59,557	55,000	55,000	87,100	55,000	65,000	10,000	18.18%
5110	Training Pay	14,285	15,000	15,000	13,122	15,000	15,000	-	0.00%
5114	Holiday Payoff	132,890	75,000	75,000	102,600	75,000	100,000	25,000	33.33%
5115	Education Incentive	104,682	104,300	104,300	110,227	116,900	122,605	5,705	4.88%
5116	Overtime-Ridealongs	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	482,846	668,836	590,236	538,534	601,964	581,257	(20,707)	-3.44%
5202	Dental Insurance	31,228	36,400	36,400	37,703	42,265	56,062	13,797	32.64%
5203	Vision Care	12,358	18,424	16,591	14,257	16,059	17,837	1,778	11.07%
5204	Life Insurance	5,822	8,316	7,524	6,143	7,524	8,893	1,369	18.20%
5205	Medicare	85,206	89,572	82,014	75,733	80,465	85,313	4,848	6.02%
5206	Unemployment Insurance	22,401	5,000	5,000	20,279	10,000	20,000	10,000	100.00%
5207	Workers' Compensation	38,101	49,951	34,490	34,490	38,242	40,154	1,912	5.00%
5208	PERS Contribution	529,521	662,899	614,433	568,839	596,231	586,430	(9,801)	-1.64%
5209	Retirees' Medical Insurance	37,546	50,000	50,000	34,646	50,000	60,000	10,000	20.00%
5211	Social Security	-	-	-	-	-	-	-	0.00%
5212	Deferred Comp Matching Benefit	-	-	-	-	-	70,500	70,500	0.00%
5219	PERS Contribution-UAL	355,234	415,637	415,637	414,529	494,406	561,624	67,218	13.60%
5220	FSA Expense	-	-	-	1,091	-	4,250	4,250	0.00%
Subtotal Salaries & Benefits		\$ 7,513,253	\$ 8,121,218	\$ 7,447,274	\$ 7,151,895	\$ 7,544,742	\$ 7,922,665	\$ 377,923	5.01%
5300	Maintenance & Operations	-	-	-	-	-	-	-	0.00%
5401	Membership Dues	700	2,830	2,290	-	2,290	2,290	-	0.00%
5402	Publications	-	1,710	1,710	-	1,710	1,710	-	0.00%
5403	Conferences, Meeting & Travel	11,077	27,300	18,827	7,030	19,151	23,557	4,406	23.01%
5404	Employee Services/EC-BOD	1,488	2,500	2,500	2,507	2,500	2,500	-	0.00%
5405	Employee Awards	-	500	500	831	500	1,000	500	100.00%
5406	POST Training	1,744	24,865	11,908	3,185	12,608	12,608	-	0.00%
5407	Tuition Reimbursement	251	18,000	18,000	3,680	16,000	16,000	-	0.00%
5506	Uniforms/Safety Equipment	3,427	8,000	12,500	10,966	8,000	8,000	-	0.00%
5509	Reproduction	-	500	500	-	500	500	-	0.00%
5603	Telephone - El Segundo	2,472	3,000	3,000	2,287	3,000	3,000	-	0.00%
5604	Telephone - Gardena	15,649	3,000	3,000	1,003	15,000	3,000	(12,000)	-80.00%
5606	Telephone - Hawthorne	7,647	6,000	6,000	9,358	6,000	14,500	8,500	141.67%
5607	Telephone - Hermosa Beach	33,158	27,000	27,000	28,392	30,000	12,000	(18,000)	-60.00%
5608	Telephone - Manhattan Beach	4,744	6,000	6,000	4,183	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,502	4,500	4,500	1,115	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,652	11,000	11,000	10,049	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	51,567	70,000	70,000	42,567	70,000	1,200	(68,800)	-98.29%
5614	Verizon Wireless Reimbursable	47,264	25,000	25,000	53,063	50,000	60,000	10,000	20.00%
5615	Telephone-Culver City	14,480	14,500	14,500	10,178	14,500	14,500	-	0.00%
5810	Office Equipment	5,513	-	-	30,567	-	-	-	0.00%
5820	Other Equipment	-	15,000	30,000	31,351	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	796	-	-	582	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 216,130	\$ 271,205	\$ 268,735	\$ 252,891	\$ 288,259	\$ 212,865	\$ (75,394)	-26.15%
Total Expenses - Operations		\$ 7,729,383	\$ 8,392,423	\$ 7,716,009	\$ 7,404,785	\$ 7,833,001	\$ 8,135,530	\$ 302,529	3.86%

Account Detail - Operations Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs if applicable
5102	Salaries (Part-Time)	Part-time Communications Operators
5103	Overtime	Covers overtime for staffing, training, and other needs as necessary
5104	Acting Pay	Communications Operators acting as Communications Supervisors per MOU with the Teamsters
5105	Bilingual Pay	Per MOU - \$100/month for eligible employees
5108	Sick Leave Payoff	Per MOU - max Teamsters 120 hours/CWA 120 hours @ 85% of base rate
5109	Vacation Leave Payoff	Per MOU - max 90 hours Teamsters @ 85%; CWA @ 90% of base rate
5110	Training Pay	Per MOU - Incentive pay when Communications Operators train new employees
5114	Holiday Payoff	Payoff for unused holiday time at year-end
5115	Education Incentive	Per MOU - Incentive pay when employees obtain certificates and/or degrees
5116	Overtime - Ridealongs with Cities	Overtime for operators and supervisors to go on ride-alongs with member cities.
5201	Medical Insurance	Per MOUs - cafeteria plan limit
5202	Dental Insurance	Per MOUs - cafeteria plan limit
5203	Vision Insurance	Per MOUs - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer rate
5206	State Unemployment	Based on estimated reimbursements to EDD for actual claims
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRA employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5401	Membership Dues	See attached detail
5402	Publications	See attached detail
5403	Conferences, Meetings & Travel	See attached detail
5404	Employee Services/EC-BOD	Employee Assistance Program; miscellaneous employee operations expenses
5405	Employee Awards	Employee recognition
5406	POST Training	Mandated training; some training eligible for reimbursement by State. See attached detail.
5407	Tuition Reimbursement	Per MOU - Reimbursement of college/university class tuition and eligible expenses
5506	Uniforms/Safety Equipment	Uniform purchases for new hires and replacements for existing employees
5509	Reproduction	Training manuals
5603	Telephone - El Segundo	Data and hotline phone circuits
5604	Telephone - Gardena	Data and hotline phone circuits
5606	Telephone - Hawthorne	Data and hotline phone circuits
5607	Telephone - Hermosa Beach	Data and hotline phone circuits
5608	Telephone - Manhattan Beach	Data and hotline phone circuits
5611	Telephone - Punta Place	Data and hotline phone circuits
5612	Telephone - RCC	Data and hotline phone circuits
5613	Sprint Wireless Reimbursable	Data charges that will be reimbursed to the Authority in the 4th qtr Assessment each year.
5614	Verizon Wireless Reimbursable	Data charges that will be reimbursed to the Authority in the 4th qtr Assessment each year.

Account Detail - Operations Department

Membership Dues	
10-60-211-5401	
Association of Police Communications Officials (APCO) - Group Membership	540
National Emergency Number Association (NENA) - Group Membership	700
CWA Association Memberships	1,050
Total	\$ 2,290
Publications	
10-60-211-5402	
Haines Directory Software (telephone criss-cross directory) for Dispatch Center	800
ACTIVE 9-1-1 Yearly Subscription	850
California Penal Code - annual new book - for Dispatch Center	60
Total	\$ 1,710
Conferences, Meetings & Travel	
10-60-211-5403	
Emergency Medical Dispatch (EMD) 24-hour course - Operators - 10/year @ \$399 each	3,990
EMD Recertification - Operators - 25/year @ \$129 each	3,225
Association of Police Communications Officials (APCO) Conference - Manager/Supervisor - August 7-10, 2022 Anaheim, CA	3,500
ca 9-1-1 Training Allotment for CAL-NENA, NENA and Next Gen 9-1-1 Training (Reimbursed by State)	10,000
Civilian Management Seminars PMW Associates - 2 managers/supervisors @ \$561 registration each for 3 days	1,122
Mandatory Supervisor Harrasment Training 10 @ \$42.00 each	420
Employee Mandatory Harrasment Training 50@ \$26 each	1,300
Total	\$ 23,557
POST Training	
10-60-211-5406	
Public Safety Training Consultants (PSTC) Seminars - Operators - 50/year @ \$125 each; 1-3 days each	6,450
Golden West College - 120 hours POST (reimbursed) training - 10 operators @ \$347.50 each (new hires)	5,458
Golden West College - 80 hour POST Supervisor Training - 2 supervisors @350ea	700
Total	\$ 12,608

TECHNICAL SERVICES DIVISION



Technical Services Division

The Technical Services Division is staffed with a Public Safety Communications Specialist II and four (4) Public Safety Communications Specialist I positions. The division provides technical services for vehicles and equipment used by the Member Cities and client cities Police, Fire, and Public Works personnel. The division also provides the same services to outside agencies including the City of Palos Verdes Estates, El Camino College Campus Police Department, and Los Angeles Interagency Metropolitan Police Apprehension Crime Taskforce (LA IMPACT).

Services provided include: installation of radios, emergency lighting, sirens, mobile computer systems, prisoner cages, prisoner restraint systems, prisoner seats, trunk boxes, slide out equipment trays, support wiring, and electrical equipment on patrol vehicles; repairs and maintenance of above equipment; repairs of mobile radios, portable radios, mobile computers, sirens, light bars, and mobile video equipment.

The division is responsible managing contracts for the maintenance and upgrade of the Authority's remote receivers and transmitters at the following sites: The Authority's Tower in Hawthorne; Punta Place in Palos Verdes Estates; South Bay Hospital in Redondo Beach; Grandview in Manhattan Beach; Water Tower in Manhattan Beach; Pacific Corporate Towers in El Segundo; Water Tower in El Segundo; Pier in Hermosa Beach; and Gardena Police Department.

The technologies that the division maintains under contract include: a microwave "ring" (1+1) network; IP voted conventional analog radio communications; networking equipment at all transmit and receive sites (firewalls, switches, routers, site monitoring equipment); Orion Solarwinds Network monitoring 24/7; generator and backup systems.

Technical Services also coordinates the maintenance requirements for the Authority facility and capital improvement projects; is responsible for upkeep of the Authority's FCC licenses and processing applications for new channels; and prepares/plans for future frequency needs of the Authority, Member Agencies and client cities.

Prior Year Accomplishments:

- Completed 399 work orders for installations and repairs of various telecommunications equipment used by Police, Fire and Public Works from members and client agencies in CY2021.

Expenses by Account - Technical Services Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 467,930	\$ 476,889	\$ 472,235	\$ 467,872	\$ 469,753	\$ 484,121	\$ 14,368	3.06%
5103	Overtime	3,706	6,850	6,850	2,573	6,850	3,500	(3,350)	-48.91%
5104	Acting Pay	-	-	-	-	-	-	-	0.00%
5106	Call Back Pay	-	-	-	-	-	-	-	0.00%
5107	Merit Pay	8,845	2,000	2,000	1,614	2,000	750	(1,250)	-62.50%
5108	Sick Leave Payoff	13,036	17,780	17,780	10,456	17,780	13,500	(4,280)	-24.07%
5109	Vacation Leave Payoff	10,086	14,386	14,386	9,212	14,386	12,000	(2,386)	-16.59%
5114	Holiday Payoff	-	-	-	-	-	-	-	0.00%
5115	Education Incentive	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	46,726	52,760	52,760	51,600	62,000	61,400	(600)	-0.97%
5202	Dental Insurance	2,436	2,800	2,800	3,561	2,801	7,404	4,603	164.33%
5203	Vision Care	1,133	1,645	1,645	1,450	1,339	2,045	706	52.73%
5204	Life Insurance	562	660	660	680	660	780	120	18.18%
5205	Medicare	7,395	7,587	7,519	6,207	7,431	7,538	107	1.44%
5206	Unemployment Insurance	-	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	54,786	71,824	49,593	49,593	54,344	57,061	2,717	5.00%
5208	PERS Contribution	53,426	57,780	57,218	56,539	56,847	51,247	(5,600)	-9.85%
5209	Retirees' Medical Insurance	19,613	20,000	20,000	20,835	20,000	22,000	2,000	10.00%
5212	Deferred Comp Matching Benefi	-	-	-	-	-	6,000	6,000	0.00%
5219	PERS Contribution-UAL	32,318	37,479	37,479	37,641	46,449	43,194	(3,255)	-7.01%
Subtotal Salaries & Benefits		\$ 721,996	\$ 770,440	\$ 742,925	\$ 719,830	\$ 762,640	\$ 772,540	\$ 9,900	1.30%
5302	IT Computer Contract Services	145,000	145,000	145,000	145,000	145,000	145,000	-	0.00%
5311	GST Software Reimbursable	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
5403	Conferences, Meeting & Travel	-	2,650	2,650	-	2,650	2,650	-	0.00%
5503	General Technical Supplies	5,883	7,500	7,500	9,527	7,500	7,500	-	0.00%
5506	Uniforms/Safety Equipment	1,047	2,500	2,500	1,204	2,500	2,500	-	0.00%
5507	Postage & Shipping	-	1,200	1,200	-	1,200	1,200	-	0.00%
5508	Shipping Costs	169	-	-	-	-	-	-	0.00%
5514	Parts - Billing	789,466	600,000	600,000	428,581	700,000	700,000	-	0.00%
5516	Install Wire, Loom & Hardware	-	30,000	30,000	-	-	-	-	0.00%
5517	Vehicle Operations	3,415	4,500	4,500	4,139	4,500	4,500	-	0.00%
5520	Equipment Repair	-	5,000	5,000	-	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towers/Equip	324,761	325,000	325,000	309,658	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructure Trans	-	-	-	-	-	-	-	0.00%
5810	Office Equipment	8,260	2,000	2,000	31,546	2,000	2,000	-	0.00%
5820	Other Equipment	138	-	-	-	-	-	-	0.00%
Subtotal Supplies/Serv/Equip		\$ 1,330,831	\$ 1,178,042	\$ 1,178,042	\$ 982,346	\$ 1,248,042	\$ 1,250,677	\$ 2,635	0.21%
Total Expenses - Tech Services		\$ 2,052,827	\$ 1,948,482	\$ 1,920,967	\$ 1,702,177	\$ 2,010,682	\$ 2,023,217	\$ 12,535	0.62%

Account Detail - Technical Services Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs if applicable
5103	Overtime	As needed
5104	Acting Pay	Per MOU
5106	Call Back Pay	If called back to work after hours
5107	Merit Pay	Based on longevity starting @ 7 years of service \$250; \$50 each additional year
5108	Sick Leave Payoff	Max 120 hrs @ 85% of base rate
5109	Vacation Leave Payoff	Max 90 hrs @ 85% of base rate
5201	Medical Insurance	Per MOU - cafeteria plan limit
5202	Dental Insurance	Per MOU - cafeteria plan limit
5203	Vision Insurance	Per MOU - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer contribution rate
5206	State Unemployment	Based on estimated reimbursements to EDD for actual claims
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRA employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5302	Comp Contract Services/CAD	IT support from Hawthorne; CAD consultant
5403	Conferences, Meetings & Travel	See attached detail
5503	General Technical Supplies	Chemical cleaners, switches, cables, jumpers, etc.
5506	Uniforms/Safety Equipment	Uniform purchases for new hires and replacements for existing employees
5510	Equipment Rent	Boom lift/test equipment, as needed
5514	Parts - Billing	Reimbursable expense for parts billed to members/customers - revenue offset
5516	Install Wire, Loom & Hardware	Miscellaneous parts used for installations. Now part of Parts - Billing
5517	Vehicle Operations	Fuel/other maintenance for Authority's van/truck
5520	Equipment Repair	Various factory equipment repairs including MDC hardware
5521	Outside Tech Svcs-Towers/Equipment	CommLine contract for servicing radios, microwave and tower equipment
5810	Office Equipment	Computers, printers, laptops, etc.
5820	Other Equipment	Television, tools, etc.
Conferences, Meetings & Travel		
10-70-311-5403		
	Technical Services Software/Support training	2,500
	COPS West - Palm Springs - October 2017	150
	Total	\$ 2,650
Outside Tech Svcs-Towers/Equipment		
10-70-311-5521		
	Annual hardware support for (17) position Avtec/Servers, (106) Tait Base Stations and (9) Sites, microwave support.	180,000
	Avtec Annual Software support - provides 3 updates per year for 17 positions	70,000
	Support for Microwave maintenance	75,000
	Total	\$ 325,000

APPENDIX



Acronyms

APCO – Association of Police Communications Officials

AQMD – Air Quality Management District

CAD – Computer Aided Dispatch

CAHN – California Association of Hostage Negotiators

RMS – Records Management System

CalPERS – California Public Employees Retirement System

CLETS - California Law Enforcement Telecommunications System

CPI – Consumer Price Index

CSMFO – California Society of Municipal Finance Officers

CWA – Communications Workers of America

DOJ – Department of Justice

DUI – Driving Under the Influence

EDD – Employment Development Department

EMD – Emergency Medical Dispatch

FCC – Federal Communications Commission

FY – Fiscal Year

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

HQ – Headquarters

IFR – Injury Frequency Radio

IP – Internet Protocol

IWCE – International Wireless Communications Expo

LAIF – Local Agency Investment Fund

LASO – Los Angeles Sheriff's Office

MB – Manhattan Beach

MBWT – Manhattan Beach Water Tower

MDC - Mobile Data Computer

MHz – Megahertz

MOU – Memorandum of Understanding

NENA – National Emergency Number Association

OPEB – Other Post-Employment Benefits

OT – Overtime

PERS – Public Employees Retirement System

POST – Police Officer Standards and Training

PSAP – Public Safety Answering Point

PSTC – Public Safety Training Center

TMS – Training Management System

UAAL - Unfunded Actuarial Accrued Liability

UHF – Ultra High Frequency

VOIP - Voice over Internet Protocol

VHF - Very High Frequency

Glossary

ACCRUAL BASIS: Revenues are recognized when both measurable and available; expenditures are recorded when services have been substantially performed or goods have been received and the liabilities incurred.

ADOPTED BUDGET: The official budget as approved by the Board of Directors at the start of each fiscal year.

AMENDED BUDGET: The adopted budget as amended by the Board of Directors or the Executive Committee through the course of a fiscal year.

APPROPRIATIONS: A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and to the time when it may be expended.

AGENCY: A state or local unit of government created to perform a single activity or a limited group of functions and authorized by the state legislature to issue bonded debt.

ASSESSMENTS: Based on the Cost Allocation Policy, the annual predetermined charges to the Member Cities (Gardena, Hawthorne, and Manhattan Beach) and for the Contract Cities (Culver City, El Segundo, and Hermosa Beach).

AUTHORITY: The South Bay Regional Public Communications Authority, a governmental agency that provides a consolidated regional public communications system.

BOND: A security whereby an issuer borrows money from an investor and agrees and promises, by written contract, to pay a fixed principal sum on a specified date (maturity date) and at a specified rate of interest.

BOND PREMIUM: The amount at which a bond or note is bought or sold above its par value or face value without including accrued interest.

BUDGET: A plan of financial operation comprised of estimated expenditures for a given period (usually a single fiscal year) and the proposed means of financing the expenditures (through revenues).

BUDGET MESSAGE: A written discussion of the budget presented by the Executive Director to the Board of Directors and/or the Executive Committee.

CAPITAL ASSETS: Equipment costing \$5,000 or more, including tax, with a useful life longer than one year, and not qualifying as a capital improvement project. Includes automotive equipment, office equipment, office furniture, acquisitions, landscaping improvements, etc.

CAPITAL OUTLAY BUDGET: A budget which focuses on capital projects (e.g., transmission/receiver or radio sites); includes capital assets with a value per item of \$5,000 or more, with a useful life longer than one year.

CONTRACTED SERVICES: Services rendered in support of the Authority's operations and activities by external parties. These may be based upon either formal contracts or ad hoc charges.

DEPARTMENT: A major organizational group of the Authority with overall management responsibility for an operation or a group of related operations within a functional area.

ENCUMBRANCE: The commitment of appropriated funds to purchase goods, which have not yet been received, or services which have yet to be rendered

ENTERPRISE FUND: The fund used to account for any activity for which a fee is charged to external users of goods and services.

EXPENDITURES: Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

EXPENSES: Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FISCAL AGENT: Also known as the Paying Agent, the bank, designated by the issuer, to pay interest and principal to the bondholder.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position, the results of its operations, and adopts a budget for the coming year. The Authority's fiscal year is from July 1 to June 30.

FUND: An independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves, and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

FUND BALANCE: The equity (assets minus liabilities) of governmental fund and fiduciary fund types. However, for budgeting purposes, a working capital definition of current assets minus current liabilities is used for the computation.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standards of and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

INVESTMENT GRADE: Bond issues by the three major bond rating agencies, Moody's, Standard & Poor's, and Fitch, rated BBB, Baa or better. Many fiduciaries, trustees, and some mutual fund managers can only invest in securities with an investment grade rating.

ISSUER: A state or local unit of government that borrows money through the sale of bonds and/or notes.

JOINT POWERS AUTHORITY (JPA): The formation of two or more public entities with common powers to consolidate their forces to acquire or construct a joint-use facility. Their bonding authority and taxing ability are the same as their powers as separate units.

LETTER OF CREDIT: A form of supplement or, in some cases, direct security for a municipal bond under which a commercial bank or private corporation guarantees payment on the bond under certain specified conditions.

OBJECTIVE: A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program.

OBJECT CODE: The classification of expenditures in terms of what is bought and paid for grouped into major object codes by subject.

OPERATING BUDGET: A budget which focuses on everyday operating activities and programs. Usually includes personnel, maintenance and operations, and capital equipment.

PERSONNEL EXPENSES: Compensation paid to or on behalf of Authority employees for salaries and wages, overtime and benefits.

PRELIMINARY BUDGET: The proposed budget as formulated by the Executive Director. It is submitted to the Executive Committee for review and approval before submission to the Board of Directors.

PREMIUM: The amount, if any, by which the price exceeds the principal amount (par value) of a bond. Its current yield will be less than its coupon rate.

RECOMMENDED BUDGET: The budget submitted to the Board of Directors for review and approval after review by the Executive Committee.

REFUNDING BOND: The issuance of a new bond for the purpose of retiring an already outstanding bond issue.

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of Proprietary Fund types. For budgeting purposes, the working capital definition of fund balance is used.

REVENUE: Moneys that the City receives as income such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

REVENUE BOND: A municipal bond whose debt service is payable solely from the revenues received from operating the facilities acquired or constructed with the proceeds of the bonds.

TRUSTEE: A bank designated as the custodian of funds and official representative of bondholders. Appointed to ensure compliance with trust indenture.

USER CHARGES: Payments made by users or customers of publicly-provided services that benefit specific individuals. These services exhibit “public good” characteristics. Examples of user charges are fees paid for recreational activities, building fees, police fees, etc. For the Authority, the user charges are in the form of assessments to the members; billings to customers for equipment installation, repairs, and maintenance.

BUDGET POLICY



RESOLUTION NO. 321

RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ESTABLISHING A BUDGETARY POLICY

WHEREAS, Article IV (E & F) of the Bylaws of the South Bay Regional Public Communications Authority (Authority) authorizes the Board of Directors to establish an annual budget for the Authority and to exercise any other power to implement the annual budget; and

WHEREAS, Article IV (D) of the Bylaws of the Authority has appointed the Executive Committee to be responsible for the day-to-day management and control of the operations of the Authority; and

WHEREAS, the Authority recognizes the need to establish a budgetary policy to assure efficient and effective management of the funds entrusted to the Authority by its Members; and

WHEREAS, the Executive Director of the Authority shall be authorized to commit and expend the budgeted funds to carry out the mission of the Authority; and

WHEREAS, the Executive Committee, on August 21, 2007, established the Authority's budgetary policy by repealing Section 1.0 and 4.0 of Resolution No. 69 and Sections 1 and 2 of Resolution 194 and adopting Resolution No. 256.

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Authority hereby adopts the following budgetary policy:

SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET

- **Fiscal Period:** The year beginning July 1 and ending June 30
- **Budgeted Funds:** Fund 10/SBRPCA Enterprise Fund and Fund 20/Grant Fund
- **Budget Components:** Operating Budget; Capital Improvement Projects
- **Budget Categories:** Salaries & Benefits; Supplies & Services; Capital Outlay
- **Object Codes:** Line accounts such as Salaries; Overtime; Office Supplies; Legal Services; etc.
- **Departments:** Administration, Operations, Technical Services

SECTION 2: POLICY

- The Executive Director shall prepare a preliminary operating and capital outlay budget and present it to the Executive Committee at the Committee's regularly scheduled meeting in February of each year.
- The preliminary budget shall include an estimated amount that each Member City will be charged to support the budget appropriation during the coming fiscal year.
- The preliminary budget will also include a 10% Operational and Capital Reserve for operating and/or capital expense contingencies. The initial starting point for these reserves will be the combined Operating Reserve and Equipment Replacement Fund amounts detailed in the adopted Fiscal Year 2018/2019 budget.
- In circumstances where reserves have been appropriated by the Board of Directors and/or the Executive Committee, the budget will include a plan to replenish the reserves to this prescribed level within three (3) years.
- After the Executive Committee has reviewed and approved the preliminary budget, this recommended budget shall be submitted to the Board of Directors at the Board's regularly scheduled meeting in March of each year.
- The Board of Directors shall adopt the budget in March of each year according to the Authority's Bylaws.

SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL

- The legal level of budgetary control for management purposes is set by the Board of Directors and/or the Executive Committee at the fund level.

SECTION 4: BUDGET AMENDMENTS

- The Executive Director may execute operating budget transfers between object codes within the budget categories and between departments provided that such transfers do not result in an increase to the overall budget.
- Changes to the capital improvement projects budget will require pre-approval by the Board of Directors and/or the Executive Committee.
- Budget amendments that are between budget categories or increase the total amount of the budget will require pre-approval by the Board of Directors and/or the Executive Committee.
- Appropriations from the Reserve will require pre-approval by the Board of Directors and/or the Executive Committee.

- Unencumbered appropriations lapse at year-end. Any carryover appropriations will require approval by the Board of Directors and/or the Executive Committee.

SECTION 5 - FINANCIAL REPORTING

- The Executive Director shall present a quarterly budget performance report to the Executive Committee.
- The Executive Director shall present a mid-year budget report to the Board of Directors at the Board's meeting in January of each year.
- The Executive Director shall present a fiscal year-end audited financial statements to the Executive Committee at the Committee's regularly scheduled meeting in February of each year or sooner.

SECTION 6 – EXCESS FUNDS

- Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- The actual amount to be remitted shall be determined by the Board of Directors and/or the Executive Committee.

BE IT FURTHER RESOLVED, that Sections 1 through 4 of Resolution No. 256 adopted on August 21, 2007 are hereby repealed.

The secretary shall certify to the adoption of this Resolution by the Executive Committee of the South Bay Regional Public Communications Authority.

Passed, approved, and adopted in a meeting held on the 18th day of December, 2018 by the following vote:

Ayes: Medrano, Moe, Shadbehr.

Noes: None.

Absent: None.

Abstain: None.



Edward Medrano, Chair
Executive Committee



Erick B. Lee, Secretary
Executive Committee

FISCAL YEAR 2022-2023

BUDGET RESOLUTION



RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY ADOPTING THE BUDGET FOR FISCAL YEAR
2022-2023**

WHEREAS, the South Bay Regional Public Communications Authority has been established for the purpose of implementing, operating, and maintaining a consolidated regional public safety services communications system for the mutual benefit of its membership;

WHEREAS, funds are required of the Member Agencies to support such operations;

WHEREAS, in a public session, on March 15, 2022, the Board of Directors examined and adopted the budget for Fiscal Year 2022-2023 as outlined below;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of said Authority has adopted a budget in the amount of \$12,841,154 for the period of July 1, 2021 through June 30, 2023 in accordance with the following allocations:

Administration Department	\$2,482,407
Operations Department	8,135,530
Technical Services Division	2,023,217
Capital Outlay	200,000
Total Budget	\$12,841,154

BE IT FURTHER RESOLVED that the Finance & Performance Audit Manager of the Authority is authorized to issue assessments and quarterly billings for Technical Services Workload Support charges to the Member Cities in accordance with the terms, conditions, and formulas contained in Article X of the Authority Bylaws, and as shown on page 25 of the budget.

WE HEREBY CERTIFY that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 15th day of March 2022, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Alex Monteiro, Councilmember
Chairman, Board of Directors

Ross Klun, Executive Director
Secretary, Board of Directors

F-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM NUMBER: F-3

TO: Executive Committee

FROM: M. Ross Klun, Executive Director
Jennifer Petrusis, General Counsel

SUBJECT: Agreement with Mark43 for Computer Aided Dispatch System

ATTACHMENTS: 1. Software License and Services Agreement
2. Statement of Work

RECOMMENDATION

Staff recommends the Executive Committee to authorize the Executive Director to execute the Software License and Services Agreement with Mark43, Inc. and to sign the Statement of Work on behalf of the South Bay Regional Public Communications Authority.

DISCUSSION

Over the past several months, Authority staff has worked with Mark43 to develop an agreement and Statement of Work for the Computer Aided Dispatch (CAD) project. Authority staff and general counsel have met with Mark43's representatives and general counsel several times to negotiate the provisions of the Software License and Services Agreement ("Agreement") and the contents of the Statement of Work, which includes a targeted timeline of April 2023 for cutover/Go Live.

The initial term of the Agreement is three years, and the Agreement automatically renews for 12-month periods of time unless the Authority provides notice that it does not want to renew the Agreement.

A description of the annual recurring fees and the payment schedule is contained in Schedule F of the Agreement. There are no up-front costs and the Authority's obligation to pay Mark43 fees does not occur until one year after the Go Live date, which is defined as the date of cutover to each respective Mark43 application in accordance with the criteria set forth in the Statement of Work. The annual recurring fees are \$238,971. However, the first payment of fees is discounted by 31% to \$163,971 and is due on the first anniversary of the Go Live date. The full amount of the annual recurring fees is due on the second anniversary of the Go Live date and on the first day of each renewal term.

The fees may be increased by Mark43 upon 45 days' notice before the start of a renewal term, but the increase is capped at 5% year over year, not including increases attributable to quantity increases.

FISCAL IMPACT

The total amount of fees due under the Agreement will depend on when the Go Live date occurs. The annual recurring fees are \$238,971, although the first payment of fees is discounted to \$163,971. The first payment is due on the first anniversary of the Go Live date and the second payment of fees is due on the second anniversary of the Go Live date. Annual recurring fees are then due on the first day of each 12-month renewal term.

F-3

Attachment 1

SOFTWARE LICENSE AND SERVICES AGREEMENT

This Software License and Services Agreement (this “**Agreement**”) is effective as of _____, 2022 (the “**Effective Date**”) by and between Mark43, Inc. (“**Mark43**”), with a place of business at 250 Hudson Street, 3rd Floor, New York, NY 10013, and the South Bay Regional Public Communications Authority (“**Subscriber**”), with a place of business at 4440 W. Broadway, Hawthorne, CA 90250.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS.

- 1.1 “**Affiliate**” means, with respect to any entity, any other entity who, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such entity. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise.
- 1.2 “**Affiliated Agency**” means any other government agency to which Subscriber is legally or contractually bound to share information.
- 1.3 “**Applicable Law(s)**” means, with respect to any party, any federal, state or local statute, law, ordinance, rule, administrative interpretation, regulation, order, writ, injunction, directive, judgment, decree or other requirement of any international, federal, state or local court, administrative agency or commission or other governmental or regulatory authority or instrumentality, domestic or foreign, applicable to such party or any of its properties, assets or business operations.
- 1.4 “**Applications**” means the applications purchased by Subscriber as described in Schedule F.
- 1.5 “**Authorized Users**” means employees of Subscriber and any Affiliated Agency who are authorized to access and use the Applications through the applicable security designation(s), pursuant to which full or limited access to the applicable Applications may be granted.
- 1.6 “**Business Day**” means a calendar day of twenty-four hours, excluding weekends and public state (California) or federal holidays, beginning at midnight and ending at midnight twenty-four hours later.
- 1.7 “**Day**” means a calendar day of twenty-four hours, including weekdays and holidays, beginning at midnight and ending at midnight twenty-four hours later.
- 1.8 “**Deliverable**” means the Products, Equipment, Services, Documentation, and tangible work products to be provided to the Subscriber by Mark43 as described in the Agreement.
- 1.9 “**Documentation**” means the knowledge base for the SaaS Services to which Subscriber will be granted access by Mark43.
- 1.10 “**Go Live**” means the date of cutover to each respective Mark43 Application in accordance with the criteria set forth in the Statement of Work.
- 1.11 “**Integrated Application**” means a third-party product, database or application requested by Subscriber and approved by Mark43 that will be installed, linked or enabled by Subscriber for use in connection with the SaaS Services (e.g. NCIC).
- 1.12 “**Integrated Application Data**” means all data, information, content and other materials stored on an Integrated Application.
- 1.13 “**Integrated Application Provider**” means any third party, including other vendors, state agencies and local agencies, that control products and/or databases with which Mark43 SaaS Services are to be interfaced.
- 1.14 “**Intellectual Property Rights**” means all intellectual and industrial property rights, whether now existing or existing in the future, including without limitation, (i) all patent rights, including any rights in pending patent applications and any related rights; (ii) all copyrights and other related rights throughout the world in works of authorship, including all registrations and applications therefor; (iii) all trademarks, service marks, trade dress or other proprietary trade designations, including all registrations and applications therefor (iv) all rights throughout the world to proprietary know-how, trade secrets and other confidential information, whether arising by law or pursuant to any contractual obligation of non-disclosure; and (v) all other rights covering industrial or intellectual property recognized in any jurisdiction.

- 1.15 “**Professional Services**” means any implementation, training, project management, consulting and other services (outside the scope of the Support Services) that are described in the Statement of Work.
- 1.16 “**SaaS Services**” means the Applications, Software, and related software-as-a-service, hosting, maintenance and/or Support Services made available by Mark43 for remote access and use by Subscriber, including any Documentation thereto.
- 1.17 “**Services**” means the services provided or required to be provided by or through Mark43, including without limitation, SaaS Services and Professional Services.
- 1.18 “**Software**” means the object code version of Mark43’s computer software and all Updates made available by Mark43 to Subscriber under this Agreement.
- 1.19 “**Statement of Work**” means a detailed plan of work agreed upon by the Parties in conjunction with this Agreement and incorporated into the Agreement by reference.
- 1.20 “**Subscriber Data**” means all data, information, content and other materials stored or transmitted by Subscriber and any Authorized User through the SaaS Services (i) in their user accounts; and (ii) on any Integrated Application, excluding any Third-Party Data and any Mark43 data.
- 1.21 “**Term**” means the Initial Term and any Renewal Terms.
- 1.22 “**Third-Party Component**” means a third-party application incorporated in, integrated with or accessed through the SaaS Services (e.g. a mapping provider).
- 1.23 “**Third-Party Data**” means any data, information, content and other materials made available by any third party, including without limitation through a Third-Party Component.
- 1.24 “**Updates**” means any and all new releases, new versions, patches and other updates for the SaaS Services that Mark43 makes generally available without additional charge to its other subscribers of the SaaS Services.
- 1.25 “**Website**” means any Internet website through which Mark43 provides the SaaS Services under this Agreement.
- 1.26 “**Work Product**” means all materials, software, tools, inventions, works of authorship and other innovations of any kind that Mark43, or personnel working for or through Mark43, may make, conceive, develop or reduce to practice, alone or jointly with others, in the course of performing Professional Services or as a result of such Professional Services, whether or not eligible for patent, copyright, trademark, trade secret or other legal protection.

2. PROVISION OF THE SERVICES AND SOFTWARE.

- 2.1 **SaaS Services.** Subject to the terms of this Agreement, and during the Term, Mark43 hereby grants a non-exclusive, non-transferable, non-sublicensable license to Subscriber and its Authorized Users to access and use the SaaS Services through the Website for Subscriber’s internal purposes and in accordance with the terms and conditions of this Agreement. Mark43 will be responsible for hosting the Website, and Subscriber and its Authorized Users will be responsible for obtaining internet connections and other third-party software, hardware and services necessary for it to access the Website through the Internet, including without limitation as set forth in Schedule C. Subscriber will be responsible to Mark43 for compliance with the restrictions on use and other terms and conditions of this Agreement by any of its Authorized Users.
- 2.2 **Professional Services.** Mark43 will provide Professional Services in connection with the SaaS Services as further described on Schedule F and in the Statement of Work. To the extent any Professional Services involve the development of any customization or configuration to the SaaS Services, all Intellectual Property Rights to such customization or configuration will be solely owned by Mark43 and will be deemed to be included in the definition of SaaS Services and licensed to Subscriber on the terms set forth herein.
- 2.3 **Access to Documentation.** Mark43 will provide Subscriber via the Website or other means with access to the Documentation, as may be updated from time to time. Subscriber may print copies of, use, and permit its Authorized Users to use, the Documentation solely in connection with the use of the SaaS Services.
- 2.4 **Support Services.** Subject to the terms and conditions of this Agreement, Mark43 will provide to Subscriber the support services detailed on Schedule B (the “**Support Services**”).

- 2.5 Restrictions on Use.** Subscriber and its Authorized Users will not (and will not permit any third party to): (i) share Subscriber's or any Authorized User's login credentials; (ii) reverse engineer, decompile, disassemble, or otherwise attempt to discern the source code, underlying ideas, algorithms, file formats, or interface protocols of the SaaS Services or of any files contained in or generated by the SaaS Services; (iii) copy, modify, adapt or translate the SaaS Services or the Third-Party Data, or otherwise make any use, resell, distribute or sublicense the SaaS Services or the Third-Party Data other than in connection with this Agreement; (iv) make the SaaS Services available on a "service bureau" basis or allow any third parties to use the SaaS Services; (v) disclose the SaaS Services or any of its components to third parties; (vi) remove or modify any proprietary marking or restrictive legends placed on the SaaS Services or the Third-Party Data; (vii) use the SaaS Services or the Third-Party Data in violation of any Applicable Law; (viii) use the SaaS Services or any of the Documentation to create or augment any mapping-related dataset including a mapping or navigation dataset, business listings database, mailing list, or telemarketing list) for use in an implementation that is not connected to Subscriber's use of the SaaS Services; (ix) introduce into the Services any viruses, worms, defects, Trojan horses, malware, or any items of a destructive nature; (x) use the Services to post advertising or listings; (xi) use the Services to defame, abuse, harass, stalk, or threaten others; (xii) permit access or use of the Services by any individual outside the United States; (xiii) hide or obscure any Authorized User's location; (xiv) permit access or use of the Services, for any activities other than to enhance Subscriber's own services, where reliance solely on, or failure to use, the Services could lead to death, personal injury, or property damages. Subscriber and its Authorized Users will not access the SaaS Services if in direct competition with Mark43, and will not allow access to the SaaS Services by any party who is in direct competition with Mark43, except with Mark43's prior written consent. Subscriber shall comply with additional restrictions on use of the Services in accordance with the Third-Party Component Terms.
- 2.6 Security Obligations.** Subscriber agrees it and its Authorized Users shall securely manage their respective password(s) for access to the SaaS Services. Subscriber agrees it shall notify Mark43 promptly in the event it becomes aware of any unauthorized access or use of the SaaS Services, or of any of its or its Authorized Users passwords or accounts. Unless expressly stated otherwise in this Agreement, a single username or password may not be used by more than one (1) Authorized User. In addition, Authorized Users may log into the SaaS Services from only one location at any given time; concurrent usage (or sign in) under a single username is prohibited, unless Subscriber has a business justification for concurrent usage, in which case Subscriber is responsible for providing approval for such usage to the applicable Authorized Users. Subscriber is responsible for all activities conducted within user accounts in use of the SaaS Services. Subscriber shall comply with all applicable local, state, federal and regional or other laws and regulations applicable in connection with use of the SaaS Services, including all those related to data privacy and the transmission of technical or personal data. Subscriber agrees to (a) provide true, accurate, current and complete registration data for each account it creates via the SaaS Services, and (b) maintain and promptly update the registration data to keep it true, accurate, current and complete.
- 2.7 Changes to Services.** Mark43 may make changes and Updates to its Services, provided that it does not materially derogate the overall quality of the Services. Mark43 does not guarantee that the Services are or will remain compatible with any particular third-party software or equipment, and may, upon written notice, terminate its support for, any software or equipment of Subscriber that Mark43 determines are incompatible with the operation of the Services.
- 2.8 Data Sharing.** Mark43 will allow Subscriber to grant other agencies specified levels of access to Subscriber Data pursuant to an executed data-sharing agreement between agencies, and with permissions subject to the parameters laid out in the relevant data-sharing agreement. Subscriber shall provide Mark43 with a copy of the executed data-sharing agreement prior to allowing any such data-sharing. As between Mark43 and Subscriber, Subscriber will be solely responsible for any liabilities that arise as a result of such data-sharing.

3. PROPRIETARY RIGHTS; SUBSCRIBER DATA.

- 3.1 Ownership of Subscriber Data.** As between Mark43 and Subscriber, Subscriber owns and shall retain all right, title, and interest, including, without limitation, all Intellectual Property Rights, in and to the Subscriber Data. Subscriber shall have the sole responsibility for the accuracy, quality, and legality of the Subscriber Data, including obtaining all rights and consents necessary to share the Subscriber Data with Mark43 as set forth in this Agreement. Notwithstanding the limitations herein, Subscriber hereby grants to Mark43 license to use the Subscriber Data to: (i) provide the SaaS Services to Subscriber; (ii) analyze the Subscriber Data in anonymized, aggregate form in order to

operate, maintain, manage, and improve the SaaS Services; (iii) create new products and services; and (iv) for Mark43's internal purposes to improve the Applications, Software, and related services.

- 3.2 Ownership and Reservation of Rights to Mark43 Intellectual Property.** As between Mark43 and Subscriber, Mark43, its Affiliates and/or its licensors own all right, title and interest in and to the Services, Software, Work Product and all related technology and Intellectual Property Rights. Subject to the limited rights expressly granted hereunder, and except with respect to Third-Party Components, Mark43 reserves all rights, title and interest in and to the Services, Software, and Work Product, including all related technology and Intellectual Property Rights. No rights are granted to Subscriber hereunder other than as expressly set forth in this Agreement or as required by Applicable Law.
- 3.3 Subscriber Feedback.** Subscriber and its Authorized Users may elect to provide Mark43 with suggestions, enhancement requests, recommendations and other feedback concerning the SaaS Services, Software, Support Services or Professional Services (the "**Subscriber Feedback**"). Subscriber hereby assigns and agrees to assign all Subscriber Feedback to Mark43 without lien or encumbrance and agrees that Subscriber Feedback will be the sole property of Mark43 and that Mark43 may use Subscriber Feedback in its discretion without obligation to Subscriber. Mark43 has no obligation to make Subscriber Feedback an improvement. For the avoidance of doubt, Subscriber Feedback does not constitute Confidential Information of Subscriber hereunder.
- 3.4 Data Security.** Terms applicable to the privacy and security of Subscriber Data are set forth in the Data Processing Addendum attached as Schedule E hereto (the "**Data Processing Addendum**").

4. THIRD-PARTY COMPONENTS AND INTEGRATED APPLICATIONS.

- 4.1 Third-Party Components.** Third-Party Components may be made available to Subscriber through the SaaS Services. In connection with the functionality provided by and/or through Third-Party Components, Subscriber hereby accepts and agrees to be bound by the terms and conditions set forth in Schedule D, which may be updated from time to time upon notice (email acceptable) to Subscriber (the "**Third-Party Component Terms**"). In the event of any inconsistency or conflict between the Third-Party Component Terms and the terms of this Agreement, the Third-Party Component Terms shall govern with respect to Subscriber's access to and use of the applicable Third-Party Component.
- 4.2 Integrated Applications.** To the extent Subscriber installs, links to or enables any Integrated Application for use with the SaaS Services, Subscriber grants and agrees to grant (and will cause the applicable Integrated Application Provider to grant) to Mark43 permission to access, retrieve, view, store, copy, modify and process Integrated Application Data from Subscriber's existing account(s) on each such Integrated Application as required for the interoperability of such Integrated Application with the SaaS Services. In no event will Mark43 be responsible for any Integrated Application or Integrated Application Data, or for any failure of an Integrated Application to properly interoperate with the SaaS Services. If Mark43 receives information that an Integrated Application may violate any applicable laws or third-party rights, Subscriber will, promptly upon receiving notice of the foregoing from Mark43, disable any connection between such Integrated Application and the SaaS Services to resolve the potential violation (and if Subscriber fails to promptly disable such connection, Mark43 shall have the right to do so). Mark43 may also at any time, in its sole reasonable discretion, including upon the request of an Integrated Application Provider or due to an actual or potential security threat, disable any connection between an Integrated Application and the Applications, and any access, retrieval and viewing of Integrated Application Data via the Applications. For the avoidance of doubt, Subscriber's access to and use of Integrated Applications and Integrated Application Data shall be subject to the terms and conditions of Subscriber's agreement(s) with the applicable Integrated Application Provider.

5. FEES AND PAYMENT TERMS.

- 5.1 Fees for the Services.** Subscriber will pay Mark43 fees as stated in Schedule F (the "**Fees**") attached hereto in accordance with the payment schedule set forth in Schedule F. The Subscriber shall make every effort to process submitted invoices within thirty (30) days after receipt of a correct invoice unless a reasonable, good faith dispute exists to any obligation to pay all or a portion of the account, provided that all invoiced amounts shall be due within forty-five (45) days after receipt of a correct invoice. All payments of Fees are non-refundable. All amounts stated in this Agreement or on any invoice are in U.S. dollars, and all payments will be made in U.S. dollars.
- 5.2 Taxes.** Subscriber will pay all taxes, including sales, use, excise, and other governmental fees, duties, and charges (and any penalties, interest, and other additions thereto) that are imposed on

Subscriber or Mark43 with respect to the transactions and payments under this Agreement (excluding taxes based on Mark43's income or employment) ("**Indirect Taxes**"). All Fees are exclusive of Indirect Taxes. If any such taxes are required to be withheld on any payment, Subscriber will pay such additional amounts as are necessary so that the net amount received by Mark43 is equal to the amount then due and payable under this Agreement.

6. TERM AND TERMINATION.

6.1 Term.

- (a) Initial Term. The initial term of this Agreement begins on the Effective Date and will continue for the period set forth on Schedule F, unless and until terminated in accordance with Section 6.2 (the "**Initial Term**").
- (b) Renewal Terms. Upon expiration of the Initial Term or any Renewal Term, this Agreement will automatically renew for successive twelve (12) month periods (each, a "**Renewal Term**") at the rates set forth on Schedule F, unless Subscriber provides Mark43 with written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term. Mark43 will notify Subscriber of any changes to the Fees or product offerings for a Renewal Term at least forty-five (45) days prior to the start of the Renewal Term.

6.2 Temporary Suspension and Termination.

- (a) Mutual Agreement. This Agreement may be terminated at any time by mutual consent in a writing signed by Mark43 and the Subscriber.
- (b) Termination for Breach by Either Party. Either party may terminate this Agreement upon written notice to the other party, if the other party breaches a material term of this Agreement and such breach remains uncured for thirty (30) days after the other party's receipt of such notice.
- (c) Immediate Termination.
 - (i) The Subscriber may terminate this Agreement if Mark43: (a) becomes insolvent, or makes a general assignment for the benefit of creditors; (b) suffers or permits the appointment of a receiver for its business or assets; (c) becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, and such proceeding has not been dismissed within a sixty (60) day period; or (d) has wound up or liquidated, voluntarily or otherwise.
 - (ii) Mark43 may terminate this Agreement if Subscriber: (a) becomes insolvent, or makes a general assignment for the benefit of creditors; (b) suffers or permits the appointment of a receiver for its business or assets; (c) becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, and such proceeding has not been dismissed within a sixty (60) day period; or (d) has wound up or liquidated, voluntarily or otherwise.
- (d) Suspension of Services. To the extent permitted by Applicable Law, in addition to any other rights or remedies it may have under this Agreement or by Applicable Law, Mark43 may immediately suspend provision of the Services without liability to Subscriber: (a) if Subscriber's account is thirty (30) days past due until paid in full, provided Mark43 has given written notice to Subscriber (email acceptable) upon the account becoming past due; (b) if Subscriber breaches Section 2.5 (Restrictions on Use) or Section 2.6 (Security Obligations); (c) to avoid harm or liability to Mark43, its Affiliates or its other customers, including in the case of denial of service attacks or other disruptions; or (d) if required by Applicable Law or requested by a governmental authority. Subscriber shall remain liable for any fees and other amounts payable under this Agreement during any period of suspension. Mark43 will use commercially reasonable efforts to restore Subscriber's rights to use and access those portions of the Services or accounts that gave rise to the suspension promptly after Subscriber has resolved the problem giving rise to the suspension.
- (e) Termination for Non-Appropriation. Subscriber's payment obligation under this Agreement extends only to funds appropriated annually by Subscriber or Subscriber's governing body for the purpose of this Agreement. For each succeeding fiscal period covered by this Agreement, Subscriber or other applicable agency or department responsible for this Agreement agrees to include in its budget request appropriations sufficient to cover the annual financial obligations under this Agreement. If Subscriber is appropriated insufficient funds to continue annual payments under this Agreement, Subscriber may terminate this Agreement by giving Mark43 not less than 30 days' prior written notice. Upon termination under this paragraph, Mark43 shall be

entitled to compensation for all Services rendered prior to the effective termination date, plus any prepaid Fees, as well as reimbursement for reasonable costs actually incurred in closing out this Agreement.

- (f) Termination for Convenience. Subscriber may terminate this Agreement at any time without cause upon one hundred eighty (180) days' prior written notice to Mark43.

6.3 Effect of Termination. In the event of any termination or expiration of this Agreement,

- (a) Subscriber will pay Mark43 all amounts payable hereunder as of the effective date of termination or expiration;
- (b) All rights and licenses granted hereunder to Subscriber (as well as all rights granted to any Authorized Users of Subscriber) will immediately cease, including but not limited to all use of the SaaS Services; and
- (c) Mark43 will provide records to Subscriber in accordance with its transition assistance services ("**Transition Assistance**") as set forth in Schedule B.
- (d) Subscriber will, upon written request of Mark43, either return to Mark43 or provide Mark43 with written certification of the destruction of, all documents, computer files and other materials containing any Confidential Information of Mark43 that are in Subscriber's possession or control.

6.4 Survival. The following provisions will survive any termination or expiration of this Agreement: Section 3.1 ("Ownership of Subscriber Data"), Section 4 ("Third-Party Components and Applications"), Section 6.3 ("Effect of Termination"), Section 7 ("Confidentiality"), Section 8.2 ("Disclaimer"), Section 9 ("Limitation of Liability"), Section 10 ("Indemnification"), Section 11 ("Miscellaneous"), Schedule B ("Transition Assistance") and this Section 6.4 ("Survival").

7. CONFIDENTIALITY.

- 7.1 Definition of Confidential Information.** For the purposes of this Agreement, "**Confidential Information**" means: (a) with respect to Mark43, the SaaS Services, and any and all source code relating thereto, as well as Documentation and non-public information or material regarding Mark43's legal or business affairs, financing, customers, properties or data, and (b) with respect to Subscriber, any non-public information or material regarding Subscriber's legal or business affairs, financing, customers, properties or data. Notwithstanding any of the foregoing, Confidential Information does not include information which: (i) is or becomes public knowledge without any action by, or involvement of, the party to which the Confidential Information is disclosed (the "**Receiving Party**"); (ii) is documented as being known to the Receiving Party prior to its disclosure by the other party (the "**Disclosing Party**"); (iii) is independently developed by the Receiving Party without reference or access to the Confidential Information of the Disclosing Party and is so documented; or (iv) is obtained by the Receiving Party without restrictions on use or disclosure from a third person who did not receive it, directly or indirectly, from the disclosing party.

- 7.2 Use and Disclosure of Confidential Information.** The Receiving Party will, with respect to any Confidential Information disclosed by the Disclosing Party before or after the Effective Date: (i) use such Confidential Information only in connection with the Receiving Party's performance of this Agreement; (ii) subject to Section 7.4 below, restrict disclosure of such Confidential Information within the Receiving Party's organization to only those of the Receiving Party's employees and independent contractors who have a need to know such Confidential Information in connection with the Receiving Party's performance of this Agreement and (iii) except as provided herein, not disclose such Confidential Information to any third party unless authorized in writing by the Disclosing Party to do so.

- 7.3 Protection of Confidential Information.** The Receiving Party will protect the confidentiality of any Confidential Information disclosed by the Disclosing Party using at least the degree of care that it uses to protect its own confidential information (but no less than a reasonable degree of care). Each Party shall notify the other Party as soon as reasonably practicable in the event that Confidential Information of the Party is believed to have been compromised.

- 7.4 Employee and Independent Contractor Compliance.** The Receiving Party will, prior to providing any employee or independent contractor access to any Confidential Information of the Disclosing Party, inform such employee or independent contractor of the confidential nature of such Confidential Information and require such employee or independent contractor to comply with the Receiving Party's obligations hereunder with respect to such Confidential Information.

7.5 Compelled Disclosure. A disclosure by one party of Confidential Information of the other party to the extent required by Applicable Law will not be considered a breach of this Agreement, provided the party so compelled promptly provides the other party with prior notice of such compelled disclosure (to the extent legally permitted) and provides reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure.

7.6 Public Records.

- (a) For purposes of this Section 7 (Confidentiality), the term "**Public Records Request**" shall mean any request for the disclosure of records pursuant to a state public records law or "sunshine" law, federal Freedom of Information Act or other comparable law.
- (b) To the extent Subscriber is subject to a Public Records Request that seeks the disclosure of any information or materials provided by Mark43 to Subscriber prior to or during the Term (including without limitation this Agreement), Subscriber shall, prior to any disclosure, promptly notify Mark43 of such Public Records Request (to the extent legally permitted to do so) and provide reasonable assistance, at Mark43's cost, if Mark43 wishes to contest the disclosure. Subscriber shall also identify for Mark43 the information or materials it intends to disclose, and provide Mark43 at least seven (7) days to review prior to disclosure, or if such time is not available or permitted under Applicable Law, at least as much time as would be reasonable to allow Mark43 to meaningfully review and seek appropriate relief. For the avoidance of doubt, and without limiting the foregoing, Subscriber hereby acknowledges that Mark43 shall have no implicit or explicit obligation to challenge, oppose or defend against any request described herein. If Mark43 desires to seek relief in court with respect to a Public Records Request, it may do so at its own cost. Subscriber has no obligation to seek such relief on Mark43's behalf.
- (c) Mark43 may charge Subscriber at a rate of \$100 per hour for all reasonable time spent by Mark43 personnel assisting Subscriber in responding to a Public Records Request seeking the disclosure of any Subscriber Data or other information collected or maintained by Mark43 in connection with the SaaS Services.

7.7 CJIS Standards; Employee Background Checks.

- (a) Subscriber understands and agrees that Mark43 utilizes third-party vendors (each, a "**Hosting Provider**") to host the SaaS Services. As of the Effective Date of this Agreement, Mark43 utilizes Amazon Web Services (AWS) as its Hosting Provider for the SaaS Services.
- (b) Subscriber may request reasonable records from Mark43 from time to time to assess Mark43's adherence to requirements of the applicable CJIS Security Policy promulgated by the FBI. For the avoidance of doubt, Subscriber may need the consent of Hosting Provider to obtain any records or information from Hosting Provider.
- (c) Subscriber will have the opportunity to run background checks on Mark43 employees that will have direct access to Subscriber Data in the production environment (such employees, the "**Covered Employees**"), provided that Mark43 may assume that a Covered Employee has been cleared by Subscriber if Mark43 does not receive an adverse response from Subscriber within thirty (30) days of a submission of a background check request.

8. REPRESENTATIONS AND WARRANTIES.

8.1 Power and Authority. Each party represents and warrants that it has the full right, power and authority to enter into this Agreement and to discharge its obligations hereunder and that, at the time of the signing of this Agreement, the person signing this Agreement on behalf of the party has the authority to bind that party. Subscriber represents and warrants that it has obtained, and shall have, all necessary approvals, consents, and authorizations necessary for procurement under this Agreement and that its obligations under this Agreement do not, and shall not, exceed any budget authority limitations, during the Term of this Agreement.

8.2 Disclaimer. USE OF THE APPLICATIONS IS NOT, AND IS NOT INTENDED TO BE, A SUBSTITUTE FOR THE PROFESSIONAL JUDGMENT OF AUTHORIZED PARTIES, INCLUDING DISPATCHERS, LAW ENFORCEMENT OFFICERS, INVESTIGATORS OR FIRST RESPONDERS. THE APPLICATIONS ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND THE DATA PROVIDED BY MARK43 THEREIN (INCLUDING ANY THIRD-PARTY DATA) SHOULD NOT REPLACE OTHER EMERGENCY INFORMATION AND SHOULD NOT BE EXCLUSIVELY RELIED-UPON IN AN EMERGENCY SCENARIO. SUBSCRIBER SHALL BE RESPONSIBLE FOR ALL ITS OWN ACTIONS OR FAILURE TO ACT IN CONNECTION WITH THE APPLICATIONS, INCLUDING

WITH RESPECT TO COMPLIANCE WITH APPLICABLE LAWS, AND MARK43 ASSUMES NO RESPONSIBILITY OR RISK FOR SUBSCRIBER'S USE OR MISUSE OF, OR FAILURE TO USE, THE INFORMATION PROVIDED THROUGH THE APPLICATIONS. CUSTOMER ACKNOWLEDGES THAT THE APPLICATIONS DO NOT PROVIDE LEGAL ADVICE.

Mark43 cannot guarantee that every error in the SaaS Services Software, or problem raised by the Subscriber will be resolved. THE SERVICES, THE THIRD-PARTY COMPONENTS AND THE THIRD-PARTY DATA ARE PROVIDED "AS IS." EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 8 NEITHER PARTY MAKES ANY WARRANTY IN CONNECTION WITH THE SERVICES, THE THIRD-PARTY COMPONENTS, THE THIRD-PARTY DATA OR THIS AGREEMENT AND HEREBY DISCLAIMS ANY AND ALL IMPLIED OR STATUTORY WARRANTIES, INCLUDING ALL IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, NONINFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, ERROR-FREE OR UNINTERRUPTED OPERATION AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE. To the extent that a party may not as a matter of Applicable Law disclaim any implied warranty, the scope and duration of such warranty will be the minimum permitted under such law.

- 8.3 Responsibility for Correction.** Mark43 shall be fully responsible for making any correction or modification necessary to bring the Applications and any Mark43-provided interfaces to the Integrated Applications in compliance with the Statement of Work and the Documentation.

9. LIMITATION OF LIABILITY.

- 9.1 Limitation of Liability.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT WILL EITHER PARTY (OR MARK43'S THIRD-PARTY LICENSORS') TOTAL AND AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED AN AMOUNT EQUAL TO \$239,000. THE FOREGOING LIMITATION IS CUMULATIVE, WITH ALL PAYMENTS FOR CLAIMS OR DAMAGES BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT, AND THE EXISTENCE OF ONE OR MORE CLAIMS WILL NOT ENLARGE THAT LIMIT.
- 9.2 Exclusion of Damages.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL, OR PERSONAL INJURY DAMAGES, HOWEVER CAUSED, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO THE USE OR INABILITY TO USE THE SERVICES, SOFTWARE OR PROFESSIONAL SERVICES, ANY INTERRUPTION, INACCURACY, ERROR OR OMISSION, EVEN IF THE PARTY FROM WHICH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS OR SUBCONTRACTORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.
- 9.3 Exceptions.** NOTWITHSTANDING THE FOREGOING, THE EXCLUSIONS AND LIMITATIONS OF LIABILITY SET FORTH IN SECTION 9.1 AND SECTION 9.2 SHALL NOT APPLY TO DAMAGES ARISING FROM MARK43'S INDEMNITY OBLIGATIONS UNDER SECTION 10.1(I) OF THIS AGREEMENT, SUBSCRIBER'S INDEMNITY OBLIGATIONS UNDER SECTION 10.2 OF THIS AGREEMENT, OR EITHER PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. NOTWITHSTANDING THE LIABILITY CAP SET FORTH IN SECTION 9.1, MARK43'S MAXIMUM LIABILITY ARISING OUT OF OR RELATED TO ITS INDEMNITY OBLIGATIONS UNDER SECTION 10.1(IV) WILL NOT EXCEED THE AMOUNT RECOVERED BY MARK43 FROM ITS INSURANCE PROVIDERS PROPORTIONATELY ATTRIBUTABLE TO SUBSCRIBER. FURTHER, THE LIMITATIONS OF LIABILITY SET FORTH IN SECTION 9.1 SHALL NOT APPLY TO DAMAGES ARISING FROM SUBSCRIBER'S BREACH OF SECTIONS 2.1, 2.3, 2.5 OR 2.6 OF THIS AGREEMENT OR ANY INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS BY SUBSCRIBER, AND SHALL NOT IN ANY WAY LIMIT SUBSCRIBER'S OBLIGATIONS TO MAKE PAYMENT UNDER THIS AGREEMENT. THE EXISTENCE OF MORE THAN ONE CLAIM OR EVENT FROM WHICH LIABILITY ARISES WILL NOT ENLARGE THE LIMITATIONS SET FORTH IN THIS SECTION 9.

10. INDEMNIFICATION.

- 10.1 Indemnification by Mark43.** Mark43 will defend, indemnify and hold harmless Subscriber and its officers, agents, and employees and the officers, agents, employees of each of the cities that are members of Subscriber at the time this Agreement is in effect from any and all claims, liabilities, costs and expenses (including, without limitation, reasonable attorney's fees) in connection with any third party claim (I) that the use of the SaaS Services in accordance with this Agreement infringes or

misappropriates intellectual property or proprietary rights of third party, (II) for bodily injury (including death) or damage to tangible personal or real property of Subscriber to the extent resulting from the willful or negligent acts of any Mark43 personnel in the performance of Professional Services on Subscriber's premises, (III) related to any payment required to be paid by Mark43 to Subcontractors, if any, of Mark43 hereunder, and (IV) arising out of or in connection with any destruction, or unauthorized access to, use, or theft of Subscriber Data resulting from a breach by Mark43 of the Data Processing Addendum; provided, however, that the foregoing obligations shall be subject to the Subscriber (a) promptly notifying Mark43 of the claim, (b) providing Mark43 with reasonable cooperation in the defense of the claim when the Subscriber becomes aware and (c) providing Mark43 with sole control over the defense and negotiations for a settlement or compromise; provided, however, that Mark43 shall not enter into any such settlement without Subscriber's prior written consent, which consent will not be unreasonably withheld. Subscriber may be represented by and actively participate through its own counsel and at its own expense in any such suit or proceedings if it so desires. If, as a result of any claim of infringement, the Subscriber is enjoined from using the Deliverables provided under this Agreement, or if Mark43 reasonably believes that the Deliverables are likely to become the subject of a claim of infringement, Mark43 may, at Mark43's option and expense, (1) procure the right for the Subscriber to continue to use the Deliverables, or (2) replace or modify the Deliverables so as to make them non-infringing. In the event that neither of the foregoing options are commercially practicable, then Mark43 may terminate the Agreement and will refund to the Subscriber amounts pre-paid but not earned as of the termination date. Notwithstanding the foregoing, Mark43 shall have no obligation with respect to a third party claim to the extent the third party claim arises from: (w) claims arising from the use of Integrated Applications, Third-Party Components or Third-Party Data; (x) use of the SaaS Services in combination with modules, apparatus, hardware, software, or services not authorized by Mark43 or contemplated for use with the SaaS Services; (y) use of the SaaS Services in a manner that is not in accordance with this Agreement or the Documentation; or (z) the alteration or modification of the SaaS Services by a party other than Mark43, unless such alterations and modifications were authorized by Mark43 or contemplated for use with the SaaS Services.

10.2 Indemnification by Subscriber. The Subscriber shall defend, indemnify and hold harmless Mark43 and its Affiliates, and each of their officers, directors, managers, shareholders, members and employees from any and all claims, liabilities, costs and expenses (including, without limitation, reasonable attorney's fees and expert and consulting fees) in connection with (I) any third party claim arising from or relating to (i) any allegation that any data, information or materials provided by Subscriber hereunder, including, without limitation, the Subscriber Data, when used in connection with the SaaS Services: (a) infringes or misappropriates any Intellectual Property Rights of a third party, or (b) violates any Applicable Laws; (ii) the actual or alleged violation of Applicable Law by Subscriber, any Authorized User, or any Affiliate, employee, independent Mark43 or agent of Subscriber; or (iii) Subscriber's breach of this Agreement; provided, however, that the foregoing obligations shall be subject to Mark43 (x) promptly notifying Subscriber of the claim, (y) providing Subscriber with reasonable cooperation in the defense of the claim and (z) providing Subscriber with sole control over the defense and negotiations for a settlement or compromise; provided, however, that Subscriber shall not enter into any such settlement without Mark43's prior written consent, which consent will not be unreasonably withheld; (II) disabling a connection to an Integrated Application at Subscriber's request; and (III) without altering the parties' obligations contained herein with respect to the use or disclosure of Confidential Information (including Section 7), complying with a valid judicial or governmental order or opposing or defending against any request for a judicial or governmental order to compel disclosure of Subscriber Data. For the avoidance of doubt, and without limiting the foregoing, Subscriber hereby acknowledges that Mark43 shall have no implicit or explicit obligation to challenge, oppose or defend against any request described in Clause (III) of this subsection unless and until Subscriber reaffirms that it will honor its indemnification obligations as provided herein.

11. MISCELLANEOUS.

11.1 Notices. Unless otherwise specified herein, all notices and other communications between the parties required or permitted by this Agreement or by Applicable Law, will be deemed properly given, if given by (i) personal service, (ii) registered or certified mail, postage prepaid, return receipt requested, or (iii) nationally recognized private courier service, to the respective addresses of the parties set forth below or such other addresses as the respective parties may designate by like notice from time to time. Notices so given will be effective upon (a) receipt by the party to which notice is given; or (b) on the fifth (5th) business day following mailing, whichever occurs first:

If to Mark43:

Mark43, Inc.
250 Hudson Street
3rd Floor
New York, NY 10013
Attn: David Jochim
Email: dave@mark43.com

Copy to:

Mark43, Inc.
250 Hudson Street
3rd Floor
New York, NY 10013
Attn: General Counsel
Email: contractnotices@mark43.com

If to Subscriber:

South Bay Regional Public
Communications Authority
4440 W Broadway
Hawthorne, CA 90250
Attn: Ross Klun
Email: rklun@rcc911.org

Copy to:

Richards Watson Gershon
350 S Grand Avenue, 37th Floor
Los Angeles, CA 90071
Attn: Jennifer Petrusis
Email: jpetrusis@rwglaw.com

- 11.2 Assignment.** Neither party may assign or otherwise transfer any of its rights or obligations under this Agreement without the prior, written consent of the other party; provided, however, that a party may, without the consent of the other party, assign or otherwise transfer this Agreement to any of its Affiliates or to an entity with or into which it is merged or consolidated or to which it sells its stock or other equity interests or all or substantially all of its assets and provided further, that Subscriber may, without the consent of Mark43, assign this Agreement to another governmental entity or joint powers authority that is capable of fulfilling the obligations of the Subscriber under this Agreement. Any assignment or other transfer in violation of this section will be null and void. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the parties hereto and their permitted successors and assigns.
- 11.3 Governing Law.** This Agreement shall be governed by the laws of the State of California, and any lawsuits or proceedings pertaining to this Agreement shall be brought only in Federal or State courts in Los Angeles County, State of California.
- 11.4 Dispute Resolution.** Mark43 and Subscriber shall cooperate to assure that all claims and controversies which arise during Mark43's performance of services under this Agreement and which might affect the quality of such services will be resolved as expeditiously as possible in accordance with the following resolution procedure:
- (a) Any dispute between Subscriber and Mark43 arising prior to completion of Mark43's services shall be resolved, if possible, by Subscriber's Project Manager or their designee on behalf of Subscriber and Mark43's Project Manager on behalf of Mark43.
 - (b) If the parties are unable to resolve any dispute within three (3) business days after notice of such dispute is given by either Party to the other, the matter shall be submitted to Subscriber's Executive Director and Mark43's Chief Operating Officer for resolution, if possible.
 - (c) If the Parties fail to resolve a dispute, the Subscriber reserves the right to litigate the dispute in court in Los Angeles County, California and in accordance with California law.
- 11.5 Force Majeure.** Except for payment of sums due, neither Party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such Party's performance of this Agreement is prevented by reason of force majeure. Force majeure shall not include late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition. If either Party is delayed at any time in the progress of the work by force majeure, the delayed Party shall notify the other Party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this provision, thereby invoking its provisions. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other Party in writing when it has done so. The time of completion shall be extended by Agreement modification for a period of time equal to the time delay resulting from force majeure which prevented the delayed Party from performing in accordance with this Agreement.

- 11.6 No Waiver.** The failure of either party to enforce at any time for any period any provision hereof will not be construed to be a waiver of such provision or of the right of such party thereafter to enforce each such provision, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver of any rights is to be charged against any party unless such waiver is in writing signed by an authorized representative of the party so charged.
- 11.7 Amendment.** No modification, change or amendment to this Agreement shall be effective unless in writing signed by Subscriber and Mark43. No term included in any invoice, estimate, confirmation, acceptance, purchase order or any other similar document in connection with this Agreement will be effective unless expressly stated otherwise in a separate writing signed by Subscriber and Mark43.
- 11.8 Relationship of the Parties.** The relationship of the parties established by this Agreement is that of independent contractors and nothing contained herein will be construed to (a) give any party any right or authority to create or assume any obligation of any kind on behalf of any other party or (b) constitute the parties as partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking.
- 11.9 Subcontracting.** Mark43 may utilize its Affiliates and third-party contractors and subcontractors (each, a **"Mark43 Vendor"**) in the performance of Services under this Agreement. Any subcontract entered into with respect to performance under this Agreement shall in no way relieve Mark43 of any responsibility for performance of all requirements under this Agreement. Upon Subscriber's request, Mark43 shall certify that all subcontracts used to support the services provided under this Agreement, incorporate by reference the terms and conditions of this Agreement. Subscriber agrees that Mark43 may provide information, data and materials that Mark43 receives in connection with this Agreement (including Subscriber Data) to the Mark43 Vendors for such purposes. Mark43 shall be permitted to subcontract its obligations under this Agreement to the Mark43 Vendors identified on Schedule F as "Subcontractors" or such other subcontractors as approved in advance by Subscriber (each, a **"Subcontractor"**). When requesting the Subscriber's approval, Mark43 shall list all outgoing subcontractors, all new subcontractors, their contact information, their proposed responsibilities under the Agreement as well as their qualifications to perform the intended work. With the request, Mark43 shall certify that all new subcontracts incorporate by reference the terms and conditions of this Contract.
- 11.10 Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction will, to the extent the economic benefits conferred thereby to the parties remain substantially unimpaired, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions or affecting the validity or enforceability of any of such terms or provisions in any other jurisdiction.
- 11.11 Headings.** The titles and headings contained in this Agreement are for reference purposes only and shall not in any manner limit the construction or interpretation of this Agreement.
- 11.12 Counterparts.** This Agreement may be executed, including by electronic signature, in two or more counterparts, each of which shall be an original and all such counterparts together shall constitute one and the same instrument. Electronically executed or electronically transmitted (including via facsimile transmission) signatures have the full force and effect of original signatures.
- 11.13 Cumulative Remedies.** All remedies for breach of this Agreement are cumulative, and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 11.14 Export Compliance.** In connection with this Agreement, each party will comply with all applicable import, re-import, export, and re-export control laws and regulations, including the Export Administration Regulations, the International Traffic in Arms Regulations, and country-specific economic sanctions programs implemented by the Office of Foreign Assets Control.
- 11.15 Compliance with Laws.** Each party shall comply with all Applicable Laws relating or pertaining to the use of the Services. Subscriber shall ensure that its use of all Subscriber Data complies with all Applicable Laws relating to the privacy of third parties or the protection of their personal data promulgated by any governmental, municipal, or legal authority having jurisdiction over Subscriber or the Subscriber Data covered by this Agreement. Each party shall comply with local anti-bribery laws as well as the U.S. Foreign Corrupt Practices Act, as well as any other Applicable Laws and regulations. In connection with its performance under this Agreement, neither party shall directly or indirectly: (A) offer, pay, promise to pay, or authorize the payment of any money, gift or other thing of value to any person who is an official, agent, employee, or representative of any government or

instrumentality thereof or to any candidate for political or political party office, or to any other person while knowing or having reason to believe that all or any portion of such money, gift or thing of value will be offered, given, or promised, directly or indirectly, to any such official, agent, employee, or representative of any government or political party, political party official or candidate; (B) offer, promise or give any person working for, or engaged by, the other party a financial or other advantage to (i) induce that person to perform improperly a relevant function or activity; or (ii) reward that person for improper performance of a relevant function or activity; or (C) request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Agreement. Each party represents and warrants that it shall be responsible for compliance with this provision by all third parties engaged by it to perform services related to this Agreement and shall require that such third parties agree to comply with all legal requirements required of such party under this Agreement.

- 11.16 Discrimination Prohibited.** Mark43 shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, sex, national origin, age or disability nor otherwise commit an unfair employment practice.
- 11.17 Licenses and Permits.** Mark43 shall keep current federal, state, and local licenses and permits required for the operation of the business conducted by Mark43 as applicable to this Agreement.
- 11.18 Advertising.** Mark43 shall not advertise or publish news releases concerning this Agreement without the prior written consent of Subscriber's Executive Director.
- 11.19 No Third-Party Benefit.** This Agreement is entered into for the benefit of Subscriber and Mark43. Except as set forth herein, nothing in this Agreement shall be construed as giving any benefits, rights, remedies or claims to any other person, firm, corporation or other entity, including, without limitation, the general public or any member thereof, or to authorize anyone not a party to this Agreement to maintain a suit for breach of contract, personal injuries, property damage, or any other relief in law or equity in connection with this Agreement.
- 11.20 Health, Environmental, and Safety Requirements.** Mark43's Services and facilities shall be in full compliance with all applicable federal, state and local health, environmental and safety laws, regulations, standards, codes and ordinances, regardless of whether or not they are referred to by Subscriber.
- 11.21 Emergency Purchases.** Subscriber reserves the right to purchase from other sources those items or services that are required on an emergency basis and cannot be supplied immediately by Mark43.
- 11.22 Disclosure of Litigation or Financial Condition.** Mark43 warrants and represents that, at the time of entry into this Agreement, there are no suits, actions, other proceedings, or threatened litigation in any judicial or quasi-judicial forum that, in Mark43's opinion, are likely to adversely affect Mark43's ability to fulfill its obligations under this Agreement.
- 11.23 Records.** All books, accounts, reports, files and other records, in each case relating to billing and invoicing under this Agreement shall be subject to inspection and audit by the Subscriber at a reasonable time and place for five years after completion of this Agreement, whether electronically or, solely to the extent feasible and practicable, at a Subscriber-designated office. Notwithstanding the foregoing, Mark43 shall not be required to produce for inspection or audit by Subscriber any Confidential Information (including Confidential Information of or relating to third parties or other Mark43 customers), the disclosure of which, in Mark43's reasonable discretion, could place Mark43 in breach of its existing contracts or Applicable Law.
- 11.24 Entire Agreement.** This Agreement supersedes all previous understandings, agreements and representations between the parties, written or oral and constitutes the entire agreement and understanding between the parties with respect to the subject matter thereof and incorporates all representations, warranties, covenants, commitments and understandings on which they have relied in entering into this Agreement, and, except as provided for herein, neither party makes any covenant or other commitment concerning its future action nor does either party make any promises, representations, conditions, provisions or terms related thereto.
- 11.25 Supporting Documents.**

The following documents are, by this reference, expressly incorporated into this Agreement and are collectively referred to herein as the "**Supporting Documents**":

- Schedule A: Support Services
- Schedule B: Transition Assistance

- Schedule C: Technical Requirements
- Schedule D: Third-Party Component Terms
- Schedule E: Data Processing Addendum
- Schedule F: Order Form
- Statement of Work

This Agreement and the Supporting Documents shall be construed to be mutually complementary and supplementary whenever possible. In the event of a conflict that cannot be resolved, the provisions of this Agreement itself shall control over any conflicting provisions in any of the Supporting Documents.

12. INSURANCE REQUIREMENTS.

12.1 Mark43 shall procure and maintain, until all of its obligations under this Agreement have been discharged, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the Professional Services hereunder by Mark43, its agents, representatives, employees or subcontractors.

12.2 Insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement except as expressly set forth otherwise in this Agreement. Subscriber in no way warrants that the minimum limits contained herein are sufficient to protect Mark43 from liabilities that might arise out of the performance of the work under this Agreement by the Mark43, its agents, representatives, employees or subcontractors and Mark43 is free to purchase additional insurance as may be determined necessary.

12.3 MINIMUM SCOPE AND LIMITS OF INSURANCE: Mark43 shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

A. **Commercial General Liability/Occurrence Form:** Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Complete Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

B. **Automobile Liability:** Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.

Combined Single Limits (CSL)	\$1,000,000
------------------------------	-------------

C. **Worker's Compensation and Employers' Liability:** Workers' compensation and Employers' Liability

Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

D. **Professional Liability (Errors and Omissions Liability):** The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Statement of Work of this Agreement.

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Mark43 warrants that any retroactive date under the policy shall precede the Effective Date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Agreement is completed.

E. **Technology Errors and Omissions; Information Security & Privacy Liability.** Mark43 shall maintain liability insurance covering acts, errors or omissions arising out of the performance or failure to perform professional services related to the Services under this Agreement.

F. **Technology Products and Services Errors and Omissions/Information Security & Privacy Liability for Service Provided to Others.** Such insurance shall cover any and all errors, omissions and/or negligent acts in the delivery of the Services under this Agreement. Such errors and omissions insurance shall include coverage for claims and losses with respect to network risks (such as data breaches, unauthorized access/use, ID theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, etc.) and infringement of intellectual property, such as copyrights, trademarks, service marks and trade dress.

Such insurance shall include limits of coverage of the local currency equivalent of not less than \$2,000,000.00 (two million U.S. dollars) per occurrence and shall remain in effect for not less than three (3) years following the date of termination or expiration of this Agreement. Evidence of coverage may be sent to Subscriber for three years following termination or expiration of this Agreement upon Subscriber's request.

12.4 Additional Insurance Requirements. Mark43's insurance policies shall include, or be endorsed to include, the following provisions:

- A. On insurance policies where Subscriber is included as an additional insured, Subscriber shall be included as an additional insured to the full limits of liability purchased by Mark43 even if those limits of liability are in excess of those required by this Agreement.
- B. Mark43's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

12.5 Notice of Cancellation. For each insurance policy required by the insurance provisions of this Agreement, Mark43 must promptly provide to Subscriber written notice that a policy has been cancelled for any reason. Such notice shall be mailed to Subscriber pursuant to the notice requirements set forth in this Agreement.

12.6 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of California and with an "A.M. Best" rating of not less than B+VI.

12.7 Verification of Coverage. Mark43 shall furnish to Subscriber certificates of insurance (ACORD form or equivalent approved by the Subscriber) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and any required endorsements are to be received and approved by the Subscriber upon Subscriber's request promptly following the Effective Date. Each insurance policy required by this Agreement must be in effect at or prior to the Effective Date and remain in effect for the duration of the Agreement. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract. All certificates required by this Agreement shall be sent directly to Subscriber. Subscriber reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.

12.8 Variance. Subscriber reserves the right to agree, in its sole discretion, to any modification or variation from the insurance requirements in this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

MARK43, INC.

SUBSCRIBER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE A

Support Services

1. Support Services.

a. Error Reporting

When reporting a failure of the Services to perform substantially in conformance with the Agreement (an “**Error**”), Subscriber shall use the phone number, email address, or Mark43 Support Portal URL identified in the Agreement (or otherwise provided to Subscriber by Mark43 from time to time, including by email) during the hours of support set forth herein.

Subscriber personnel submitting support requests must be reasonably trained in the use and functionality of the Services and familiar with the Agreement and, before submitting a support request to Mark43 hereunder, must use reasonable efforts to ensure a perceived Error is not due to a problem with Subscriber’s (or its other third-party providers’) equipment, systems, software or connectivity or due to improper, non-conforming or unauthorized use of the Services by or on behalf of Subscriber.

Subscriber will include with each support request, further detailed in Section D below: (i) Subscriber’s initial assessment of the Response Priority (including identification of the Error and the approximate percentage of Authorized Users impacted); (ii) sufficient information to enable Mark43 to identify and replicate the Error; and (iii) contact information for Subscriber personnel familiar with the Error who will be available to Mark43 to assist with resolution of the Error on an ongoing basis until the Error is resolved.

b. Response Priority Determination

Mark43 will validate Subscriber’s Response Priority designation, or notify Subscriber of its Response Priority designation if it is different than Subscriber’s. If requested, Mark43 will provide Subscriber with the basis of its determination. In the event of a conflict regarding the appropriate Response Priority designation, each party shall promptly escalate such conflict for resolution by the parties’ management, during which time the parties shall continue to handle the support issue in accordance with the Mark43 Response Priority designation. In the rare case that a conflict requires a management discussion, both parties shall be available within one hour of the escalation.

c. First Response, Resolution, and Updates

Upon notification by Subscriber of an Error in accordance with this Schedule and subject to Mark43’s identification and replication of the Error, Mark43 will respond to each case in accordance with the First Response Times and Communication Commitments described in the charts below. First Response Time is the period from the time the Error was logged with the Mark43 Support Team until Mark43 responds to Subscriber (and escalates within Mark43, if appropriate). A first response is defined as a non-automatic means where an agent will reach out to gather additional details and may not include a solution or workaround. Because of the widely varying nature of issues, it is not possible to provide specific resolution commitments. Actual resolution time will depend on the nature of the case and the resolution itself. Resolution methods are defined below. A resolution may consist of a fix, workaround, delivery of information, or other commercially reasonable solutions to the issue.

d. Subscriber’s Obligations

Mark43’s provision of the support services described in this Schedule is subject to Subscriber cooperating fully and on a timely basis with reasonable requests of Mark43 for accurate information and access to Subscriber personnel with sufficient availability and knowledge to enable Mark43 to provide the support services, including accurate information and assistance reasonably required to detect, replicate, and correct Errors. In the event Mark43’s response, resolution, or update times are negatively impacted by delayed responses by Subscriber personnel or Subscriber’s failure to otherwise comply with its obligations under this Schedule, timeframes will be extended.

First Response Commitment

Red	Orange	Yellow
------------	---------------	---------------

1 hour 24/7	2 hours 8am - 8pm EST, 7 days	8 hours 8am - 8pm EST M-F
----------------	----------------------------------	------------------------------

Communication Commitment

		Red	Orange	Yellow
Status page updates		A status update will be posted as soon as Mark43 is notified and updated every 30 minutes thereafter until resolved.	n/a	n/a
Email/phone updates	After initial Mark43 response, within 1 hour of any additional client questions about the same issue until resolved.	After initial Mark43 response, within 1 business day of any additional client questions until issue is resolved. Client will receive notification via email once the issue fix has been scheduled and again when the issue has been fixed.	After initial Mark43 response, within 2 business days of any additional client questions until issue is resolved. Client will receive notification via email once the issue has been fixed.	

Priority Definitions

- **Red** - An Error due to Mark43's systems that results in the inoperability or substantial impairment of a core function for the majority of Subscriber's Authorized Users, provided there is no feasible workaround. Examples include: Authorized Users cannot access the Application; CAD units cannot be dispatched; reports cannot be created.
- **Orange** - An Error due to Mark43's systems that results in the inoperability or substantial impairment of a critical workflow for the majority of Subscriber's Authorized Users, provided there is no feasible workaround. Examples include: significant lagging/slowness; inability to process persons in custody; inability to export reports or cases for same or next day court deadlines; inability to submit reports.
- **Yellow** - An Error due to Mark43's systems for which a reasonable workaround is available.
- **None** - There are a number of low-impact issues, how-to questions, and feature requests that do not fall into one of the categories above and are not subject to the outlined First Response or Communication Commitments.

Issue Escalation & Resolution Methods: Customer-reported issues are escalated within Mark43 by a well-defined internal process. Mark43 works to resolve issues based on the issue severity/impact, by employing one or more of the following methods:

- Providing client with a reasonable workaround
- Adjusting system/hosting configurations or setup
- Direct database modifications
- Releasing a fix out-of-cycle (patching)
- Releasing a fix as part of the regular release cycle
- Other commercially reasonable solution

Subscriber will be notified of status changes either through Mark43's status page and/or via email updates in a support ticket.

2. **Service Level Agreement.** Mark43 shall provide the Applications in accordance with the following service levels ("SLA").

a. **Monthly Uptime Commitment.**

Following Cutover to the applicable In-Scope Mark43 Application, Mark43 will use commercially reasonable efforts to make the In-Scope Mark43 Application available with the Monthly Uptime Percentage corresponding to that Application (the “**Uptime Commitment**”), as follows:

- *RMS Application:* Mark43 will use commercially reasonable efforts to achieve a Monthly Uptime Percentage for the Mark43 RMS Application of no less than 99.90% in any calendar month.
- *CAD Application:* Mark43 will use commercially reasonable efforts to achieve a Monthly Uptime Percentage for the Mark43 CAD Application of no less than 99.95% in any calendar month.

For each In-Scope Mark43 Application, the “Monthly Uptime Percentage” is calculated as set forth below by subtracting from 100 percent the percentage of minutes during the month in which the In-Scope Mark43 Application experienced Downtime.

$$\text{Monthly Uptime Percentage} = (100) - ((\text{minutes of Downtime} * 100) / (\text{total minutes in month}))$$

b. **Service Credit Calculation.**

Subject to the SLA Exclusions, if Mark43 does not achieve the Uptime Commitment in any given month due to Downtime, Subscriber may be eligible for credits as described herein (the “**Service Credits**”), as follows:

- *RMS Application:* If Mark43 does not achieve the Uptime Commitment for the RMS Application, Subscriber will (to the extent legally permitted) be eligible pursuant to the terms of this SLA to receive a credit equal to 10 times the amount paid for the RMS Application in respect of the period in which the actual RMS Downtime for the month exceeded the RMS Downtime allowable within the Uptime Commitment, up to a maximum credit of 25% of one month’s subscription fee paid in consideration for the RMS Application, as illustrated here:

$$\text{RMS Service Credit} = (10) * ((1/12) * \text{annual subscription fee}) * ((\% \text{ of Downtime}) - (0.10\%))$$

- *CAD Application:* If Mark43 does not achieve the Uptime Commitment for the CAD Application, Subscriber will (to the extent legally permitted) be eligible pursuant to the terms of this SLA to receive a credit equal to 10 times the amount paid for the CAD Application in respect of the period in which the actual CAD Downtime for the month exceeded the CAD Downtime allowable within the Uptime Commitment, up to a maximum credit of 25% of one month’s subscription fee paid in consideration for the CAD Application, as illustrated here:

$$\text{CAD Service Credit} = (10) * ((1/12) * \text{annual subscription fee}) * ((\% \text{ of Downtime}) - (0.05\%))$$

c. **Requesting Service Credits.**

In order to receive a Service Credit, Subscriber must notify Mark43 in writing at 250 Hudson Street, 3rd Floor, New York, NY 10013, Attn: Accounting, with a copy to accounting@mark43.com, or such other address provided by Mark43 from time to time, within fifteen (15) days following the end of the month in which the Downtime occurred. Claims must include the words “SLA Credit Request” in the subject line; the dates and times of each Downtime incident that Subscriber is claiming occurred; and any documentation to corroborate Subscriber’s claim of Downtime, ensuring removal or redaction of any confidential or sensitive information in these logs. All claims are subject to review and verification by Mark43 prior to any Service Credits being granted. Mark43 will acknowledge requests for Service Credits within fifteen (15) business days of receipt and will inform Subscriber whether such claim request is approved or denied.

If Mark43 confirms that the Uptime Commitment has not been met in the applicable calendar month, Subscriber will be issued a Service Credit within one billing cycle following the month in which Subscriber’s request is confirmed by Mark43. Subscriber’s failure to provide the request and other information as required above will disqualify Subscriber from receiving a Service Credit. Service Credits will not entitle Subscriber to any refund or other payment from Mark43 and are non-transferable. The parties acknowledge and agree that Service Credits are intended as genuine pre-estimates of loss that may be suffered as a result of any failure to achieve Uptime Commitments and will not be deemed to be penalties. To the extent legally permitted, the issuance of a Service Credit by Mark43 hereunder is Subscriber’s sole and exclusive remedy for any failure by Mark43 to satisfy the Uptime Commitment.

d. **Additional Definitions.**

"Downtime" with respect to any single In-Scope Application means time in which the Application is not accessible or available to Subscriber for reasons other than those resulting directly or indirectly from an SLA Exclusion. For the avoidance of doubt, slow performance does not constitute lack of accessibility or availability and shall not count as Downtime, unless there is a total loss of ability for the substantial majority of Authorized Users to perform any one of the In-Scope Application Features so as to constitute a total loss of service of that Application, in each case in Mark43's reasonable discretion. The concurrent loss of service of two or more In-Scope Application Features within the same Application will count as a single Downtime event. At the end of each month, Mark43 adds "Downtime" periods together to calculate the overall monthly "Downtime."

"In-Scope Mark43 Application" means the web-accessible Applications identified in subsection (a) above, provided that Subscriber has purchased a subscription for the Applications and signed a valid aAgreement with Mark43. Under no circumstance shall any reference to an Application that Subscriber has not purchased a subscription and signed an aAgreement for be construed to entitle Subscriber to use such Application. For the avoidance of doubt, In-Scope Mark43 Applications do not include mobile versions or Applications that are in beta testing.

"In-Scope Application Features" means, in each case:

- For RMS Application: (i) the ability to login to the Mark43 RMS; (ii) the ability to view and edit reports and names, property, and vehicles; (iii) the ability to view and edit cases; and (iv) the ability to search for entities within the RMS.
- For CAD Application: (i) the ability to login to the Mark43 CAD; (ii) the ability to view / edit / clear events; (iii) the ability to view and edit units; (iv) the ability to search for CAD tickets; and (v) the ability to receive real-time updates when actively connected to an internet-enabled network.

"Monthly Uptime Percentage" has the meaning set forth in Section 1 of this SLA.

"Scheduled Maintenance" means scheduled work related to the Mark43 Application or the hosting environment, which may cause inaccessibility or unavailability of the Mark43 Application. Except as set forth below, Mark43 shall provide at least seven (7) days' advance notice of Scheduled Maintenance whenever practicable, and in no circumstances less than three (3) days' advance notice. In the event that Mark43 determines it is appropriate to perform emergency work related to the Mark43 Application or emergency work is performed related to the hosting environment, such work will be deemed Scheduled Maintenance, provided Mark43 uses reasonable efforts under the circumstances to provide Subscriber with notice at least 24 hours prior to such emergency work. Notice of Scheduled Maintenance may be provided by email and, in the case of emergency work, may also be provided by telephone. The total amount of Scheduled Maintenance for the CAD Application shall not exceed 60 minutes during any 30-day period.

e. **SLA Exclusions.** The Uptime Commitment does not apply to any inaccessibility or unavailability of an Application (the **"SLA Exclusions"**):

- That is not an In-Scope Mark43 Application;
- That occurs prior to Cutover;
- That results from Scheduled Maintenance;
- That results from a suspension or remedial action, as described in the Agreement;
- Caused by factors outside of Mark43's reasonable control, including any force majeure event, Internet access, or problems beyond the demarcation point of the Mark43 cloud environment;
- That results from actions or inactions of Subscriber or any third party;
- That is attributable to Subscriber's own computer equipment or devices, or failure of any software, hardware or service not supplied by Mark43 pursuant to the Agreement, including, without limitation, issues related to network connectivity, internet connectivity or network performance issues at any Subscriber locations, server downtime related to connectivity issues resulting from third-party-managed VPN access to a hosted server or Subscriber's internal network problems, or Software (including interfaces) that is not supplied or maintained by Mark43;
- That results from any Integrated Application, Third-Party Data, or any Subscriber-provided application or program; or
- That results from the failure by Subscriber, its Affiliates, or any Authorized User to incorporate a Software or Service update or upgrade made available by Mark43.

SCHEDULE B
Transition Assistance

1. Preparation.

- a. Subscriber will provide the desired cutoff date of the SaaS Services (the “**Cutoff Date**”) to Mark43, at which time all existing user accounts will be terminated.
- b. For one (1) year following the Cutoff Date, Mark43 will provide one (1) transition account for Subscriber to access the Applications and retrieve all Subscriber Data as further detailed below

2. Content.

- a. Upon Subscriber’s request, Mark43 will deliver and make available Subscriber Data to Subscriber within four (4) weeks of the Cutoff Date. Subscriber Data will be delivered as follows:
 - Searchable PDFs: Mark43 will create searchable PDFs of each record (each, a “**Record**”) and provide them to the Subscriber for download. Subscriber may request, and Mark43 will consider, other formats in which to create the Records, but the final format of all Records will be determined in Mark43’s sole discretion. Records can be uploaded to Subscriber’s new system by the Subscriber or its new vendor.
 - Database Export: Subscriber Data will be provided to Subscriber as an export of Mark43’s Microsoft SQL Server Data Lake database. To use the data, Subscriber will need to have access to its own Microsoft SQL Server database.
 - Document/File Export: Documents/file attachments stored within the Mark43 system will be provided to the Subscriber in a zipped folder. Within the folder the Subscriber will find all files with a unique ID appended to the filename. A csv file will be provided to relate the unique file ID with the attached entity type and Mark43 ID.
- b. If files are too large for practical internet transmission, an encrypted hard drive will be provided.

3. Support.

- a. Mark43 will maintain Subscriber Data in the Mark43 Applications for up to one (1) year following the Cutoff Date.
- b. Mark43 will resolve any issues it deems to be the result of errors in the Mark43 platform or export process for a period of six (6) months after the Cutoff Date.
- c. No less than two (2) years after the Cutoff Date, Mark43 will delete Subscriber Data from all Mark43 online systems (e.g. primary database, replica databases, search databases, application caches, etc.) other than database backups, audit logs and server system logs.
- d. Within six (6) months from the date of deletion of Subscriber Data from all Mark43 online systems, all Subscriber Data will be erased from database backups.
- e. Notwithstanding the foregoing, Mark43 reserves the right to retain Subscriber Data on audit logs and server system logs and in support tickets, support requests and direct communications with Mark43.

4. Additional Services.

- a. Ongoing Web Access: Subscriber may elect to purchase a read-only tenant of the Mark43 system. This service enables Subscriber to utilize a single user log-in to view and access data entered into the Mark43 system up to the date of termination or expiration of this Agreement. Under this service, Subscriber will not have permission to change, modify or update any Subscriber Data.
- b. Additional Professional Services: If the Subscriber requires additional Professional Services, these will be billed according to the current market rate for such Services.

5. Fees. In the event that any Fees have not been paid as required under this Agreement, Mark43 may decline to provide the support outlined in this Schedule B until such Fees are paid in full.

SCHEDULE C

Technical Requirements

This Schedule lists the minimum technical requirements required for each of the Mark43 Applications. This also describes the requirements for Mark43 interface servers. Integrated Application Providers and Subcontractors may have additional requirements that are not listed here.

1. MARK43 RMS

1.1 RMS Workstation Requirements

Item	Minimum
Operating System	Windows 10
Processor	2x 2.0+ GHz processors
Architecture	x64
Memory	8 GB+
Network Card	1x 10 Mbps+ NIC
Display(s)	1x 1920x1080
Hard Drive	25 GB available space
Graphics Card	N/A
Bandwidth	5 Mbps+

1.2 RMS Workstation Site Internet Requirements

Mark43 RMS operates as a single-page application where most of the heavy download load is needed only on initial page load for each user. For RMS, Mark43 requires an overall internet bandwidth connection of 1+ Mbps per concurrent user using that connection with a minimum of a 100 Mbps connection per site. Actual performance and usage may vary depending on user usage of other internet-connected applications and your ISP. Department firewalls and other networking applications must have capacity to support a minimum of a 100 Mbps connection per site.

1.3 RMS Mobile Data Terminal Requirements

Item	Minimum
Operating System	Windows 10
Processor	2x 2.0+ GHz processors
Architecture	x64
Memory	8 GB+
Network Card	5 Mbps+ (4G LTE)
Display(s)	1x 1920x1080
Hard Drive	25 GB available space
Graphics Card	N/A
Bandwidth	5 Mbps+ (4G LTE)

1.4 RMS Browser Requirements

Mark43 RMS is web-based and requires a modern web browser to access the system. Mark43 RMS supports the following browser versions that receive technical support and security updates from the browser vendor.

- Google Chrome (latest)
- Microsoft Edge (latest)

1.5 RMS Smartphone Mobile Application Requirements

The Mark43 RMS Smartphone Mobile Application is available on iOS.

Item (iOS)	Minimum
Operating System	Apple iOS 13, 14
Device	iPhone 11, 12 iPad Gen 7 or 8 iPad Air Gen 3 or 4 iPad Pro Gen 4 or 5

1.6 Evidence Smartphone Mobile Application Requirements

The Mark43 Evidence Smartphone Mobile Application is available on iOS and Android and requires network connectivity.

iOS

Item	Minimum
Operating System	Apple iOS 13, 14
Device	iPhone 11, 12 iPad Gen 7 or 8 iPad Air Gen 3 or 4 iPad Pro Gen 4 or 5

Android

Device*	Operating System	Ram
Samsung Galaxy S21+ (& variants)	Android 11	8GB
Google Pixel 5	Android 11	8GB
Samsung Galaxy S20+ 5G (& variants)	Android 11	8 or 12GB
Google Pixel 4, 4 XL	Android 10, Android 11	6GB
Google Pixel 4a 5G	Android 11	6GB
Google Pixel 4a	Android 11	6GB
Samsung Galaxy A52	Android 11	6, or 8GB
Samsung Galaxy S20+	Android 10	8GB
Samsung Galaxy Note 10+	Android 10,11	12GB

*All of these devices are FIPS 104-2 Certified.

1.7 Evidence Barcode Printer Requirements

The Mark43 RMS Property and Evidence module requires a barcode printer to optimize the evidence management process. Mark43 integrates seamlessly with Zebra barcode printing hardware and requires the following printer:

- ZD420 model number ZD42043-C01E00EZ
- 2000T label
- 5095 Premium Resin ribbon (05095CT11007)

- Ribbon roll-only (05095GS11007)

Deviating from this hardware configuration will lead to smeared, stretched or otherwise incorrectly printed barcode labels. For departments with multiple printers, Mark43 requires purchasing the same model for all locations.

1.8 Evidence Printer Server Requirements

In order for Mark43 RMS to communicate with the barcode printers, an intermediate server to route printing requests is required. This machine can be the same machine as the Interface Servers specified below or standalone in which case it will need the following specifications:

Item	Minimum
Processor	2x 2.0+ GHz processors
Memory	4 GB+
Hard Drive	64 GB HDD storage

1.9 RMS Fillable PDF Software Requirements

In order for the Subscriber to utilize Mark43 RMS Fillable PDFs) (SKU – RMS 7), the Subscriber must have enough Adobe Professional licenses to support their department needs.

2. **MARK43 CAD**

2.1 CAD Call Taker / Dispatcher Workstations

Mark43 only supports the Mark43 CAD installed CAD dispatch application for call takers and dispatchers in a live environment. The CAD dispatch desktop application allows for multi-window functionality and a more seamless user experience for call takers and dispatchers.

Item	Minimum
Operating System	Windows 10
Processor	2x 2.0+ GHz processors
Architecture	x64
Memory	16 GB+
Network Card	1x 10 Mbps+ NIC
Display(s)	2x+ 1920x1080 monitors
Hard Drive	25 GB available space
Graphics Card	2x 512MB NVIDIA Quadro NVS 310, 4 MON
Bandwidth	5 Mbps+ per concurrent dispatcher

2.2 CAD Call Taker / Dispatcher Workstation Site Internet Requirements

For CAD, Mark43 recommends an overall internet bandwidth connection of 5+ Mbps per concurrent user using that connection with a minimum of a 100 Mbps connection per site and a backup ISP connection with automatic failover of equal bandwidth. Actual performance and usage may vary depending on user usage of other internet-connected applications and your ISP. Department firewalls and other networking applications must have capacity to support a minimum of a 100 Mbps connection per site.

2.3 CAD First Responder Mobile Data Terminal Requirements

Mark43 only supports the Mark43 CAD installed CAD first responder application for first responders in a live environment.

Item	Minimum
------	---------

Operating System	Windows 10
Processor	2x 2.0+ GHz processors
Architecture	x64
Memory	8 GB+
Network Card	5 Mbps+ (4G LTE)
Display(s)	1x 1920x1200
Hard Drive	25 GB available space
Graphics Card	256 MB+ video memory
Bandwidth	5 Mbps+ (4G LTE)

Mark43 CAD also requires installing a Windows Service on First Responder MDTs to query message switches, track GPS, monitor performance, and more. This Windows Service requires:

- Powershell installed with Windows 10+
- .NET Core v2.1+
- .NET Framework v4.5+
- A service account with “Log in as service” and administrative permissions
- Completion of all recommended Windows Updates from Microsoft

2.4 GPS Tracking

Mark43 CAD First Responder MDTs support tracking GPS from the following hardware:

- Getac machines with internal GPS (BAUD rate of 96k)
- BU-353S4 receivers that plug in
- Cradlepoint routers

GPS Tracking also requires:

- GPS Receiver using NMEA standard (e.g. \$GPxxx messages)
- Dedicated COM port on machines that use external USB GPS devices
- External Antenna required
- DIS (a windows service that can capture GPS data in the following formats: a) Sent over a COM port in the NMEA 1 format or b) via UDP in the NMEA 1 format

3. **MARK43 ANALYTICS**

3.1 Data Lake Requirements

Mark43 Data Lake is a Microsoft SQL Server Database and requires a database client that receives technical support and security updates from the vendor. Mark43 recommends using Microsoft SQL Server Management Studio.

3.2 Business Intelligence Suite Requirements

Mark43 Business Intelligence Suite runs embedded within Mark43 RMS and therefore has the same browser requirements as Mark43 RMS.

4. **MARK43 DATA EXCHANGE**

The Mark43 Data Exchange functionality is enabled through either the RMS or CAD applications. Additional interface servers may be required to support Mark43 Data Exchange data flows, depending on the department's size and complexity.

5. **MARK43 INTERFACE SERVERS**

5.1 Server Requirements

Interface servers are on-premise servers that Mark43 uses to run interfaces developed by Mark43. These servers allow Mark43 interfaces to access on-premise Subscriber systems and/or run custom interfaces developed by Mark43. Mark43 supports these servers from the VM up and ensures that interfaces running on these servers are maintained and monitored. The table below outlines Mark43's minimum required and recommended server specifications for an interface server setup.

Item	Requirement
Number of servers	2+
Operating System	Ubuntu 20.04 LTS, CentOS 8, or Red Hat Enterprise Linux 8
Processor	2x quad-core processor
Architecture	x64
Memory	16 GB+
Network Card	1 x 1 Gbps NIC
Display(s)	N/A
Disk	128+ GB available space
Graphics Card	N/A
Bandwidth	100+ Mbps

5.2 Server Software Requirements

Subscriber provisions these servers and maintains them from hardware/VM up to and including the operating system.

Mark43 will maintain the application software installed on this server, which consists of:

- Docker, which runs all the application software in an easily manageable way
- Kubernetes, a container orchestration technology, which allows Mark43 to deploy, update, and monitor the Docker containers running the application software

Subscriber may choose to install other software (e.g. monitoring software) on this server. However, if the Subscriber-installed software interferes with the operation of the Mark43 Applications, Subscriber will be required to uninstall the software.

5.3 Networking/Firewall/Access Requirements

Inbound:

SSH / Port 22	Originating from within the Subscriber's VPN For Mark43 SSH access
HTTPS / Port 443	Originating from within the Subscriber's VPN For Kubernetes API server communication and evidence labeling printing software (if applicable for Subscriber)
TCP Port 6443	Originating from within the Subscriber's VPN For Kubernetes API server communication
TCP Port 10250	Originating from within the Subscriber's VPN For Kubernetes node metrics

* All IPs and ports inbound from the public internet should be closed.

Outbound:

HTTPS / Port 443	To all network interfaces – 0.0.0.0/0
TCP Port 6443	Originating from within the Subscriber's VPN For Kubernetes API server communication

VPN:

- Subscriber must provide Mark43 with Subscriber's VPN credentials to access the interface server. Mark43 will SSH to the servers over the Subscriber VPN to install Docker and Kubernetes, and perform any troubleshooting actions or maintenance tasks that can't be completed via the normal release process

User Accounts:

- Subscriber must provide Mark43 with a service account(s) with sudo access on the interface servers

Static IP Addresses:

- Subscriber must assign static IP addresses for the interface servers

6. THIRD PARTY CONNECTIONS TO MARK43

All connections to Mark43 systems must be made using TLS 1.2 or greater.

SCHEDULE D

Third-Party Component Terms

Google: Users are bound by the Google Maps/Google Earth Additional Terms of Service (including the Google Privacy Policy), available by following these links:

Google Maps Terms: https://maps.google.com/help/terms_maps.html

Google Privacy Policy: <https://policies.google.com/privacy?hl=en&gl=us>

Acceptable Use: https://enterprise.google.com/maps/terms/universal_aup.html

Esri: Users are bound by the following Esri Terms of Service:

To the extent permitted by applicable law, Environmental Systems Research Institute, Inc. ("Esri") and its licensors disclaim liability for any damages or loss of any kind, whether direct, special, indirect, incidental, or consequential, arising from the use of Esri's solution ("Esri Solution") including, but not limited to, liability for use of the Esri Solution in high-risk activities or liability related to any data supplied by Esri.

In the event of any termination of the Agreement, the end user of the Esri Solution ("User") shall (i) cease access and use of the Esri Solution and any data supplied by Esri, and (ii) clear any client-side data cache derived from the Esri Solution or any data supplied by Esri.

User will comply with all relevant export laws and regulations of the United States with respect to the Esri Solution, including, but not limited to, the Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR); and the United States Department of Treasury, Office of Foreign Assets Control (OFAC) regulations, and User will not export, reexport, transfer, divert, use, or access, directly or indirectly, the Esri Solution in violation of any United States export laws and regulations.

User will provide Esri with information about User's export and distribution activities as may be required for Esri to meet its obligations under the United States export control laws and regulations.

User shall not remove or obscure any patent, copyright, trademark, proprietary rights notices, or legends contained in or affixed to the Esri Solution or any Esri materials, output, metadata file, or online or hard-copy attribution page of any data supplied by Esri.

Esri and its licensors disclaim all terms in any "click-through" agreements included with the Esri Solution. Esri and its licensors do not warrant that the Esri Solution or any data or materials supplied by Esri will meet User's needs or expectations; that the use thereof will be uninterrupted; or that all nonconformities can or will be corrected. Esri and its licensors are not inviting reliance on data in the Esri Solution, and User should always verify actual data in the Esri Solution. Any warranty offered by Mark43 for Mark43's solution the Services shall only apply between Mark43 and User. Esri does not offer any warranties or indemnities to User for the Esri Solution.

User shall not use the Esri Solution for any revenue-generating activities. The Esri Solution is for the internal use of User only.

User shall not use the Esri Solution independently from the Mark43 solution or in any other product or service.

User shall not store, cache, use, upload, distribute, or sublicense content provided through the Esri Solution in violation of Esri's or a third-party's rights, including intellectual property rights, privacy rights, nondiscrimination laws, export laws, or any other applicable law or regulation.

User's login credentials for the Esri Solution are for User only and may not be shared with other individuals."

Amazon:

Universal Service Terms: <https://aws.amazon.com/service-terms/>

Acceptable Use: <https://aws.amazon.com/aup/>

Auth0 (if elected):

Acceptable Use: <https://cdn.auth0.com/website/legal/files/aup-19.pdf>

RapidSOS (if elected): Subscriber must sign up and accept the terms contained within the following link:

<https://info.rapidsos.com/rapidsos-integrations-signup>

CommSys (if elected): Subscriber must enter into an end user license agreement directly with CommSys.

SCHEDULE E

Data Processing Addendum

1. **CJI.** Criminal Justice Information (“**CJI**”), whether in electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access and ensure compliance with the most recent version of the FBI’s CJIS Security Policy. At a minimum, Mark43 must encrypt and/or password protect electronic files containing CJI, whether saved to laptop computers, computerized devices or removable storage devices. When CJI, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed or reconstructed.
2. **Definitions.** For purposes of this this Data Processing Addendum (“**DPA**”), “**Subprocessor**” means a Mark43 Affiliate or other third party engaged by Mark43 for the purpose of hosting, storing or otherwise processing Subscriber Data as authorized by the Agreement or otherwise in writing by Subscriber. Terms not otherwise defined in this DPA have the meaning set out in this Agreement.
3. **Subscriber Data.** The obligations in this Schedule apply to Subscriber Data in the custody or control of Mark43 and its Subprocessors. They do not apply to Subscriber Data in the custody or control of any other party, including Subscriber Data under Subscriber’s custody or control outside of the Services or Subscriber Data maintained by an Integrated Application Provider or transmitted or accessed on or through an Integrated Application.
4. **Disclosure.** Mark43 will not disclose Subscriber Data to any third party except: (i) to Authorized Users; (ii) as permitted under the Agreement; (iii) to its Subprocessors, provided that each Subprocessor agrees to protect Subscriber Data in a manner substantially in accordance with this DPA; or as provided by this DPA with respect to any Disclosure Request. Notwithstanding the foregoing or anything in this DPA to the contrary, Subscriber acknowledges and agrees that (a) Mark43 utilizes major providers of cloud-based services for processing certain Subscriber Data through the Services (each, a “**Cloud Provider**”) (including, as of the Effective Date of the Agreement, Amazon Web Services for hosting and Google for mapping and geolocation services), (b) each Cloud Provider has its own data protection practices that are applicable to its delivery of services to its customers, and (c) Cloud Providers will not agree to separate data protection practices on a customer-by-customer basis; therefore, Cloud Providers will not be required to comply with the obligations in this DPA to the extent that they are inconsistent with each Cloud Provider’s own data protection practices, but Mark43 will use reasonable efforts to assess that each Cloud Provider complies with its own data protection practices, which may include periodic examination of SOC 2 reports or comparable reports made available by Cloud Provider.
5. **Information Security Program.** Mark43 will implement and maintain a written information security program that contains reasonable administrative, technical and physical safeguards intended to protect Subscriber Data from unauthorized access, disclosure, use, modification, loss or destruction.
6. **Access.** Mark43 will maintain appropriate access controls to Subscriber Data, including limiting access to Subscriber Data only to personnel who require such access in order for Mark43 to provide Services to Subscriber or to otherwise exercise Mark43’s rights or perform Mark43’s obligations under the Agreement. Mark43 will require its personnel to protect Subscriber Data in accordance with the requirements of this DPA and the most current version of the FBI’s CJIS Security Policy, to the extent applicable, and will provide its personnel with appropriate information security training.
7. **Information Security.**
 - a. Mark43 maintains its information security program and applicable safeguards at all Mark43 sites at which an information system that stores or otherwise processes Subscriber Data is located.
 - b. Mark43 maintains network security using commercially available equipment and industry standard techniques, including firewalls, router access control lists, intrusion detection and/or prevention systems, penetration testing, vulnerability scanning, and patch management tools.
 - c. Mark43 will encrypt, using industry-standard encryption tools, all Subscriber Data that Mark43: (i) transmits or sends wirelessly or across public networks; (ii) stores on laptops or removable storage media; and (iii) stores on portable devices. Mark43 will safeguard the confidentiality and availability of all encryption keys associated with encrypted Subscriber Data.
 - d. Mark43 installs and maintains endpoint security measures such as anti-virus and malware protection software intended to protect Subscriber Data from malicious code.
 - e. Mark43 undertakes appropriate logging and monitoring to enable recording of information security-related actions and identification of anomalous events.

- f. Mark43 develops software used to deliver the Services in accordance with secure software development principles.
8. **Security Incident Management.** Unless otherwise prohibited by law, Mark43 will notify Subscriber promptly (and in any event within 72 hours) in the event Mark43 reasonably believes that there has been any unauthorized access, acquisition, disclosure, use, modification, loss or destruction of Subscriber Data (“**Security Incident**”). Mark43 will promptly investigate the Security Incident, will take necessary steps to eliminate or contain the exposure of Subscriber Data, and will keep Subscriber informed of the status of the Security Incident. Mark43 will provide reasonable assistance and cooperation requested by Subscriber or Subscriber’s designated representatives to correct, remediate, or investigate the Security Incident or to mitigate potential damage resulting from it, including any notification that Subscriber may determine appropriate to send to affected individuals, regulators or third parties.
9. **Business Continuity.** Mark43 implements appropriate disaster recovery and business continuity plans and reviews and updates such plans regularly. Back-up copies of critical business information and software are created regularly and tested to verify their integrity.
10. **Audits.** Upon Subscriber’s request, Mark43 will make available to Subscriber up to once per year a copy of a third-party assessment, such as a SOC 2 report or comparable report (“**Third-Party Report**”), if Mark43 has obtained such a Third-Party Report for the Services; or if Mark43 has not obtained a Third-Party Report for the Services, Subscriber may provide to Mark43 a security assessment questionnaire related to the Services, which Mark43 will accurately and promptly complete. Such a questionnaire must be reasonable in scope and may include questions seeking verification of compliance with the terms and conditions of this DPA. All Third-Party Reports or information accessed by or otherwise disclosed to Subscriber in connection with any such review will be considered Confidential Information of Mark43.
11. **Return/Disposal.** Upon termination or expiration of this Agreement, Mark43 will cease handling Subscriber Data and will take reasonable steps to return or destroy Subscriber Data according to the timeframes set out in Schedule B of this Agreement. If Mark43 has any legal obligation to retain Subscriber Data beyond the periods otherwise specified by Schedule B, Mark43 will notify Subscriber in writing of that obligation, to the extent permitted by applicable law, and will return or destroy the Subscriber Data in accordance with this DPA as soon as possible after that legally required retention period has ended. If Mark43 disposes of any paper, electronic or other record containing Subscriber Data, Mark43 will take all reasonable steps to do so by: (a) shredding; (b) permanently erasing and deleting; (c) degaussing; or (d) otherwise modifying Subscriber Data in such records to make it unreadable, unreconstructable and indecipherable.
12. **Location of Subscriber Data.** Subscriber Data stored or transmitted through the SaaS Services in Subscriber’s user accounts shall be hosted by a Cloud Provider in the United States. Mark43 currently uses AWS Govcloud region as Cloud Provider to host Subscriber Data. Information about AWS’ commitment to support customers’ CJIS compliance requirements is available here: <https://aws.amazon.com/compliance/cjis/>.
13. **Subcontractor Compliance.** Mark43 agrees that the requirements of this DPA shall be incorporated into all subcontractor agreements entered into by Mark43 specifically for the Services to be provided to Subscriber.

SCHEDULE F

Order Form

1. **Late Submission of Mark43 Claims**. The Subscriber will not honor any invoices or claims which are tendered one (1) year after the last item of the account accrued, provided that the foregoing shall not alter any applicable statute of limitations.
2. **Services**. The Services covered by this Agreement consist of the following:

 SaaS Services with respect to the following Application(s): CAD and Analytics

 Professional Services as detailed in the Statement of Work.
3. **Subcontractors**. CommSys
4. **Initial Term**. The Initial Term is the three (3) year period commencing on the Effective Date.
5. **Renewal Terms**. Any Renewal Terms shall be for a period of one (1) year.
6. **Fees**.

Recurring Fees. For the Initial Term, the following recurring fees will apply:

RECURRING FEES			
Mark43 SaaS Recurring Services	Quantity	List Price	Price to Subscriber
ANA 1: Analytics BI Suite Viewer	Up to 20 licenses	\$2,400.00	\$0.00
CAD 1: Dispatcher/Call-Taker	Up to 80 dispatchers/ call-takers	\$288,000.00	\$120,000.00
CAD 2: LE First Responder	Up to 609 first responders	\$365,400.00	\$29,909.40
CAD 3: Fire First Responder	TBD	TBD	\$0.00
DEX 1: CAD Data Exchange	Included	See Partner Fees	See Partner Fees
Subtotal – Mark43 Recurring SaaS		\$655,800.00	\$149,909.40
Partner Recurring Services	Quantity	List Price	Price to Subscriber
PAR 2: Third-Party Terminal	216 device licenses	\$74,649.60	\$74,649.60
PAR 5: State Proxy Emulator	1 emulator	\$2,400.00	\$2,400.00
PAR 7: ConnectCIC - State & Regional System	500 licenses	\$12,012.00	\$12,012.00
Subtotal – Partner Recurring		\$89,061.60	\$89,061.60
TOTAL RECURRING FEES		\$744,861.60	\$238,971.00*

*For the avoidance of doubt, this is the recurring fee that will serve as the baseline for the recurring fees to be charged during any Renewal Term. Additional increases may be applied at any time during the Initial Term if required quantities increase.

Mark43 will notify Subscriber of any changes to the Fees for any Renewal Term at least forty-five (45) days prior to the start of the Renewal Term, provided that the recurring fees for the first Renewal Term shall not exceed \$238,971.00.

Mark43 agrees that the annual subscription Fee for the Applications referenced in Section 2 above may increase by no more than five percent (5%) year over year in any Renewal Term thereafter (not including increases attributable to quantity increases).

For the Initial Term, the following scope will be delivered at no cost, with such scope further detailed in the Statement of Work:

- a. DCM 5: CAD Lite Data Migration from 1 legacy data source
- b. Interface Development for the integrations set forth in the Statement of Work

- c. Implementation Services for PAR 2
- d. Implementation Services for PAR 5
- e. Implementation Services for PAR 7

7. Payment Schedule.

- a. Initial Term: Subscriber will pay the Fees detailed in Section 5 above according to the following schedule during the Initial Term.

Recurring Fee Payment Schedule	Amount Due
Go Live	\$0 (recurring fee discounted 100%)
First anniversary of Go Live	\$163,971.00 (recurring fee discounted 31%)
Second anniversary of Go Live	\$238,971.00
TOTAL	\$402,942.00

- b. Renewal Term: Fees for any Renewal Term will be paid in full in advance on the first day of the Renewal Term.

F-3

Attachment 2

**MARK43, INC.
IMPLEMENTATION
STATEMENT OF WORK
SOUTH BAY REGIONAL
PUBLIC
COMMUNICATIONS
AUTHORITY (RCC)**

Table of Contents

1. STATEMENT OF WORK OVERVIEW	2
2. PROJECT MANAGEMENT	2
3. DATA MIGRATION SERVICES	17
4. THIRD PARTY INTERFACE SERVICES	24
5. MESSAGE SWITCH INTERFACE	34
6. ESRI INTERFACE	35
7. APPENDIX – DATA MIGRATION SERVICES SCOPE	37
Entity Types	38
Reference Data	39
Data Elements	39
Data Quality	40

1. STATEMENT OF WORK OVERVIEW

This Statement of Work (SOW) outlines tasks required for the Mark43 Project Team to provide the Mark43 platform functionality to the South Bay Regional Public Communications Authority (Subscriber) in accordance with the Software License and Services Agreement (SLSA) entered into by Mark43 and Subscriber in conjunction with this SOW. The Mark43 Project Team shall perform in accordance with this SOW, which shall be effective as of the Effective Date. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the SLSA.

This document's intention is to outline the implementation services, customer success services, data conversion scope, and third-party interface scope that were purchased along with the Mark43 System and that accompany the Mark43 software implementation. This document outlines project implementation scope, Mark43 responsibilities, Subscriber responsibilities, implementation governance, cutover responsibilities, and a project outline. Any changes to this document will be handled through the Change Control Process outlined in the Change Control section of this document. If a service is not listed in this document, it is not considered part of the project.

Throughout this SOW, Services that indicate "onsite" are dependent on travel being permissible and other factors agreed upon by the parties hereto, in all cases in accordance with applicable travel and gathering restrictions. In the event onsite Services are not practicable, remote Services will be provided instead.

2. PROJECT MANAGEMENT

2.1 PROJECT MANAGEMENT OVERVIEW

Mark43 will provide a member of the implementation team who will act as the Project Lead and serve as Subscriber's main point of contact during implementation. The Project Lead will help guide Subscriber through the phases of implementation – from the initial kick-off call, to cutover to live operations – and assist with any questions Subscriber might have throughout the process. The Project Lead aims to bring together recommended best practices, blending implementation and project coordination processes to provide meaningful support throughout the project lifecycle. Implementation services will be governed by the expectation table contained in Section 2.6 of this document.

While the Project Lead is responsible for driving the implementation process, assistance from Subscriber is necessary to facilitate the project. Subscriber's project team will need to set aside time weekly for workflow and configuration validation sessions, data reconciliation, testing, and training. The Project Lead will outline the scope of these responsibilities at the kick-off meeting for the project.

If Subscriber anticipates having limited availability, then Subscriber may want to purchase additional services from Mark43 to reduce the amount of time required from Subscriber. In addition, once live on the System, Subscriber may decide to implement additional functionality or modules. In such cases, Subscriber should handle such requests through the Change Control Process outlined in the Change Control section of this document.

After the implementation has been completed, the Mark43 Customer Success Team will begin the transition to ongoing customer sustainment. After Go Live, Customer Success will take over as the primary point of contact for any outstanding projects, escalations, and maintenance of the System. Customer Success will be available to answer any project-related questions that may come up as you begin using the Mark43 service. In addition, Mark43 staffs a 24/7 Help Desk to assist with ground-level questions as they arise, and an online workflow portal that outlines out of the box Mark43 functionality. Support services are covered by your Annual Subscription, Maintenance & Support Fees.

2.2 PROJECT MANAGEMENT SCOPE AND RESPONSIBILITIES

As stated above, the Project Lead will guide Subscriber through the implementation. Coordinated effort and cooperation from Subscriber is necessary to facilitate the implementation. The following table breaks down general responsibilities for both Mark43 and Subscriber, outlining activities that are included in the scope of the Implementation.

- **R – Responsible:** Does the work to complete the activity
- **A – Accountable:** Ensures work is deemed complete
- **C – Consulted:** Provides input on activity
- **I – Informed:** Receives updates on the progress of activity

		Mark43	Subscriber
Project Management			
Deliverable	Description		
Project Kickoff	Conduct meeting that formally starts the project and sets expectations	R	R / A
Project Management			

		Mark43	Subscriber
Foundation Questionnaire	Complete form that provides key information about the agency, current state infrastructure, and workflows	A	R
Project Plan	Project schedule that indicates the timeline, activities, dependencies, and progress of the project	R	A
Project Communication Plan	Document that outlines the project communications process and cadence	R	A / I
Change Order Request Form	Complete form that requests new project work that is not included in the Statement of Work if desired	I / A	R
Status Report	Provide document that provides regular updates on project activities	R	A / I
Project Schedule Maintenance (Updates/Changes)	Communicate progress updates on project activities	R	A / I
Risk Matrix	Document outlines project risks and their mitigations	R	A / C / I
Decision Log	Record and maintain significant decisions for the project including migration, interfaces, workflows, and configurations	R	A / C
Workflow Guide Development and Maintenance	Create document that specifies agency-specific workflows on using Mark43	A / C	R
Configuration Management	Configure the base CAD tenant during implementation	R	A
Fillable PDF Configuration	Configure and map any fillable PDFs forms to be used in the RMS	A	R
Configuration Maintenance	Configure the base CAD tenant during implementation	A	R
Cutover Plan	Create document that outlines the plan for cutover and Go Live	R	A / I
Sustainment Plan			

		Mark43	Subscriber
Sustainment Plan	Create document that outlines plan for managing the Mark43 System post cutover	R	A / C / I
New Feature Training	Train Subscriber on newly released product features	R	A / I
Manage post cutover interface builds	Develop any post cutover interfaces	R	A / I
Help Desk and Issue Resolution	Manage and triage any reported issues post cutover	R	A / I
Change Management			
Change Management Plan	Create change management plan for agency	R	R / C / I
Communication Plan	Create and distribute agency communications on how to use Mark43, training, and Go Live	A / C	R
Training			
Baseline Training Materials	Develop and provide training course materials	R	A / I
Remote Training Walkthroughs	Develop and provide remote training course materials	R	A / I
Train-the-Trainer (TtT) Logistics / Follow up	Identify Train-the-Trainers for agency specific training	R / A	R
Agency-Specific Training Logistics	Coordinate logistics and holds training for agency-specific workflows	A / C / I	R
Migration			
Database Backup and Files	Provide the backup of the legacy database and any relevant files in scope for migration at project initiation and prior to the final production migration (full and delta)	C / I	R / A
Field Mapping	Map fields from the legacy data system to Mark43 migration fields	R	A / C

		Mark43	Subscriber
Scope Document	Create document that describes migration scope and expected behavior	R	A / C
ETL Development	Develop the scripts to migrate in scope legacy data	R	A / I
Reference Value Mapping	Map legacy reference values to Mark43 configured reference values	A	R
Migration User Acceptance Testing (UAT)	Perform UAT on migrated data in test environments	A	R
Quality Control and Bug Fixes	Address reported bugs based on triage and priority	R	A / C / I
Final Migration Cutover	Migrates legacy to Mark43 Production environment	R	A
Interface Development			
Interface Scoping and Prioritization	Prioritize and provide scope for in-scope interfaces	C / I	R / A
Interface Server	Interface server set up and maintenance	C / I	R / A
Third Party System Access	Provide Mark43 access to third party vendor contacts and systems required to develop, test and turn on the interface	A	R
Reference Value Mapping	Map external reference values to Mark43 configured reference values	A	R
Field Mapping	Map external system fields to Mark43 partnership fields	R	A / C
Interface Control Documents (ICDs)	Create document that describes interface scope and expected behavior	R	A / C / I
Interface UAT	Perform UAT on interfaces in test environments	A	R

		Mark43	Subscriber
Quality Control and Bug Fixes	Address reported bugs based on triage and priority	R	A / C / I
Interface Sustainment	Manage interfaces post-launch	R	A / C
Single Sign On			
Authentication Infrastructure	Install, configure, and maintain authentication system. Install ADFS if ADFS or SAML SSO is not available	A / I	R
Connection Information	Provide ADFS or SAML SSO connection information to Mark43	A / I	R
Auth0 Configuration	Configure Auth0	R	A / I
Analytics			
Data walkthrough (Schema)	Walkthrough Mark43 data lake schema so that users can query	R	A / I
Product			
Roadmap Updates	Provide updates on Mark43 Product roadmap as they are available	R	A / I

The following activities and responsibilities are excluded from the scope of the implementation:

- Implementation of products or delivery of services not included within this SOW or the SLSA
- End user or TtT training for any employee or affiliate of Subscriber beyond what is included in Section 2.4.3.
- Evaluation of Subscriber's current state practices, policies, or procedures for the purpose of process improvement or performance improvement
- Troubleshooting of any issues not related to Mark43 software, Mark43 development, or Mark43 interfaces, unless otherwise outlined
- Migration of data to Mark43 from other systems or third parties other than those specified in this SOW or the SLSA
- Interfacing, or integrating, from or to Mark43 from other systems or third parties other than those specified in this SOW or the SLSA
- Installation of any non-Mark43 software, servers, workstations or any other hardware
- Export of Mark43 data to other systems or third parties other than those specified in the SLSA

For any tasks, deliverables, or services not included in scope that Subscriber wishes Mark43 to perform, Subscriber must follow the Change Control Process outlined in the Change Control section of this document.

2.3 PROJECT MANAGEMENT GOVERNANCE

Mark43 and Subscriber will work together to outline a full Governance Structure document detailing the persons for each Mark43 and Subscriber Team role. The document should include an escalation path for issues on both sides, an executive sponsor, and detail, as much as possible, the members of each working group.

The following is the breakdown of project roles and responsibilities:

MARK43 PROJECT TEAM	
Role	Responsibilities
Project Lead	<ul style="list-style-type: none"> • Primary point of contact for the project • Manages the project schedule/timeline and provides regular status updates to all stakeholders • Coordinates and schedules Mark43 resources • Handles escalated issues
Customer Success Team	<ul style="list-style-type: none"> • Primary point of contact post Go Live • Maintains ongoing release management and deployments • Ensures outstanding projects, interfaces, and migrations on are on schedule • Handles escalated issues and prioritizations • Conducts regular surveys and feedback sessions • Engage customers to improve in-app feature/product adoption
Technical Services Team	<ul style="list-style-type: none"> • Primary technical point of contact for the project • Scopes and defines technical requirements and implementation plans for interfaces and migrations • Coordinates and schedules Mark43 technical resources for interfaces, migrations, or any other technical services work • Handles escalated technical issues • Develops interfaces and/or data migrations • Escalates technical, workflow, or business issues • Communicates and works with third party developers and vendors (if any) for non-live interfaces • Triage and handles bugs reported for non-live migrations and interfaces
Deployment Analysts	<ul style="list-style-type: none"> • Assist with general product questions and configuration activities
Product Specialists	<ul style="list-style-type: none"> • Assist with specific product questions and configuration activity • Triage and handles bugs reported for post Go-Live migrations and live interfaces

SUBSCRIBER TEAM	
Role	Responsibilities
Executive Sponsor	<ul style="list-style-type: none"> • Command Staff representative for Subscriber • Has authority to represent Subscriber and provide or obtain sign-off on major decisions during the project • Assists with change management and potential policy changes within Subscriber • Helps govern relevant project stakeholders / working group leaders
Project Lead	<ul style="list-style-type: none"> • Primary point of contact for Subscriber • Participates in regular check-ins and status updates with the team • Reviews and approves major milestones • Manages and escalates issues • Has authority to represent Subscriber and get sign-off on major decisions during the project
Business Point of Contact	<ul style="list-style-type: none"> • Has knowledge of existing workflows, processes, configurations, and systems, or has the resources to find business users needed to provide knowledge • Has authority to represent Subscriber and get sign-off on business decisions around workflows, configurations, interfaces, and data conversions • Helps define scope and requirements for configurations, interfaces, and data conversions
Technical Point of Contact	<ul style="list-style-type: none"> • Has knowledge of existing systems, interfaces, and vendors/parties involved • Has authority to represent Subscriber and get sign-off on major technical decisions • Provides network, data, system, or other access deemed necessary for completion of interface and data conversions development work • Provides documentation and other resources on data, schemas, systems as needed
Validation Point of Contact	<ul style="list-style-type: none"> • Has enough business and technical knowledge to be able to validate and sign-off on acceptance of workflows, configurations, interfaces, and data conversions • Has authority to represent Subscriber and get sign-off on acceptance of interfaces and data conversions
Working Group Leads	<ul style="list-style-type: none"> • Primary points of contact for each user group. There should, at least, be one person for sworn, IT, Records, and each major module being implemented
Training Point of Contact	<ul style="list-style-type: none"> • Primary point of contact for user training • Helps facilitate training initiatives

2.4 PROJECT MANAGEMENT STAGES AND ACTIVITIES

To ensure product implementation success, the Mark43 project will be divided into four distinct phases:



2.4.1 PHASE 1 - Plan

Phase 1 focuses on kicking off the implementation and planning the provision of the Mark43 software. Mark43 will work closely with Subscriber to outline the implementation steps, review project planning documentation, and analyze business processes to outline configuration needs. This includes meeting with identified working groups within the department, conducting research, and introducing individuals to how workflows will function in Mark43. Subscriber will need to ensure full assembly of Subscriber project team and working groups as well as completion of any questionnaires within two weeks of receipt.

The table below outlines Phase 1 activities:

Tasks	Task Details / Deliverables
Project Kick-Off	<ul style="list-style-type: none">● Conduct a Project Kick-Off to commence the Mark43 software implementation through discussions of:<ul style="list-style-type: none">○ Mark43 as a Company○ Mark43's Implementation Methodology○ Project Organization, Roles, & Responsibilities for both Mark43 and Subscriber and the Project Communication Plan● High level overview of product and project deliverables
NIBRS Contact	<ul style="list-style-type: none">● Subscriber will work with Mark43 to introduce and establish communication with Subscriber NIBRS contact
Other Specialty Content Contact	<ul style="list-style-type: none">● For any other specialty areas, Subscriber will need to work with Mark43 to introduce and establish communication with Subscriber point of contact (e.g. GIS experts)

Tasks	Task Details / Deliverables
Planning Documentation	<ul style="list-style-type: none"> Subscriber will fill out Mark43's Foundation Questionnaire to help Mark43 understand Subscriber's current processes and state as well as the scope of the project Subscriber will fill out Mark43's Interface Questionnaire(s) to help Mark43 better understand the technical scope and goal of the project Subscriber provides Mark43 the Project Governance Structure Document to outline project contacts and communication protocols Mark43 provides customer requested documentation to satisfy state clearance process or requirements Mark43 to conduct the Introduction to Interface Scoping and Planning for Subscriber Mark43 to conduct the Introduction to Data Conversion Scoping and Planning for Subscriber
Project Plan	<ul style="list-style-type: none"> Introduction of base project plan for Mark43 and Subscriber collaboration Mark43 will provide the Project Plan via Baton (note: Baton is a project planning and management tool leveraged by the Mark43 project team)

2.4.2 PHASE 2 - Implement

Phase 2 involves introducing the key working group leads and Subject Matter Experts (SMEs) to system configuration scope and options for the implementation. The depth and breadth of configuration required will be determined during project planning and scoping in Phase 1 based on the questionnaires Mark43 sent to Subscriber.

Mark43 will deliver a User Acceptance Testing (UAT) Plan for review by Subscriber. Data Migration/Conversion and Interface (Third Party Interface) planning will also begin; for more information on these activities, please refer to the Data Conversion and Third Party Interface Scope sections of this document.

The table below outlines Phase 2 activities:

Tasks	Task Details / Deliverables
Configuration Overview	<ul style="list-style-type: none"> Conduct a system familiarization training overview with identified Subject Matter Experts in a tenant that

Tasks	Task Details / Deliverables
	<p>has been lightly configured for the participating Subscriber</p> <ul style="list-style-type: none"> Subscriber gains access to the lightly-configured tenant for initial workflow testing Mark43 provides Subscriber with Foundation Workflow Guide
Configuration Sessions	<ul style="list-style-type: none"> Mark43 will hold a configuration training session for Subscriber staff that will be assisting and reviewing configuration settings
UAT Introduction	<ul style="list-style-type: none"> Mark43 outlines standard UAT methodologies, timing, and logistics Subscriber is responsible for resource scheduling and logistics Mark43 provides base workflow testing outline
UAT Documentation	<ul style="list-style-type: none"> Mark43 will provide documentation detailing the minimum scripts to be reviewed and tested
Data Conversion Planning, Testing, and Completion	<ul style="list-style-type: none"> Mark43 will work with Subscriber and provide a Data Migration Plan or Decision Document to determine the plan with Subscriber. Timing and milestones will be included in the project plan where appropriate For further details reference the Data Conversion Scope section of this document
Interfaces Planning, Testing, and Completion	<ul style="list-style-type: none"> Please reference the Third Party Interfaces Section of this document for details on interface planning, documentation, testing, and completion. Timing and milestones will be included in the project plan where appropriate
Training Needs Assessment	<ul style="list-style-type: none"> Identify current department training infrastructure, resources, and methodologies Mark43 will provide Subscriber with documentation outlining current Mark43 Course Offerings

2.4.3 PHASE 3 - Train

Phase 3 includes Mark43 delivery of training documentation/material, and assistance coordinating training logistics. This phase also includes Mark43 TtT courses as outlined in Section 2.4.3.1. Subscriber is responsible for incorporating feedback from workflow configuration and UAT sessions into training documents.

Tasks and deliverables within this phase may overlap with tasks, deliverables, or activities included in Phase 2.

The table below outlines Phase 3 activities:

Tasks	Task Details / Deliverables
Foundation Training Documentation	<ul style="list-style-type: none"> Mark43 will provide standardized workflow guides for Subscriber Mark43 will provide access to our knowledge portal via Mark43 Help Center
Training Logistics	<ul style="list-style-type: none"> Where applicable, Mark43 will assist and offer previous best practices on coordination of training logistics
Train-the-Trainer	<ul style="list-style-type: none"> Mark43 will provide the number of train-the-trainer sessions identified in Section 2.4.3.1 of this SOW
Additional Training	<ul style="list-style-type: none"> For any additional training outside of what is defined within this SOW or the SLSA, Subscriber should follow the Change Control Process outlined in the Change Control section to request additional training services

The following train-the-trainer sessions are included with the purchase of Mark43 subscription items:

2.4.3.1 Training Courses

REFERENCE TRAINING TABLE

Subscriber Size: 501-800 Sworn

Module	Number of Training Sessions Offered	Number of Maximum Attendees Per Session	Number of Physical Sites for Onsite Training
System Administration (CAD)	1 remote session	10	NA
BI Suite (full)	1 remote session	10	N/A
CAD Dispatch (all agencies, includes DEx)	3 onsite sessions	10	1

CAD FR (includes DEx)	3 onsite sessions	30	1
-----------------------	-------------------	----	---

2.4.4 PHASE 4 - Deploy

Phase 4 focuses on the final activities necessary for cutover to Mark43 production. Mark43 will provide a cutover checklist detailing tasks necessary for the customer to cutover to the production tenant.

Mark43 and Subscriber will hold a go/no-go meeting no less than 45 calendar days prior to the planned Go Live date as outlined in the collaborative project plan to assess readiness.

The table below outlines Phase 4 activities:

Tasks	Task Details / Deliverables
Cutover Checklist	<ul style="list-style-type: none"> Mark43 will provide a Cutover Checklist for Subscriber. This checklist details: tasks necessary to cutover to Mark43, Go Live readiness steps, and any final changes needed before Go Live Mark43 will also provide guidance on navigating this plan and collaborate with Subscriber to ensure Subscriber can complete all tasks
Go-Live Readiness	<ul style="list-style-type: none"> Mark43 and Subscriber will hold a joint go/no-go meeting to assess Subscriber's readiness for Go-Live and begin use of Mark43 products.
Go-Live	<ul style="list-style-type: none"> Mark43 will provide cutover support as per the Implementation Service Level listed below
Customer Success Transition	<ul style="list-style-type: none"> The Mark43 Project Lead will work to introduce the Mark43 Customer Success team to Subscriber and help outline: maintenance plan, issue escalation protocol, and ongoing status updates

The Cutover Checklist referenced above shall include the following items:

- Dynamic recommendation/refresh of units if there is a status change type code upgrade.
- Display initiate to entry time for incidents.
- Source information can be viewed after call is closed.

2.5 PROJECT MANAGEMENT MILESTONES

In addition, the Mark43 project is structured using the following project milestones. Each milestone's completion is determined by completion of the associated acceptance criteria.

Project Milestones

#	PROJECT MILESTONE	DESCRIPTION	ESTIMATED TIMING*
1	Project Kickoff	<ul style="list-style-type: none"> Project Kickoff meeting held by Mark43 and Subscriber Project working group established by Subscriber Meeting cadence established by Mark43 and Subscriber 	4/1/2022
2	Workflow Validation Complete	Configurations and workflows must be approved prior to scheduling training <ul style="list-style-type: none"> Interfaces complete 	2/1/2023
3	Training Complete	<ul style="list-style-type: none"> Train-the-trainer sessions scheduled and conducted by Mark43 	3/15/2023
4	Cutover / Go-live	<ul style="list-style-type: none"> CAD Production tenant is live Cutover support is complete by Mark43 	4/1/2023

*The timing set forth in this table are estimates only and are subject to shift based on a number of factors, including third party delays, availability of Subscriber staff and changes to the scope of the Services.

2.6 IMPLEMENTATION SERVICES OVERVIEW

The table below outlines the expectations for the purchased Implementation Services Level.

Service	Description
Status Calls and Updates Cadence	Bi-weekly

Service	Description
Project Response Times	Expected Mark43 response time within 3 business days for project-related activities
Implementation Product Support	All product and workflow questions should be directed to support@mark43.com ; or (212) 651-9153. Response time expectation 2-3 business days, 9am - 9pm Eastern, M-F, excluding Federal Holidays.
Configuration Support	Remote, led by Mark43 product support specialist(s) based on product module; remote preparatory and discovery sessions per module. All sessions should be coordinated with appropriate Subscriber decision makers and/or SME for that area (e.g., Evidence).
Implementation Onsite Schedule	As needed and agreed upon between Mark43 and subscriber.
Launch Support	Onsite (3 days during business hours [8:00am Local Time – 6:00pm Local Time])
Quality Assurance on any Interface Development	Remote
Quality Assurance on Any Data Migration	Remote
Product Feedback Sessions	Remote (as needed)
Sustainment Overview Meeting	Onsite
Sustainment Communication Cadence	Monthly Status Calls & Project Updates
Leadership Meeting	Quarterly
Sustainment Response Times	Within 3 – 5 business days

2.7 PRODUCT DEVELOPMENT

Mark43 agrees to build the following features with an estimated completion date of Q1 2023:

- Dynamic recommendation/refresh of units if there is a status change type code upgrade.
- Display initiate to entry time for incidents.
- Source information can be viewed after call is closed.

2.8 CHANGE CONTROL

For any requests to change this SOW, Mark43 and Subscriber will follow the Change Control Process. Examples of changes include supplementing Subscriber staff with Mark43 resources, purchasing additional implementation services, adding third party interfaces to scope, or purchasing existing modules not currently included in the SOW or SLSA. The Change Control Process will be the main vehicle for containing scope and confirming that Mark43 and Subscriber can make timely trade-offs between the three key project variables of cost, time, and scope.

As gaps are defined and mitigated in the Plan, Implement, Training and Deploy phases of the project, the Change Control Process will be used for formalizing updates to terms of this SOW, whether or not there is a financial impact. The process is initiated by the submission of a Change Order Request Form, which will be provided by Mark43 at the start of the project.

The Change Order Request Form will need to describe the change, rationale for the change, impact the change will have on the project, and any other pertinent details. Subscriber Executive Sponsor will review the proposed change and determine whether to submit the request to Mark43.

Upon Subscriber submission, the Mark43 Project Team will review the Change Order Request Form with internal Mark43 resources. The following will be presented upon completion of the internal Mark43 review: any proposed updates; costs to Subscriber; timeline estimates for the change; and a change order that reflects changes to the original project scope.

Mark43 reserves the right to reject a change request if it is not in the best interest of the implementation project. Some change requests may be deferred to after cutover to live operations if they are not critical to the success of the program. Upon signed approval by Subscriber, Mark43 will commence work as outlined in the Change Order.

3. DATA MIGRATION SERVICES

3.1 DATA MIGRATION SERVICES OVERVIEW

Mark43 will work with Subscriber to determine if a migration is required. If so, the following section outlines the scope, roles and responsibilities of Mark43 and Subscriber for the data migration ordered by Subscriber.

A Mark43 Technical Services Lead will serve as Subscriber's main point of contact during the data migration. The Technical Services Lead will help guide Subscriber

through the phases of data migration – from the initial assessment meeting, to the cutover catch-up migration – and assist with any questions Subscriber might have throughout the process. The Technical Services Lead aims to bring together recommended best practices, blending technical and project coordination processes to provide meaningful support throughout the project lifecycle.

While the Technical Services Lead is responsible for driving the data migration process, assistance from Subscriber is necessary to facilitate the project. Subscriber's project team will need to set aside time bi-weekly (or otherwise determined) for data validation testing, data reconciliation, NIBRS validation, bug logging and data mapping updates. The Mark43 Project Lead will outline the scope of these responsibilities at the kick-off meeting for the project.

If Subscriber anticipates having limited availability, then Subscriber may want to purchase additional services from Mark43 to reduce the amount of time required from Subscriber. In addition, once live on the System, Subscriber may decide to migrate data from additional legacy systems and databases. In such cases, Subscriber should handle such requests through the Change Control Process outlined in the Change Control section of this document.

3.2 DATA MIGRATION SCOPE

The following section identifies the scope of data migration services as agreed to in the SLSA:

Migration SKU	Migration Scope
[DCM 5] CAD Lite	Reference Section 7.4 in Data Migration Appendix for scope

The following data sources are in scope of the implementation. Data sources and/or databases not listed in the following table will not be included in the data migration services.

Name of Legacy Source	Migration SKU
Tiburon Total Enforcement CAD	DCM 5

A legacy data source is defined as one relational database storing data from one legacy application. File attachments from the legacy application that are referenced in the relational database are included as part of the legacy data source. New and/or repurposed tables and/or fields created in the relational database to store data from external databases and applications with the intention of circumventing the one legacy data source definition will not be included in the migration. External data inserted into the existing relational database tables can be included in the migration if inserted prior to the Mark43 migration project kickoff and the inserted data adheres to the existing legacy database model. However, Mark43 is not responsible for data quality issues stemming from external data inserted into the legacy database.

3.2.2 MIGRATION IMPLEMENTATION SCOPE

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
Data Access Requirements		<ul style="list-style-type: none">• Provide access to the in-scope legacy databases using one of the methods in the attached Data Access Requirements appendix (3.3.1)• Generate and provide access to the in-scope files using the method in the attached Data Access Requirements appendix (3.3.1)• Provide access to the in-scope legacy databases and files in a timely manner to adhere to the project schedule. Perform extraction and load test runs on dataset to ensure timelines can be met.

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
Scoping/Mapping	<ul style="list-style-type: none"> • Work with Subscriber to create a Migration Scope Bundle that contains the detailed migration project scope and plan • Provide the latest conversion data dictionary to Subscriber • Assist Subscriber with data mapping • Offer documentation and provide Mark43 product knowledge • Assist Subscriber with data mapping • Offer documentation and provide Mark43 product knowledge 	<ul style="list-style-type: none"> • Provide data in the required migration format to be used for the migration scope assessment • Work with Mark43 to complete the Migration Scope Bundle and sign off on the document • Complete field-by-field mapping of data fields from the legacy system to Mark43's migration schema • Map the following legacy reference values to Mark43 reference values prior to conversion into Mark43 if applicable: <ul style="list-style-type: none"> ○ Attributes ○ Offense Codes ○ Name Report Links ○ Report Permissions ○ Name Associations/Relationships ○ Property Chain Event Types ○ Property Storage Locations
Development	<ul style="list-style-type: none"> • Work with Subscriber to develop ETL (Extract, Transform, Load) scripts to convert the data from the legacy system(s) to Mark43 	<ul style="list-style-type: none"> • Work with Mark43 to develop ETL (Extract, Transform, Load) scripts to convert data from the legacy system(s) to Mark43
Test Loads	<ul style="list-style-type: none"> • Perform up to three (3) rounds of test migration* into a tenant Subscriber can access as specified in the Implementation Plan. Should additional rounds of test conversions be required, 	<ul style="list-style-type: none"> • Provide data in the required migration format to be loaded into the Mark43 application

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
	<p>additional implementation services can be available for purchase.</p>	
Validation	<ul style="list-style-type: none"> • Provide the Entity Count Validation document after every test migration round with the following counts provided: <ul style="list-style-type: none"> ◦ Count of records in the Migration database ◦ Count of records in the Mark43 database • Correct valid bugs and make mapping change requests until the attached Migration User Acceptance criteria are met <ul style="list-style-type: none"> ◦ Mark43 will not perform data cleansing activities (e.g., custom formatting of text, duplicate entity reconciliation, incomplete location resolution, etc.) to correct data quality issues in the legacy database of Subscriber 	<ul style="list-style-type: none"> • Provide Entity Count Validation Legacy database counts after every test migration round • Perform field-level validation on the converted data • Perform validation within 10 business days of receiving migrated data from Mark43 • Perform functionality validation on the converted data by performing test workflows on the converted data • (Optional) Perform NIBRS validation with assistance from their State/Regional NIBRS office • Log bugs and mapping change requests found during converted data validation • If applicable, perform data cleansing activities in their legacy database(s) to prevent bad data from being migrated into Mark43
Production Load	<ul style="list-style-type: none"> • Perform one (1) full migration into the final production tenant(s) • (Optional) Perform one (1) follow up delta migration into the final production tenant(s) 	<ul style="list-style-type: none"> • Provide data in the required migration format to be loaded into the Mark43 application for the full and (optional) delta migrations • Provide Entity Count Validation Legacy

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
	<ul style="list-style-type: none"> ● Provide the Entity Count Validation document after every conversion round with the following counts provided: <ul style="list-style-type: none"> ○ Count of records in the Migration database ○ Count of records in the Mark43 database 	<p>database counts after every conversion round</p> <ul style="list-style-type: none"> ● Perform field-level validation on the converted data
Post Migration Support	<ul style="list-style-type: none"> ● Correct valid migration bugs logged within (1) month after the final migration into the production tenant(s). Should additional bug fixes be required, additional migration services can be available for purchase. ● Should change requests, as defined as migration scope not defined on the signed Migration Scope Document, be required, additional migration services can be available for purchase. 	<ul style="list-style-type: none"> ● Log migration bugs found in the live production tenant

***Migration Round Definition:**

- A migration round is a scheduled transfer of records from the Subscriber's legacy RMS into an isolated Mark43 test environment (tenant)
- Migrated records include entities agreed upon by the Subscriber and Mark43 during the migration scoping phase. Migration rounds incrementally expand in entity scope to allow Subscriber testing and ETL development to happen in parallel, with the final round including the full in scope data set
- Migration rounds include the migration of in scope entities by Mark43 and corresponding validation activities by Mark43 and the Subscriber
- High priority bugs and change requests, as defined during the migration scoping phase, present in the migration round will be corrected by Mark43 as part of the round

- Medium and low priority bugs and change requests will be fixed by Mark43 in subsequent migration rounds. If the migration round is the final round, high and medium priority bugs and change requests committed to prior to the round will be fixed by Mark43 as part of the round.

The following services are out of scope for migration services:

- **Data Cleansing:** Manipulating legacy data so that it alters how the data was originally structured or presented in the legacy application. This is including, but not limited to:
 - Merging duplicate entity profiles
 - Changing format of dates or names
 - Eliminating typos or incorrect characters
- **PDF Extraction and Generation:** Using data extraction methods to scan legacy reports and automatically generate PDF files to be migrated or uploaded into the Mark43 RMS
- **Blob Extraction:** Using data extraction methods to scan legacy images and automatically generate images or files to be migrated or uploaded into the Mark43 RMS

3.3 DATA ACCESS REQUIREMENTS

This document outlines the data access requirements on the part of Subscriber for conducting a Mark43 data migration project.

3.3.1 DATABASE ACCESS

To develop and test migrations, Mark43 needs access to a copy of the department's in-scope legacy systems. Permission to create temporary tables and indexes is required for performance reasons.

The department must provide an export of their legacy database (in-scope and information schemas only) and share it with Mark43 through the AWS S3 bucket provided by Mark43. Mark43 can use this export to recreate the snapshot in Mark43's AWS host.

Depending on the legacy database type, the department must provide the following zipped file copies of the database:

- Oracle
 - Version 10.1 and Up
 - Dump (.dmp) and log (.log) files generated using expdp utility
 - Older Versions
 - Dump (.dmp) and log (.log) files generated using exp utility
- SQL Server
 - Backup (.bak) of the legacy database
- MySQL

- Dump (.sql) file generated using mysqldump utility
- In the scenario where the department is not able to provide a standard database copy, the in scope tables can be provided as csv files. This approach is not recommended and should only be taken when all other options are exhausted. The csv files must be generated using the following custom formatting:
 - First row is header: true
 - Trim whitespaces: true
 - Value separator: ^|^
 - Row separator: newline
 - Null value text: \N
 - Escape character: %
 - Quote values: always

3.3.2 FILE ACCESS

To migrate attachments, such as PDF copies of reports, mugshots, photos and scanned files, the department must upload the attachment files (uncompressed) into the AWS S3 bucket provided by Mark43. The files must remain in the S3 bucket until the attachment migration into Mark43 is completed.

Mark43 must be able to map the uploaded files to the desired entities based on the file path and filename. For this reason, departments should retain any folder structure and naming conventions when copying the files into S3. If departments are generating new files, the folder structure and file naming convention should be consistent so Mark43 can reproduce the path and name in the relevant migration.

4. THIRD PARTY INTERFACE SERVICES

Mark43 supports a number of different interface methods to suit the varying needs of customers, vendors, and partners. Mark43 is built using service-oriented architecture; therefore, every system activity has a RESTful API call to accomplish a user action to transfer data to or from the system. In addition, for partners that prefer other methods of interface either through a direct database connection or file transfer, Mark43 supports those needs through a comprehensive set of generic and custom solutions.

4.1 INTERFACE TIERS

Mark43 organizes interface development and maintenance under one of the following categories:

Interface Tier/SKU	Mark43 Task Details	Subscriber and Vendor Task Details
[INT 1] Interface - Custom Level 1	<ul style="list-style-type: none"> • Interfaces that do not require development work by Mark43 and may require: <ul style="list-style-type: none"> ○ An on-premise interface server installation ○ Maintenance of a regular job by Mark43 ○ Install Mark43 custom software on the interface server ○ Complete data transformation, configuration, and development ○ Maintain job to post or pull data from Mark43 	<ul style="list-style-type: none"> • Subscriber responsibilities <ul style="list-style-type: none"> ○ Provision Mark43 interface server • Vendor responsibilities <ul style="list-style-type: none"> ○ Provide documentation and assist with data transformation and configuration as needed/available
[INT 2] Interface - Custom Level 2	<ul style="list-style-type: none"> • Interfaces not on the “Mark43 Industry Standard Interface Types” list or have additional scope not included in the standard requirements that require: <ul style="list-style-type: none"> ○ Custom development, data transformation, or configuration by Mark43 ○ An on-premise interface server installation ○ Maintenance of a regular job by Mark43 • Mark43 responsibilities <ul style="list-style-type: none"> ○ Install Mark43 	<ul style="list-style-type: none"> • Subscriber responsibilities <ul style="list-style-type: none"> ○ Provision Mark43 interface server • Vendor responsibilities <ul style="list-style-type: none"> ○ Provide documentation and assist with data transformation and configuration as needed/available

Interface Tier/SKU	Mark43 Task Details	Subscriber and Vendor Task Details
	<p>custom software on the interface server</p> <ul style="list-style-type: none"> ○ Complete data transformation, configuration, and development 	
[INT 3] Interface - Custom Level 3	<ul style="list-style-type: none"> ● Custom interfaces built by Mark43 that require: <ul style="list-style-type: none"> ○ Potentially multi-directional data transfer between Mark43 and the external system ○ An on-premise interface server installation ○ Maintenance of a regular job ○ Custom data transformation or configuration ● Mark43 responsibilities <ul style="list-style-type: none"> ○ Install Mark43 custom software on the interface 	<ul style="list-style-type: none"> ● Subscriber responsibilities <ul style="list-style-type: none"> ○ Provision Mark43 interface server ● Vendor responsibilities <ul style="list-style-type: none"> ○ Provide documentation and assist with data transformation and configuration as needed/available

Interface Tier/SKU	Mark43 Task Details	Subscriber and Vendor Task Details
	<ul style="list-style-type: none"> server <ul style="list-style-type: none"> Complete data transformation, configuration, and development 	
[INT 4] Interface - Self-Build	<ul style="list-style-type: none"> Provide developer documentation Offer consultation (up to 1 training session and support through the help desk) Maintain uptime for the API and data lake 	<ul style="list-style-type: none"> Interfaces built by Subscriber IT team or third-party vendor using Mark43's API, a read-only connection to the Mark43 data lake standard views Vendor/Subscriber responsibilities <ul style="list-style-type: none"> Transform data to/from Mark43's API or data lake format Maintain the scheduled job that interacts with the API/data lake
[INT 5] Interface - Partner Level 1	<ul style="list-style-type: none"> Interfaces between Mark43 and a verified partner vendor interface options and developer documentation available in the Mark43 developer portal Refer to the "Mark43 Partner Vendors" list Level 1 Mark43 requires minimal development and configuration work to setup this interface for customer Customer must accept interface within document functionality 	
[INT 6] Interface - Partner Level 2	<ul style="list-style-type: none"> Interfaces between Mark43 and a verified 	

Interface Tier/SKU	Mark43 Task Details	Subscriber and Vendor Task Details
	<p>partner vendor</p> <ul style="list-style-type: none"> • Interface options and developer documentation available in the Mark43 developer portal • This interface requires some configuration and development per customer • Customer must accept interface within parameters documented 	
Maintenance and Support	<p>Subject to the terms and conditions of the MSA, Mark43 will provide Maintenance Services for all deployed interfaces. Maintenance Services shall consist of the following:</p> <ul style="list-style-type: none"> • Mark43 will maintain the application software installed on the interface server(s) • Mark43 will update the docker containers on the interface server(s) as part of the bi-weekly Mark43 release cycle • Mark43 will resolve any defects in the operation of the interface in a timely manner 	

4.2 INTERFACE SCOPE

Mark43 will provide interface services to Subscriber aligned with the appropriate interface tier in section 4.1.

Interface Name	Tier	Direction
----------------	------	-----------

Emergency Reporting Cloud Fire RMS	INT 1	One-way
Motorola Vesta E911	INT 1	One-way
WestNet Fire Station Alerting First-In	INT 1	One-way
Rapid Deploy AML	INT 1	One-way
Rapid Deploy Text-to-911	INT 2	Two-way
Digital EMS ePCR Solutions	INT 1	One-way
LexisNexis Accurint	INT 5	One-way
FirstDUE Size Up	INT 1	One-way
Active911	INT 1	One-way
PulsePoint for Fire	INT 1	One-way

4.3 INTERFACE IMPLEMENTATION SCOPE

Mark43 and Subscriber will perform the tasks required to design, develop, optimize, test and integrate the Mark43 platform with third party systems as outlined in this SOW.

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
Access	<ul style="list-style-type: none"> ● Provide list of Mark43 employees requiring interfaces server access - these employees will be background-checked and CJIS-certified ● Provide Mark43 data lake access to Subscriber and/or third party vendor if applicable ● Provide Mark43 Public Endpoint access to Subscriber and/or third party vendor if applicable 	<ul style="list-style-type: none"> ● Set up interface servers that meet the interface server requirements detailed in the SLSA ● Provide the listed Mark43 employees VPN and server access credentials required for accessing the interface server ● Ensure the listed Mark43 employees are able to establish an SSH connection to the interface server over the VPN ● Provide Subscriber and/or third party vendor access to Mark43 based on the requirements in the attached Interface Access Requirements appendix (4.4)
Assessment & Scoping	<ul style="list-style-type: none"> ● Work with Subscriber to create an Interface Scope Bundle for each interface. The Interface Scope Bundle contains: <ul style="list-style-type: none"> ○ Interface Control Document (ICD) ○ Implementation plan ○ Interface User Acceptance Criteria ● Assist Subscriber with interface field mapping ● Provide Mark43 Developer Help Desk access and provide Mark43 product knowledge 	<ul style="list-style-type: none"> ● Work with Mark43 and/or third party vendor to complete the Interface Scope Bundle and sign off on the document ● Receive sign off of the Interface Scope Bundle by the third party vendor if applicable ● Complete field-by-field mapping of data fields from the legacy system to Mark43's external models ● Map the following legacy reference values to Mark43 reference values if applicable: <ul style="list-style-type: none"> ○ Attributes ○ Offense Codes ○ Name Report Links ○ Report Permissions

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
		<ul style="list-style-type: none"> ○ Name Associations/Relationships ○ Property Chain Event Types ○ Property Storage Locations
Development (INT1, INT2, INT3, INT5)	<ul style="list-style-type: none"> ● Work with Subscriber and/or third party vendor to develop the interface based on the signed Interface Scope Bundle <ul style="list-style-type: none"> ○ Develop interface to meet requirements specified in the signed Interface Control Document ● Develop interface based on the roles and responsibilities specified in the signed Interface Scope Bundle 	<ul style="list-style-type: none"> ● Provide test data and/or sandbox environment to develop against ● Provide external system product knowledge and technical assistance
Development (INT4)	<ul style="list-style-type: none"> ● Resolve any identified bugs and/or feature gaps with the Mark43 Public Endpoints and/or data lake if applicable 	<ul style="list-style-type: none"> ● Work internally and/or with third party vendor to develop the interface based on the signed Interface Scope Bundle <ul style="list-style-type: none"> ○ Develop interface to meet requirements specified in the signed Interface Control Document ○ Develop interface based on the roles and responsibilities specified in the signed Interface Scope Bundle

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
Testing	<ul style="list-style-type: none"> • Provide a Mark43 test tenant to perform interface testing against • Schedule the interface to run on the Mark43 test tenant if applicable 	<ul style="list-style-type: none"> • Schedule the interface to run against the Mark43 test tenant if applicable
Validation	<ul style="list-style-type: none"> • Correct valid bugs and make mapping change requests until the attached Interface User Acceptance criteria are met • Mark43 will not perform data cleansing activities (e.g., custom formatting of text, incomplete location resolution, complex logic to populate missing data elements, etc.) to correct data quality issues in the external system 	<ul style="list-style-type: none"> • Perform entity count validation on the imported data • Perform field-level validation on the imported data • Perform functionality validation by performing test workflows on the imported data • Log bugs and mapping change requests found during imported data validation • If applicable, perform data cleansing activities and/or workflow updates in the external system(s) to prevent bad data from being imported into Mark43
Live Scheduling	<ul style="list-style-type: none"> • Schedule the interface to run on the Mark43 live tenant if applicable 	<ul style="list-style-type: none"> • Schedule the interface to run on the Mark43 live tenant if applicable
Maintenance	<ul style="list-style-type: none"> • Maintain the containers installed on the interface server used to run interfaces • Monitor host status and interface throughput and notify Subscriber of unexpected deviations • Maintain the interface code and schedule if applicable 	<ul style="list-style-type: none"> • Maintain the interface servers • Maintain additional interface access (e.g., file transfer directory, database access) if applicable • Maintain Subscriber and/or third party vendor processes (e.g., file transfer, data warehouse updates, schedule to hit

Phases / Tasks	Mark43 Task Details	Subscriber Task Details
	<ul style="list-style-type: none"> • Maintain the Mark43 Public Endpoints and/or data lake views used by the interface if applicable • Notify Subscriber of any changes to relevant Mark43 Public Endpoint and data lake views if applicable 	<p>Mark43 endpoints, etc.) if applicable</p> <ul style="list-style-type: none"> • Notify Mark43 of any changes to the endpoint and or database tables/views used by the interface if applicable • Submit Change Requests for changes to live interfaces that deviate from the signed Interface Scope Bundle ICD

4.4 INTERFACE ACCESS REQUIREMENTS

Mark43 supports the following interface methods to suit the needs of customers, vendors and partners.

4.4.1 WEB SERVICE (RECOMMENDED)

The recommended interface method is through the Mark43 public API library. Mark43 provides a standard set of public endpoints to get and post data to the Mark43 System. New endpoints can be developed and added to the library if the specified interface functionality is not currently supported by existing endpoints.

Specifications:

- Secure RESTful API with live documentation and testing
- JSON data transfer via HTTPS
- Individual API authentication tokens provisioned for developers using the API

4.4.2 MARK43 DATA LAKE

To support the needs of interfaces that require a direct database connection, the Mark43 data lake offers the ability to extract data through a read-only MS SQL database connection. Mark43's cloud-hosted data lake offers the ability to connect reporting tools, pull custom queries for analysis, or run regular jobs for data extracts without requiring agencies to host an on-premise data warehouse.

Mark43 provides a set of standard views that have been normalized and optimized for reporting. Mark43 can develop custom views for partner interface vendors and for special department needs upon request.

Specifications:

- Secure, encrypted read-only connection to the Mark43 cloud-hosted data lake
- Microsoft SQL Server database
- Individual database accounts provisioned for developers, analysts, or other users requiring an account on the Mark43 data lake

4.4.3 FILE TRANSFER

Agencies and vendors may opt to build an interface via file transfer. Mark43 provides a set of configurable file transfer options for ingestion into Mark43 and export from Mark43.

Specifications:

- File transfer must occur in a directory accessible by the interface server
- Mark43 requires SFTP/SSH permission to the interface server and file transfer directory
- Mark43 requires permission to create directories and create, move, rename, and delete files in the file transfer directory
- Transferred files must be in a supported file type: XML (recommended), JSON, CSV, and standard open file formats (e.g., NIST)

4.4.4 DIRECT DATABASE

Agencies and vendors may opt to provide direct access to a replica database for Mark43 to query against. Mark43 cannot build interfaces to query against live production databases.

Specifications:

- The database must support connection via JDBC and/or Hibernate, an open source Java library for connecting to databases
- Mark43 requires read access to the database
- Agencies and vendors must provide properly indexed views (recommended) or tables to enable performant queries from Mark43

5. MESSAGE SWITCH INTERFACE

5.1 MESSAGE SWITCH INTERFACE SCOPE

The following interfaces will be achieved through access to a CLIPS terminal or ConnectCIC license

Mark43 CAD Functionality (500 ConnectCIC Licenses)

- Query (no Entry):
 - Persons (driver's license, state warrants, NCIC warrants, and driver's history)
 - Vehicles (registration, state wants, and NCIC wants)
 - Firearms (NCIC stolen and state registration [if available])

- Boats (NCIC stolen and state registration [if separate and available])
- Articles (NCIC stolen and state stolen [if one exists])

CLIPS Terminal (216 Device Licenses)

- CLIPS is a stand-alone product that supports all 300+ transactions available in CLETS.
 - CLIPS is licensed per device because it is installed on a physical device.
- To reduce duplicate entry, Mark43 will build a “pre-fill integration” with CLIPS. Data entered in the RMS can be pushed and pre-filled into CLIPS

Subscriber is responsible for:

- Providing Mark43 with the contact information for the agency’s terminal agency coordinator
- Providing any relevant policy, procedures, and technical manuals for local and/or state databases
- Ensuring a Subscriber connection to in-scope local and/or state databases
- Completing and submitting any applications required for connection to local, state, and federal databases and receiving application approvals within the specified project timeframe

Mark43 is responsible for:

- Configuring the Mark43 application to connect to the local and/or state message switch
- Interfacing the Mark43 application with the middleware (e.g. CommSys, Datamaxx, or otherwise specified application) to connect to the state and/or county message switch

6. ESRI INTERFACE

The Mark43 application utilizes ESRI geocoding services to resolve locations and addresses. The ESRI integration is required in order to resolve locations in the Mark43 application. The ESRI integration will require Mark43 and the Subscriber to implement an ESRI classifier and may also require an ESRI geolocator depending on the Subscriber’s provided spatial data.

- **ESRI Classifier:** Enables the Mark43 application to classify locations to their subdivisions with the ESRI classifier created from the Subscriber’s polygon shapefiles.
- **ESRI Geolocator:** Enables the Mark43 application to support Subscriber’s additional spatial data such as street centerlines using ESRI to improve location resolution accuracy.

Component	Description	Required Agency Setup
ESRI Infrastructure	Enables Subscriber to resolve locations using ESRI.	<ul style="list-style-type: none"> ● Classifier and Geolocator

	<p>Subscriber will require an ESRI classifier.</p> <p>Subscriber will require a geolocator in addition to a classifier if the Subscriber has spatial data in addition to a polygon shapefile (e.g. street centerlines)</p>	
ESRI Data Sharing	Enables Subscriber to share location data between Subscriber's ESRI instance and the Mark43 application.	<ul style="list-style-type: none"> • Distributed Collaboration: Subscriber will establish a trusted connection between Subscriber's ArcGIS Enterprise and Mark43's ArcGIS Enterprise server. Subscriber will then share files—such as address points—to the distributed collaboration-enabled Group and enable sync. These files will be synchronized on an agreed upon basis to Mark43's ArcGIS Enterprise.

Subscriber will be responsible for:

- Providing polygon shapefiles to Mark43
- Sharing additional spatial with Mark43 if necessary
- Maintaining and updating their own spatial data and polygon shapefiles
- Joining any required groups or file shares to enable ESRI data sharing
- Providing test locations for ESRI testing
- Working with Mark43 to test ESRI location resolution

Mark43 will be responsible for:

- Building ESRI classifier and/or geolocators using Subscriber-provided spatial data
- Working with Subscriber to test ESRI location resolution

Mark43 will not be responsible for:

- Maintaining and updating Subscriber's spatial data and polygon shapefiles

7. APPENDIX – DATA MIGRATION SERVICES SCOPE

This section states which data elements are in scope and out of scope by each data migration services SKU.

7.01 DCM 5: CAD LITE

This document outlines the general approach, scope and requirements for a Mark43 implementation of a CAD Lite Migration.

Overview

A CAD Lite Migration allows for event information data from **one** legacy CAD system to be brought over to one department's Mark43 RMS as searchable CAD tickets and linked Legacy CAD Reports in the Mark43 RMS. Legacy CAD Report information displays on their associated locations in the CAD UI for officer awareness.

Migrated CAD tickets and linked Legacy CAD Reports are fully visible and searchable on select fields in the Mark43 RMS UI. Departments that do not intend to purchase the Mark43 RMS will receive a complimentary Mark43 RMS-lite to support their migrated CAD data.

CAD to RMS migrations supports primary use cases for migrated CAD data while minimizing data quality risks associated with CAD to CAD migrations. Due to the complexity and variable data quality of legacy CAD systems, Mark43 does not recommend CAD to CAD migrations to mitigate the following risks:

- Altering legacy CAD data incorrectly during the migration into Mark43 CAD
- Creating data that negatively impacts user experience in Mark43 CAD
- Cleansing by the department of data quality issues from the legacy CAD system
- Requiring significant participation from the legacy CAD vendor and/or department IT staff to understand and map the legacy CAD to Mark43 CAD model
- Requiring significant participation from the department IT staff and CAD users to thoroughly test migrated CAD data

CAD Lite Migration projects take at least four months to complete with at least one agency employee working full time on the scoping, mapping and validation of migrated data. CAD Lite Migration projects receive up to three migration test rounds prior to the final production migration unless additional test rounds are purchased.

Note: Migrated data in Mark43 is not intended for audit purposes nor report submission to state and/or federal agencies such as NIBRS. Migrated data in Mark43 is not intended to be a full replacement of the source of truth of legacy data stored in the legacy system. Data quality issues in the legacy system and differences between the legacy and Mark43 data models introduce risk in using migrated data to meet these requirements. For this reason, the agency should retain their legacy system to meet

legal and compliance needs and prioritize the migration of data that provides value to users of Mark43.

Data Elements

Mark43 supports the migration of the below data elements into Mark43. Legacy data elements must exist and be mappable to these Mark43 data elements to be migrated into Mark43.

Entity Types

The following data elements can be migrated into Mark43:

- Users
 - Name
 - Role
 - Duty
 - Identifiers
 - Email
 - Assignments
- Locations
 - Full Address
 - Place Name
 - Coordinates (Lat/Long or State Plane)
 - Subdivision (i.e. Beat)
- Legacy CAD Reports
 - Event Number(s)
 - CAD common and agency event numbers, RMS event number, e911 event number
 - Event Location
 - Event Start and End Dates
 - Involved Officer(s)
 - Narrative
 - Caller Details
 - Name
 - Phone Number
 - File Attachments
 - Permissions
- CAD Ticket*
 - Event Type
 - Primary and Secondary
 - Assigned Agency
 - Displayable name for the agency assigned to this event
 - Time(s)
 - Call datetime, dispatch datetime, arrival datetime
 - Comments
 - Text, authored date and author
 - Units and Members

- Member name and ID, unit call sign and ID, primary indicator

Data elements not listed above can be migrated as searchable free text in the Legacy CAD Report narrative.

*In the Mark43 CAD, location profiles display associated migrated reports and can be clicked to open the corresponding report in Mark43 RMS. Migrated CAD Ticket details cannot be viewed in the Mark43 CAD.

The following data elements can be migrated into Mark43 if additional migrations are purchased:

- Master Names
 - Involved People on Legacy CAD Reports
 - Involved Organizations on Legacy CAD Reports

The full migration schema can be found in the [Migration Field Mapping Template](#).

Reference Data

The following types of legacy reference data must be mapped to Mark43 values:

- Report Permissions (i.e. find, view, edit, manage, etc.)

Out of Scope

Data Elements

Mark43 does not support the migration of the following Mark43 data elements:

- Report Submission Histories
 - Reports will be defaulted to submitted and completed by the Migration Default User.
- Full Record Audit History
 - Mark43 migrations only supports one creator and the latest updater per record. Additional audit history of records is not supported by the migration. Mark43 doesn't support migrating the full record audit history because incremental changes could not be accurately reflected in the record.
- Fields that do not exist in Mark43
 - Mark43 cannot migrate legacy data into fields that do not exist in Mark43. To request fields to be added to Mark43, the agency must submit a

feature request. The feature request must be approved and in place prior to migrating data.

- Outside Data Sources
 - Mark43 will not migrate data from sources outside of the systems in scope for migration. This includes, but is not limited to:
 - Additional data sources not described in the scope or statement of work
 - CSV, Text, Excel files
 - Paper/non-digital documents
- Attachments (files) requiring additional extraction or file manipulation
 - BLOBs need to be extracted and provided to Mark43 in a supported file format.
 - Encrypted files need to be provided in a decrypted format to Mark43.
 - Compressed files need to be provided in a decompressed format to Mark43.
- Advanced data parsing
 - Parsing information to separate data elements such as person names, address information, narratives, or other complex, concatenated data types will not be completed as part of the migration processes.

Data Quality

Mark43 does not support the fielded migration of legacy data elements that do not meet the below data quality standards:

- Invalid Addresses
 - Free text addresses that require complex parsing
 - Addresses missing key address (i.e. street address missing street number, cross streets missing second cross street, missing city, etc.)
- Incomplete Phone Numbers
- Broken links in the database
 - Free text officer information
 - Free text, unreliable person involvements and relationships
 - Links broken by systematic/database updates
- Duplicated Data Merging
 - Duplicated people
 - Duplicated locations

Mark43 is not responsible for performing data quality clean up of any kind on the legacy data. Agencies looking to perform data quality clean up must perform the cleansing in their legacy system prior to sending Mark43 their legacy data. The agency must acknowledge that data quality issues in the legacy system will be excluded from the migration or propagated in Mark43.

Requirements

Mark43 will provide the following to support this migration project:

- A Technical Services resource to manage the migration project and provide technical support
- A migration database and schema into which the legacy CAD data will be extracted, transformed and loaded
- A migration tool that will load the legacy data from the migration database into the Mark43 database
- A migration tenant where test migrations can be performed and validated by agency users

The agency will provide the following to support this migration project:

- Provide Mark43 access to the legacy database and files as specified in the Migration Data Access Setup Guide
- Identify an agency point of contact for business, technical and validation decisions
- Assign at least one agency employee to work full time on the migration project for the duration of the project to support data access, mapping and validation activities

IN WITNESS WHEREOF, the parties have caused this SOW to be executed by their duly authorized representatives.

MARK43, INC.

SUBSCRIBER

By:_____

By:_____

Name:_____

Name:_____

Title:_____

Title:_____

Date:_____

Date:_____

G-1

**REGULAR MEETING OF THE BOARD OF DIRECTORS,
THE EXECUTIVE COMMITTEE, AND THE USER COMMITTEE**

JANUARY 18, 2022

A. CALL TO ORDER

The Board of Directors, Executive, and User Committees convened in a regular joint meeting on January 18, 2022 at 2:01PM by teleconference.

B. ROLL CALL

Present: Mayor Hildy Stern, City of Manhattan Beach
Mayor Pro Tem Rodney Tanaka, City of Gardena
Councilmember Alex Monteiro, City of Hawthorne
City Manager Clint Osorio, City of Gardena
City Manager Bruce Moe, City of Manhattan Beach
Chief Mike Ishii, Hawthorne Police Department
Chief Mike Saffell, Gardena Police Department
Chief Mike Lang, Manhattan Beach Fire Department
Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Chief Ken Powell, Culver City Fire Department
Shannon Kauffman, Operations Manager
Jennifer Petrusis, Richards Gershon Watson
Laura Kalty, Liebert Cassidy Whitmore
Vanessa Alfaro, Finance & Performance Audit Manager
Mary Beth Redding, Bartel Associates
Kateryna Doroshenko, Bartel Associates
Ross Klun, Executive Director

C. PUBLIC DISCUSSION

None.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

Motion: Vice-Chair Moe moved to approve Consent Calendar, Items #1-3. The motion was seconded by Chief Ishii and passed by voice vote.

1. Minutes from November 16, 2021
APPROVE
2. Check Register - December 2021
RECEIVE AND FILE
3. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361

E. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

F. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Fiscal Year 2020-2021 Annual Financial Report
RECEIVE AND FILE

Mr. Klun provided summary of the staff report for the FY 2020-2021 Annual Financial report.

Motion: Chief Ishii moved to receive and to file the Fiscal Year 2020-2021 Annual Financial Report. The motion was seconded by Vice-Chair Moe and passed by voice vote.

2. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of ~~\$192,692~~ **\$192,679**
RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

Chair Osorio discussed the initial funding of \$250,000. Finance Manager Alfaro recapped how the board previously delegated investment strategy selection to the Authority Treasurer, whom elected CERBT Strategy 2. Vice-Chair Moe recommended to have consulted the Authority's Treasurer. Chair Osorio would like to see how the trust investments perform over time suggesting that a funding strategy could involve making the entire contribution to the trust and at the end of the year, reimburse pay-as-you-go costs to maximize interest earnings. Finance Manager Alfaro clarified that the initial OPEB reserve was an earmarked amount for OPEB in the Enterprise Fund until June 2021 when it was transferred to the OPEB trust, thus only six months of investment earnings available. Ms. Redding commented that Chair Osorio's strategy could earn additional interest but some years may lose; long run should be positive.

Motion: Vice-Chair Moe moved to recommend to the Board of Directors to approve payment and to appropriate funds from the Enterprise Fund. The motion was seconded by Chief Ishii and passed by voice vote.

3. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability
RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

Chair Osorio inquired after which base the ADP would be paying down or off. Finance Manager Alfaro confirmed two bases were selected by working with designated CalPERS actuary.

Motion: Vice-Chair Moe moved to approve and to appropriate funds from the Enterprise Fund. The motion was seconded by Chair Osorio and passed by voice vote.

G. BOARD OF DIRECTORS CONSENT CALENDAR

Motion: Mayor Stern moved to approve Consent Calendar, Items #1-4. The motion was seconded by Vice-Chair Tanaka and passed by voice vote.

1. Minutes from September 21, 2021
APPROVE
2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361
3. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of \$192,692
APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT
4. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability
APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT

H. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

I. BOARD OF DIRECTORS GENERAL BUSINESS

1. Fiscal Year 2021-2022 Mid-Year Budget Report
RECEIVE AND FILE

Mr. Klun summarized the report on the Mid-Year Budget for fiscal year 2021-2022. Vice-Chair Moe expressed frustration with Mark43 for the past four years with no progress. Chair Monteiro requested more detailed information and recommendations at the next meeting.

J. **USER COMMITTEE GENERAL BUSINESS**

1. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings
MAKE FINDINGS PURSUANT TO AB 361

Motion: Chief Lang moved to approve AB362 Findings for Special Brown Act Requirements for teleconference meetings. The motion was seconded by Chief Ishii and passed by voice vote.

2. Minutes from September 21, 2021

APPROVE

Motion: Chief Ishii moved to approve the minutes from September 21, 2021. The motion was seconded by Chief Abell and passed by voice vote.

K. **BOARD OF DIRECTORS, EXECUTIVE AND USER COMMITTEES' COMMENTS**

None.

L. **EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

The Executive Committee entered into closed session at 2:55PM to discuss the following items.

1. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The California Teamsters Public, Professional and Medical Employees Union Local 911

2. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore
Employee Organization: The Communication Workers of America

The Executive Committee returned from closed session at 3:31PM with no actions taken.

M. **ADJOURNMENT**

The meeting adjourned at 3:31PM.

G-2



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: February 15, 2022

ITEM: G-2

TO: User Committee

FROM: M. Ross Klun, Executive Director

SUBJECT: AB 361 FINDINGS FOR SPECIAL BROWN ACT
REQUIREMENTS FOR TELECONFERENCE MEETINGS

SUMMARY:

Staff has placed this item on the agenda to give the User Committee an opportunity to make findings specific in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

RECOMMENDATION:

Staff recommends that the User Committee make the following findings so that meetings of the User Committee will be subject to the AB 361 special Brown Act requirements for teleconference meetings: 1) the User Committee has reconsidered the circumstances of the COVID-19 state of emergency; and 2) state and local officials continue to recommend measures to promote social distancing.

BACKGROUND

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are publicly accessible, and without having to identify teleconference locations on the agenda. Those special rules expired September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative body of a local public agency makes two findings pursuant to Government Code section

54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are public accessible, and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, the legislative body must find that such emergency continues to directly impact the ability of the legislative body's members to meet in person. Alternatively, for the second finding, the legislative body must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the legislative body teleconferences for the first time under AB 361 and every 30 days thereafter.

The COVID-19 state of emergency declaration is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. Thus, the California Division of Occupational Safety and Health still requires that employers provide training on the effectiveness of physical distancing in the workplace. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

FISCAL IMPACT

None.