

A G E N D A
SPECIAL MEETING OF THE BOARD OF DIRECTORS AND
EXECUTIVE COMMITTEE
TUESDAY, AUGUST 13, 2024, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
SECOND FLOOR CONFERENCE ROOM
4440 W. BROADWAY, HAWTHORNE, CA

A. **CALL TO ORDER**

B. **ROLL CALL**

1. Board of Directors
2. Executive Committee

C. **PUBLIC DISCUSSION**

Members of the public will be given the opportunity to directly address the Board of Directors and the Executive Committee on any matter within the subject matter jurisdiction of the Authority, including items on the agenda.

D. **EMPLOYEE RECOGNITION**

E. **ELECTION OF THE BOARD OF DIRECTORS CHAIRPERSON AND VICE-CHAIRPERSON FOR FISCAL YEAR 2024/2025**

F. **BOARD OF DIRECTORS CONSENT CALENDAR**

1. Minutes from May 2024
APPROVE
2. Schedule of Fees and Charges for Fiscal Year 2024/25 as Described in Exhibit A of the Draft Resolution
ADOPT A RESOLUTION ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2024/25
3. Updated Publicly Available Pay Schedule
APPROVE AND ADOPT
4. A Resolution of the Board of Directors Approving an Annual Consumer Price Index Adjustment for Rates in the Legal Services Agreement with Richards, Watson & Gershon
APPROVE AND ADOPT A RESOLUTION APPROVING AN ANNUAL RATE INCREASE
5. Proposed Amended FMLA Policy
APPROVE AND ADOPT AMENDED POLICY AND RESOLUTION

G. **ITEMS REMOVED FROM CONSENT CALENDAR**

H. **BOARD OF DIRECTORS GENERAL BUSINESS**

1. Proposed Capital Improvement Program: Amended Budgetary Policy, 5-Year Capital Improvement Plan and Budget Appropriation from Enterprise Fund for Year 1, and Proposed Dept Policy
APPROVE RESOLUTION AMENDING BUDGETARY POLICY TO ADOPT CAPITAL IMPROVEMENT PROGRAM POLICY, ADOPT RESOLUTION FOR INITIAL 5-YEAR CAPITAL IMPROVEMENT PLAN AND BUDGET APPROPRIATION FOR YEAR 1, AND APPROVE RESOLUTION ADOPTING DEBT POLICY

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Executive Assistant at 310-973-1802 ext. 100. Notification 48 hours prior to the meeting will enable the JPA to make reasonable arrangements to ensure accessibility to this meeting [28CFR35. 102-35. 104 ADA Title II].

I. **ELECTION OF THE EXECUTIVE COMMITTEE CHAIRPERSON AND VICE-CHAIRPERSON FOR FISCAL YEAR 2024/2025**

J. **EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Minutes from June 2024
APPROVE
2. Check Register – June 2024
RECEIVE AND FILE
3. Ratify Action by the Executive Director to Bind and Approve FY 2024/25 Insurance Policies Proposed by Alliant Insurance Services, Inc. for Insurance Necessary to Protect the Authority and its Member Agencies, and to Approve Purchase Orders Associated with 2024/25 Insurance Policies Proposed by Alliant Insurance Services, Inc. in an Amount Not to Exceed \$383,153.00
RATIFY ACTION BY EXECUTIVE DIRECTOR TO BIND AND APPROVE INSURANCE POLICIES AND RATIFY EXECUTIVE DIRECTOR'S EXECUTION OF PURCHASE ORDERS
4. Approve a Change order in the amount of \$45,000 to CDW Government for Supplies and Equipment
APPROVE
5. Approve a Change Order in the Amount of \$1,200 to Xcel Mechanical Systems, Inc. for Supplies and Services
APPROVE
6. Approve a Change Order in the Amount of \$32,000 to Commline Inc. for Supplies and Equipment
APPROVE
7. Approve a Change Order in the Amount of \$60,000 to Motorola Solutions Inc. for Supplies and Equipment
APPROVE
8. Cash & Investments Report/June 30, 2024
RECEIVE AND FILE

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

L. **EXECUTIVE DIRECTOR'S REPORT**

- Authority Staffing
- Computer-Aided Dispatch Software and Professional Services
- POST Audit
- Authority Events
- Data Security Incident
- Recognition

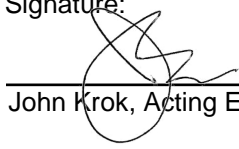
RECEIVE AND FILE

M. **BOARD OF DIRECTORS & EXECUTIVE COMMITTEE COMMENTS**

N. **ADJOURNMENT**

Posting Date/Time: August 8, 2024/6:30PM

Signature:



John Krok, Acting Executive Director

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E



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM: E

TO: Board of Directors

FROM: John Krok, Acting Executive Director

SUBJECT: ELECTION OF BOARD OF DIRECTORS CHAIRPERSON AND VICE CHAIRPERSON FOR FISCAL YEAR 2024/25

ATTACHMENTS: None

RECOMMENDATION

Staff recommends that the Board of Directors elect from among themselves a Chairperson and a Vice Chairperson for Fiscal Year 2024/25.

DISCUSSION

Article III § C.2 of the Authority's Bylaws call for the election of Board of Director officers annually:

Officers of the Board of Directors shall be elected...at the first meeting on or after July 1 of each year... Said election shall be the first item of business at said meetings and the newly elected officers shall assume office immediately following their election.

FISCAL IMPACT

None.

F-1

**MINUTES OF A SPECIAL OF THE BOARD OF DIRECTORS,
REGULAR JOINT MEETING OF THE EXECUTIVE
COMMITTEE AND THE USER COMMITTEE**

MAY 21, 2024

A. CALL TO ORDER

The Board of Directors, Executive Committee and the User Committee convened in a special/regular joint session at 2:00PM on Tuesday, May 21, 2024, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

B. ROLL CALL

Present: Councilmember Rodney Tanaka, City of Gardena
Councilmember David Lesser, City of Manhattan Beach
Councilmember Alex Monteiro, City of Hawthorne
City Manager Clint Osorio, City of Gardena
City Manager Bruce Moe, City of Manhattan Beach
Chief Mike Saffell, Gardena Police Department
Chief Gary Tomatani, Hawthorne Police Department
Chief Mike Lang, Manhattan Beach Fire Department

Absent: Chief Rachel Johnson, Manhattan Beach Police Department
City Manager Vontray Norris, City of Hawthorne

Also Present: Interim Executive Director John Krok
Operations Manager Shannon Kauffman
Finance Manager Vanessa Alfaro
Executive Assistant Cristina Manley
Jennifer Petrusis RWG Law

C. PUBLIC DISCUSSION

None.

D. EMPLOYEE RECOGNITION

Interim Director Krok recognized Communications Supervisor Melissa Pimentel for her recent promotion to Supervisor. Congratulations to Melissa on her recent promotion to supervisor.

E. EXECUTIVE COMMITTEE CONSENT CALENDAR

1. Minutes from April 16, 2024

APPROVE

2. Check Register – April 2024

RECEIVE AND FILE

3. Cash and Investments – March 31, 2024

RECEIVE AND FILE

4. Proposed Amended Workplace Harassment Policy

APPROVE TO RECOMMEND THAT BOARD OF DIRECTORS CONSIDER AND ADOPT AMENDED POLICY

5. Proposed Amended Drug Free Workplace Policy

APPROVE TO RECOMMEND THAT BOARD OF DIRECTORS CONSIDER AND ADOPT AMENDED POLICY

MOTION: City Manager Moe moved to approve the Executive Committee Consent Calendar items 1-5. The motion was seconded by City Manager Osorio and passed by a vote of 2-0.

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

None.

G. **BOARD OF DIRECTORS CONSENT CALENDAR**

1. Minutes from March Meeting – March 19, 2024

APPROVE

MOTION: Councilmember Tanaka moved to approve item 1. The motion was seconded by Councilmember Lesser and passed by a vote of 3-0.

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

None.

I. **BOARD OF DIRECTORS GENERAL BUSINESS**

1. Resolution Amending Workplace Harassment Policy

ADOPT RESOLUTION AMENDING POLICY

Interim Executive Director Krok stated that the Authority is working with RWG to review/update/revise policies and procedures to conform with State and Federal law in addition to recent case law and best practices. Changes to these policies are legal requirements.

MOTION: Councilmember Lesser moved to approve item 1. The motion was seconded by Councilmember Monteiro and passed by a vote 3-0.

2. Resolution Amending Drug Free Workplace Policy

ADOPT RESOLUTION AMENDING POLICY

Interim Executive Director Krok stated changes to this policy are to conform to State, Federal, Case Law and best practices.

MOTION: Councilmember Monteiro moved to approve item 2. The motion was seconded by Councilmember Lesser and passed by a vote 3-0.

3. Resolution Amending Uniform/Appearance Policy

ADOPT RESOLUTION AMENDING POLICY

Executive Director Krok stated the changes to this policy conform with State, Federal, Case Law and best practices. A casual dress option was included.

MOTION: Councilmember Lesser moved to approve item 3. The motion was seconded by Councilmember Monteiro and passed by a vote 3-0.

4. Discussion of the Authority's Governance Structure and the Powers and Duties of the Boards of Directors and of the Executive Committee, and Consider Whether the Authority's Bylaws Should be Amended

PROVIDE DIRECTION

Jennifer Petrusis from RWG Law, discussed the current governance structure and best practices of Joint Power Authorities (JPA's). A confidential memorandum was provided with options of participation to the Board of Directors (BoD).

Councilmember Lesser discussed the responsibilities as elected officials. Discussed items of interest that he would like to see reported: Technology CAD (Computer Aided Dispatch), Employee Retention, Backup Generator and Finance CIP.

Councilmember Tanaka stated if something needs immediate response the Executive Committee should report back.

Jennifer Petrusis reported a consensus:

The Executive Director will provide areas of interest report to the BoD on quarterly basis via email and will report any emergencies (major issues). The chairman or majority of the body of the BoD can request a special meeting to further discuss an issue or area of interest.

J. USER COMMITTEE CONSENT CALENDAR

1. Minutes from April Meeting – April 16, 2024

MOTION: Chief Lang moved to approve the User Committee Consent Calendar Item 1. The motion was seconded by Chief Tomatani and passed by a vote of 4-0.

K. EXECUTIVE DIRECTOR'S REPORT

Interim Director Krok provided an update on the following:

- Authority Staffing:
Current staffing levels are at 74% and three dispatchers were hired and started their academy class on May 15, 2024. 6 of 7 supervisors' positions are filled. The Interim Executive Director meets with Teamsters Union president & stewards weekly.
- Computer Aided Dispatch Software and Professional Services Update:
Versaterm CAD Demo with vendor occurred on April 24, 2024 along with a Police Mobile CAD Demo on May 7, 2024, and a Fire Mobile CAD Demo on May 8, 2024. Site visits are

being coordinated with Versaterm and CentralSquare vendors. Once the site visits are complete, the CAD consultant will complete the last step of the process which is scoring the vendors and a recommendation. There is a 12-18 month process from start to implementation.

Approximate costs for vendors:

CentralSquare: One-time implementation cost 1.5M, reoccurring yearly cost of 450K and over 5 Years 3.3M.

Versaterm: One-time implementation cost 1.5M, reoccurring yearly cost 600K and over 5 Years 3.9M.

Councilmember Lesser requested a draft time table with the information discussed.

- Engage Customer Service Survey Program update:
Customer service-based program that send surveys to citizens requesting input on the level of service received. We are still in the development process.
- Status of Pulse Point Implementation:
Free citizen notification app that alerts citizens of FD calls for service, the location and responding equipment. We are close to implementation and are coordinating with cities to allow plenty of time to roll out a communication to their citizens.

- Authority Events:

The Authority participated in the Manhattan Beach Safety Fair on May 11, 2024. Authority staff took care packages to each of the Police Departments during National Police Week as a thank you for their service and care packages were taken to the fire stations for International Firefighter Day. Thank you to all the cities for their acknowledgement of our dispatchers during Dispatch Appreciation Week.

- Capital Improvement Plan (CIP):

Consultant was hired to develop recommendations and a framework to establish a 5-year CIP. The consultant is finalizing their work and expects to bring findings/framework to the Executive Committee for review. Recommendation will be in June and then brought to the BoD for consideration in July or August.

L. **BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AND USER COMMITTEE COMMENTS**

M. **ADJOURNMENT**

The meeting was adjourned at 2:40PM.

F-2



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: F - 2

TO: Executive Committee

FROM: John Krok, Acting Executive Director
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2024/25

ATTACHMENTS: 1. Resolution

RECOMMENDATION

Staff recommends the Board of Directors adopt the resolution establishing an updated schedule of fees and charges for Fiscal Year 2024/25.

BACKGROUND

Article XIII C of the Constitution of the State of California mandates that fees for services not exceed the “costs reasonably borne” by the governmental entity in the delivery of such services.

The Authority utilizes the Matrix Consulting Group’s (“Matrix”) Comprehensive Cost of Service and Allocation Study to determine the cost recovery levels for these fee-based services.

DISCUSSION

On an annual basis, the Authority performs hundreds of vehicle equipment installation, maintenance, and repair service work orders. The vast majority of these services are provided to the Authority’s member and contract cities. The Authority is reimbursed by the agency requesting the service for the direct costs of supplies and equipment associated with completing the work. Per the Cost Allocation Policy effective July 1, 2023, fees for the labor associated with this work is charged as Workload Support for member and contract cities as part of the annual assessment.

Occasionally, the Authority performs these services for outside agencies such as the Redondo Beach Police Department, the El Camino College Police Department, and the Federal Department of Homeland Security. These engagements are authorized only when staff can accommodate this additional work without negatively impacting the service

needs of the Authority's member and contract cities. In such cases, these outside agencies are charged the costs of supplies and equipment associated with completing the work plus applicable labor costs.

Technical Services Division labor costs have been established as \$181.70 per hour for FY2024/25. This is an increase of \$12.11 per hour over last year's \$169.59 per hour rate.

In order to ensure the Authority fully recovers its costs for providing services to outside agencies, staff recommends the establishment of the following fees and charges:

- Patrol Vehicle Buildout Fee - \$14,536
 - Assumes a flat amount of 80 hours of labor per vehicle.
 - Uses the fully burdened rate of \$181.70 per hour.
 - Recovers Authority costs related to providing this service.
 - Does not apply to work orders for member cities and other agencies with agreements that only provide for the billing of actual costs of parts, supplies, and equipment.

- Unmarked Law Enforcement Vehicle Buildout Fee - \$7,268
 - Assumes a flat amount of 40 hours of labor per vehicle.
 - Uses the fully burdened rate of \$181.70 per hour.
 - Recovers Authority costs related to providing this service.
 - Does not apply to work orders for member cities and other agencies with agreements that only provide for the billing of actual costs of parts, supplies, and equipment.

- Specialty Vehicle Buildout Fee - \$181.70 per hour
 - Quotes will be provided prior to work commencing and will be determined by vehicle type and the scope of work.
 - Uses the fully burdened rate of \$181.70 per hour.
 - Recovers Authority costs related to providing this service.
 - Does not apply to work orders for member cities and other agencies with agreements that only provide for the billing of actual costs of parts, supplies, and equipment.

- Maintenance and Repair Fee - \$181.70 per hour
 - Quotes will be provided prior to work commencing and will be determined by vehicle type and the scope of work.
 - Uses the fully burdened rate of \$181.70 per hour.
 - Recovers Authority costs related to providing this service.
 - Does not apply to work orders for member cities and other agencies with agreements that only provide for the billing of actual costs of parts, supplies, and equipment.

- Parts Administrative Charge – 9% of Actual Cost
 - Applied to all parts, supplies, and equipment purchased to complete vehicle equipment installation, maintenance, and repair service work orders.

 - Recovers Authority costs related the administrative aspects of procuring and maintaining parts, supplies, and equipment.

- Does not apply to work orders for member cities and other agencies with agreements that only provide for the billing of actual costs of parts, supplies, and equipment.

FISCAL IMPACT

Any upfitting of vehicles for outside agencies during FY2024/25 will generate revenue in excess of budgeted costs attributed to the Technical Services Division.

F-2

Attachment 1

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2024/25

The Board of Directors of the South Bay Regional Public Communications Authority does resolve as follows:

1. The recovery of costs incurred by the Authority for providing services to outside agencies is necessary for the efficient management of the Authority's operations.
2. Resolution No. 356, passed and adopted July 18, 2023, and all amendments thereof are hereby repealed.
3. The Board of Directors hereby establishes, effective July 1, 2024, fees and charges as set forth in Exhibit "A."
4. 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 13th day of August 2024 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

_____, Councilmember
Chairman, Board of Directors

John Krok, Acting Executive Director
Secretary, Board of Directors

EXHIBIT A

Maintenance and Repair Fee:	\$181.70 per hour
Parts Administrative Charge:	9% of Actual Cost
Patrol Vehicle Buildout Fee:	\$14,536
Specialty Vehicle Buildout Fee:	\$181.70 per hour
Unmarked Law Enforcement Vehicle Buildout Fee:	\$7,268

F-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM: F - 3

TO: Board of Directors

FROM: John Krok, Acting Executive Director
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: UPDATED PUBLICLY AVAILABLE PAY SCHEDULE

ATTACHMENTS: Exhibit A – Publicly Available Pay Schedule

RECOMMENDATION

Staff recommends that the Board of Directors approve and adopt the attached pay schedule reflecting all Authority positions and associated salaries in order to meet the California Public Employees' Retirement System (CalPERS) requirements of Government Code § 20636(b)(1) and CCR § 570.5.

BACKGROUND

CalPERS requires that one comprehensive salary schedule be duly approved and adopted by the Authority's governing body which indicates the position title for every employee position and shows the payrate for each position. This payrate is that which is to be reportable as compensation earnable (for the purposes of establishing an employee's pensionable income) to CalPERS.

DISCUSSION

This report updates the Authority's salary schedule based upon the approved and adopted memoranda of understanding (MOUs) that the Authority maintains with its represented employees and the employment agreement it maintains with its non-represented employee. Staff requests that the Board of Directors approve the attached salary schedule, which will fulfill the CalPERS requirement for "publicly available pay schedules" approved by the governing body.

The following changes since the last schedule was adopted include:

- Per the MOU with the Management and Confidential Employees approved by the Executive Committee on September 20, 2022, the following positions received a 2.55% wage increase effective July 1, 2024:

- Accountant
 - Administrative Services Manager
 - Executive Assistant
 - Finance & Performance Audit Manager
 - Operations Manager
- Per the MOU with the California Teamsters Public, Professional and Medical Employees Union Local 911 approved by the Executive Committee on June 21, 2022, the following positions received a 2.00% wage increase effective July 6, 2024:
 - Communications Operator
 - Public Safety Communications Specialist I
 - Public Safety Communications Specialist II

California Code of Regulations (CCR) 570.5 outlines the requirements to satisfy CalPERS' definition of "publicly available pay schedules," as follows:

(a) For purposes of determining the amount of "compensation earnable" pursuant to Government Code Sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws;
2. Identifies the position title for every employee position;
3. Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicates an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years; and
8. Does not reference another document in lieu of disclosing the payrate.

The comprehensive pay schedule for all Authority positions must be independent from the salary schedules attached to any memoranda of understanding (MOUs) or included in an employment agreement.

FISCAL IMPACT

None

EXHIBIT A

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

Publicly Available Pay Schedule

MONTHLY SALARY STEPS OF REPRESENTED POSITIONS

Salary Effective Date	Position Title	Step A	Step B	Step C	Step D	Step E	Step F	Step G
07/01/2024	Accountant	\$ 7,620.77	\$ 7,990.38	\$ 8,377.91	\$ 8,784.24	\$ 9,210.27	\$ 9,440.53	\$ 9,676.54
07/01/2024	Administrative Services Manager	\$ 11,535.76	\$ 12,095.25	\$ 12,681.86	\$ 13,296.93	\$ 13,941.83	\$ 14,290.38	\$ 14,647.64
07/06/2024	Communications Operator	\$ 6,142.13	\$ 6,437.67	\$ 6,748.01	\$ 7,073.93	\$ 7,416.07	\$ 7,775.36	\$ 8,152.54
01/06/2024	Communications Supervisor	\$ 7,398.21	\$ 7,757.57	\$ 8,134.86	\$ 8,531.02	\$ 8,947.00	\$ 9,383.77	\$ 9,842.39
07/01/2024	Executive Assistant	\$ 8,179.18	\$ 8,575.87	\$ 8,991.80	\$ 9,427.90	\$ 9,885.16	\$ 10,132.28	\$ 10,385.59
07/01/2024	Finance & Performance Audit Manager	\$ 11,824.94	\$ 12,398.45	\$ 12,999.77	\$ 13,630.27	\$ 14,291.34	\$ 14,648.62	\$ 15,014.83
07/06/2024	Public Safety Communications Specialist I	\$ 6,890.77	\$ 7,235.30	\$ 7,597.08	\$ 7,976.92	\$ 8,375.77	N/A	N/A
07/06/2024	Public Safety Communications Specialist II	\$ 7,235.31	\$ 7,597.07	\$ 7,976.93	\$ 8,375.77	\$ 8,794.56	N/A	N/A
07/01/2024	Operations Manager	\$ 12,056.99	\$ 12,659.82	\$ 13,292.81	\$ 13,957.45	\$ 14,655.33	\$ 15,021.71	\$ 15,397.25

MONTHLY SALARY STEPS OF UNREPRESENTED POSITIONS

Salary Effective Date	Position Title	Salary
05/16/2023	Executive Director	\$ 17,166.66

HOURLY RATE STEPS FOR PART-TIME EMPLOYEES

Salary Effective Date	Position Title	Step A	Step B	Step C	Step D	Step E
01/01/2024	Administrative Intern	\$ 16.00	\$ 16.50	\$ 18.15	N/A	N/A
07/06/2024	Communications Operator	\$ 35.44	\$ 37.14	\$ 38.93	\$ 40.81	\$ 42.79
11/20/2019	Office Assistant	\$ 18.00	\$ 19.80	\$ 21.78	N/A	N/A

F-4



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM: F - 4

TO: Board of Directors

FROM: John Krok, Acting Executive Director

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS APPROVING AN ANNUAL CONSUMER PRICE INDEX ADJUSTMENT FOR RATES IN THE LEGAL SERVICES AGREEMENT WITH RICHARDS, WATSON & GERSHON

ATTACHMENTS:

1. Letter from RWG on CPI Increase
2. Legal Services Agreement
3. Resolution No. _____

RECOMMENDATION

Staff recommends that the Board of Directors adopt a resolution approving an annual consumer price index adjustment for rates in the legal services agreement with Richards, Watson & Gershon (RWG).

BACKGROUND

On February 19, 2019, the Executive Committee approved a legal services agreement (Agreement) with the firm of RWG for legal services. The Agreement sets rates for various types of legal services provided with an annual adjustment consistent with the Consumer Price Index (CPI). Pursuant to the Agreement, any annual adjustment of 3.0% or more requires prior written approval of the Board of Directors. Because the requested CPI adjustment for the last period is 3.9%, the Board of Directors approval of the annual adjustment for Fiscal Year (FY) 2024/25 is required.

DISCUSSION

According to Section 5.B. of the Legal Services Agreement between RWG and the Authority, and commencing July 1, 2021, the hourly rate charged by RWG automatically increases annually by the percentage change in the Consumer Price Index. Pursuant to that provision, any annual adjustment at or in excess of 3% requires prior written approval by the Board of Directors.

The CPI increase from April 2023 to April 2024 is 3.9%. As it is more than 3%, the adjustment in rates to reflect the CPI increase of 3.9% requires Board of Directors approval. The following are the revised billing rates after applying this CPI increase to the current billing rates:

- \$274/hr current billing rate for general services would be increased to \$285/hr.
- \$338/hr current billing rate for special services (e.g., real estate, labor & employment, litigation, public finance services) would be increased to \$351/hr
- \$452/hr current billing rate for bond counsel would be increased to \$470/hr
- \$194/hr current billing rate for paralegal services would be increased to \$202/hr

If approved by the Board of Directors, the new rates would go into effect for time billed after the Board of Directors' approval.

FISCAL IMPACT

Legal services fees are budgeted in total and not by specific provider. The proposed FY 2024/25 Budget contains \$105,000 for total legal services across all providers and is anticipated to cover the costs related to the RWG CPI increase.

F-4

Attachment 1



Jennifer Petrusis

T 213.626.8484
F 213.626.0078
E jpetrusis@rwglaw.com

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071
rwglaw.com

July 5, 2024

VIA ELECTRONIC MAIL

John Krok, Acting Executive Director
South Bay Regional Public Communications Authority
4440 W. Broadway
Hawthorne, CA 90250

Re: **Automatic CPI Increase Pursuant to Legal Services Agreement**

Dear Mr. Krok:

According to Section 5.B. of the Legal Services Agreement between Richards, Watson & Gershon and the Authority, and commencing July 1, 2021, the hourly rate charged by RWG automatically increases annually by the percentage change in the Consumer Price Index. Pursuant to that provision, any annual adjustment at or in excess of 3% requires prior written approval by the Board of Directors.

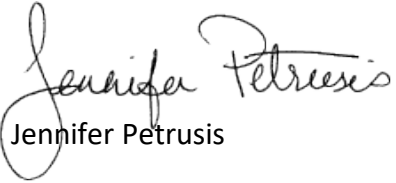
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- \$452/hr current billing rate for bond counsel would be increased to \$470/hr
- \$194/hr current billing rate for paralegal services would be increased to \$202/hr

Enclosed for your convenience are a copy of the Legal Services Agreement and a copy of the Rate Adjustment by CPI Increase chart for 2024. If approved by the Board of Directors, the new rates would go into effect for time billed after the Board of Directors' approval.

Please let me know if you have any questions, or need clarification or assistance from me in my private capacity.

Kind Regards,



Jennifer Petrusis

Enclosures

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F-4

Attachment 2

LEGAL SERVICES AGREEMENT

THIS LEGAL SERVICES AGREEMENT ("Agreement") is made and entered into as of February 19, 2019, by and between the South Bay Regional Public Communications Authority ("Authority"), a California Joint Powers Authority, and the law firm of Richards, Watson & Gershon ("RWG"), A Professional Corporation. In consideration of the mutual promises set forth herein, the parties agree as follows:

1. **Recitals.** This Agreement is made with respect to the following purposes and facts that each party agrees are true and correct:

A. The Authority wishes to retain RWG to provide legal services and serve as General Counsel to the Authority, as directed by the Authority's Board of Directors ("Authority Board"), Executive Committee, User Committee, and Executive Director;

B. RWG wishes to provide the requested legal services to the Authority;

C. The attorneys of RWG are duly licensed under the laws of the State of California and are qualified and competent to provide General Counsel and Special Counsel legal services as contemplated by this Agreement.

2. **Scope of Work.** RWG shall perform all legal services for the Authority as directed by the Authority Board, Executive Committee, User Committee, or Executive Director, except as provided in Section 6 with respect to matters in which RWG has a conflict under the Rules of Professional Conduct or California law. RWG shall at all times, without limitation, faithfully and competently perform all tasks described herein in a manner satisfactory to the Authority and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. Legal services shall include the following:

A. Attendance at Authority Board meetings, and any other meeting directed by the Executive Director (hereafter "Executive Director" shall include the Executive Director's designee), unless excused therefrom by the Executive Director;

B. Attendance at staff meetings when directed by the Executive Director;

C. Legal research and legal advice to the Authority Board, any Authority committees or sub-committees, the Executive Director, and Authority Staff;

D. Preparation and review of resolutions and agreements as requested;

E. Representation of the Authority in non-adversarial administrative proceedings, legislative hearings, and other intergovernmental matters;

F. Representation of the Authority and Authority officials and employees in claims and litigation filed by or against the Authority;

- G. Oversight of legal matters handled by outside counsel;
- H. Legal services for entities, if any, created by the Authority;
- I. Bond counsel, disclosure counsel, and issuer counsel services in connection with the issuance of bonds or other obligations by the Authority, or any entity created by the Authority; and
- J. Such other legal services as may be directed by the Authority Board, Executive Committee, or Executive Director from time to time.

3. **Term.** This Agreement shall commence on February 19, 2019, and shall continue in effect until terminated by the Authority or RWG. The Authority or RWG may terminate this Agreement at any time, with or without cause, by giving thirty (30) days written notice to the other party prior to termination of this Agreement. In the event of termination, RWG shall comply with all provisions of the Rules of Professional Conduct for the termination of a client relationship, shall assist the Authority in the transition to a new firm, and shall be compensated for such assistance at the rates provided for in this Agreement.

4. **Designation of General Counsel.** Jennifer Petrusis shall be designated as General Counsel to the Authority to serve at the will and pleasure of the Authority Board. Jennifer Petrusis will be the RWG attorney with responsibility for providing legal services for the Authority, and will be the principal contact for the Authority Board, the Executive Committee, the User Committee, the Executive Director, and Authority staff. Other RWG attorneys will be assigned by Jennifer Petrusis to work on legal matters for the Authority on an "as-needed" basis under her supervision.

5. **Compensation, Expenses and Billing.**

A. **Compensation Rates.** RWG shall be compensated for the performance of legal services in accordance with the compensation rate schedule for the Authority ("Compensation Rate Schedule"), attached to this Agreement as Exhibit A and incorporated herein as though set forth in full. The terms of this Agreement and the Compensation Rate Schedule shall apply to legal services performed for entities affiliated with the Authority that may be established. Except as provided in paragraph B of this Section, the Compensation Rate Schedule shall remain in effect until amended by mutual agreement of the parties.

B. **Adjustment in Rates by Change in CPI.** Commencing July 1, 2021, and annually thereafter, the hourly rates set forth on Exhibit A shall automatically increase by the percentage change in the Consumer Price Index (All Urban Consumers; Los Angeles-Riverside-Orange County). The calculation shall be made using the month of April over the month of April in the prior year. Any such annual adjustment that equals or exceeds three percent (3%), and any other adjustments in the rates, shall require prior written approval of the Authority Board.

C. **Reimbursable Expenses and Other Costs.** RWG shall be compensated for the expenses and costs as set forth in the attached Compensation Rate Schedule.

D. **Billing.** RWG shall provide to the Authority a monthly invoice for services provided, time spent providing those services, and costs incurred in the form customarily supplied by RWG to public agency clients being billed on an hourly basis. The Authority shall process and cause such invoices to be paid promptly and no later than within thirty (30) days of receipt of invoice.

6. **Conflicts of Interest.** RWG shall comply with all applicable laws and professional rules and standards relating to any known conflict of interest involving the Authority and matters upon which RWG is providing legal services under this Agreement. RWG shall not reveal confidential information of the Authority except with the consent of the Authority Board, or Executive Director, or as otherwise required by law. RWG shall notify the Authority Board or Executive Director, depending on the circumstances, of any conflict of interest related to matters upon which it is providing legal services under this Agreement upon discovery of any such conflicts. In the event that such conflict is not or cannot be waived or resolved, the Authority shall retain alternate legal counsel and RWG shall assist and cooperate with such legal counsel retained by the Authority on the matter for which the conflict arose.

7. **Client Files.**

A. At the conclusion of RWG's legal representation of the Authority, the original client files for the work performed under this Agreement for the Authority shall be made available to the Authority. RWG will be entitled to make copies of the client files. Authority shall take possession of any and all original contracts, and other such important documents that may be in the client files, and RWG shall have no further responsibility with regard to such documents.

B. If the Authority does not take possession of all client files at the conclusion of RWG's legal representation of the Authority, RWG shall store any remaining client files for a period of at least one (1) year. At the conclusion of such one (1) year period, RWG may send to the Authority a notice, advising of RWG's intention to dispose of the client files. The Authority shall have sixty (60) days from the date of such notice to take possession of the client files. If the Authority does not take possession of the client files during that time, the Authority agrees that RWG may dispose of the client files without further notice.

C. This section shall survive the expiration of this Agreement.

8. **Insurance.**

A. **Coverage Levels.** RWG shall maintain at all times during the term of this Agreement policies of insurance with at least the minimum coverage specified below:

- 1) General liability insurance with a combined single limit of not less than two million dollars (\$2,000,000);
- 2) Workers' compensation coverage in compliance with California law;

3) Professional liability coverage with a minimum limit of liability of two million dollars (\$2,000,000) per claim and four million dollars (\$4,000,000) in the aggregate. Such insurance may be subject to a self-insured retention or deductible to be borne entirely by RWG which shall not exceed two hundred fifty thousand dollars (\$250,000) per claim, without prior approval of the Executive Director.

B. All such policies of insurance specified above shall:

1) Except as to professional liability insurance, provide minimum thirty (30) days' notice of cancellation by insurer, except in the event of non-payment of premium, in which case ten (10) days' notice is to be provided;

2) Be maintained in full force and effect throughout the term of this Agreement; and

3) Be placed with insurance carriers with an A.M. Best rating of no less than A-:VII or otherwise acceptable to Authority.

9. **Independent Contractor.** No employment relationship is created by this Agreement. RWG shall be an independent contractor of the Authority, except that at all times providing services under the Agreement, RWG's shareholders and employees shall be acting as public officials.

10. **General Provisions.**

A. **Non-Discrimination.** In the performance of this Agreement, RWG shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, sexual orientation or medical condition.

B. **Assignment/Delegation.** This Agreement contemplates the personal professional services of RWG to Authority and neither this Agreement, nor any portion thereof, shall be assigned or delegated by either party without the prior written consent of both parties.

C. **Interpretation.** The following rules of legal construction shall apply:

1) This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced, and governed under the substantive laws of the State of California.

2) The article and section captions and headings in this Agreement have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

3) Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.

D. Attorney's Fees. The parties acknowledge and agree that each will bear its own costs, expenses and attorney's fees arising out of or connected with the negotiation, drafting, and execution of this Agreement.

E. Notices, etc. Any notice required to be given shall be deemed to have been given by depositing such notice in the United States mail, postage prepaid, and addressed as follows:

TO AUTHORITY:

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

TO RWG:

Jennifer Petrusis
Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071-3101

Either party may, from time to time, by written notice to the other, designate a different address or contact person, which shall be substituted for the one above specified. Notices, invoices and other documents delivered under this Agreement shall be deemed delivered upon receipt by personal service or as of the third (3rd) day after deposit in the United States mail.

F. Signatories. Each signatory warrants and represents that he or she is competent and authorized to execute this Agreement on behalf of the party for whom he or she purports to sign.

G. Entire Agreement. This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

H. Modification of Agreement. This Agreement and the provisions set forth herein may be modified only by way of a written amendment to this Agreement that has been approved and executed by and on behalf of both RWG and the Authority.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to sign below.

February __, 2019

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY



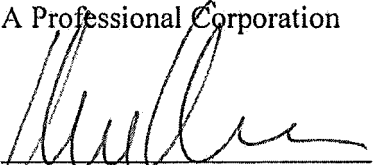
Edward Medrano
Chairperson, Executive Committee

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY



Erick B. Lee
Executive Director

RICHARDS, WATSON & GERSHON,
A Professional Corporation



Kayser O. Sume
Chairman, Board of Directors

EXHIBIT A

RICHARDS, WATSON & GERSHON COMPENSATION RATE SCHEDULE FOR SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

(EFFECTIVE FEBRUARY 12, 2019)

Legal services provided by Richards, Watson & Gershon ("RWG") to the South Bay Regional Public Communications Authority ("Authority") shall be billed to, and compensated by, the Authority as follows:

A. General Services.

General Services are defined as all legal services that are not defined below as Special Services, or Bond Counsel Services. Without limitation, all of the following are General Services:

1. Attendance at Authority Board of Director meetings, and any other meeting directed by the Executive Director (hereafter "Executive Director" shall include the Executive Director's designee), unless excused by the Executive Director;
2. Attendance at staff meetings when directed by the Executive Director;
3. Legal research and legal advice to the Authority Board of Directors, any Authority committees and sub-committees, the Executive Director, and Authority Staff;
4. Preparation and review of resolutions and agreements as requested;
5. Oversight of legal matters handled by outside counsel;
6. Legal services for entities created by the Authority; and
7. Such other legal services as may be directed by the Authority Board of Directors or Executive Director from time to time.

General Services shall be billed to, and compensated by, the Authority at a composite hourly rate for all attorneys of \$240 per hour.

B. Special Services.

Special Services are defined as legal services provided in the following matters:

1. Real estate matters;
2. Labor and employment law matters;

3. Environmental law matters, including but not limited to, hazardous waste, Clean Air Act, and Clean Water Act matters;
4. Litigation services including, without limitation, representation of the Authority (i) in all aspects of the initiation, advancement, or defense of claims in litigation, arbitration, or mediation and (ii) in administrative proceedings before other public agencies;
5. Insurance coverage matters; and
6. Public finance services other than Bond Counsel Services.

Special Services shall be billed to, and compensated by, the Authority at a composite hour rate for all attorneys of \$295 per hour.

C. Bond Counsel Services.

Bond Counsel Services will be defined as bond counsel, disclosure counsel, and issuer counsel services in connection with the issuance of bonds or other obligations by the Authority, or any entity created by the Authority. Bond Counsel Services will be billed to, and compensated by, the Authority as follows:

1. RWG shall charge a composite hourly rate for all attorneys of \$395 per hour for any of these services. The maximum total fee charged for an issuance shall not exceed an amount that the Executive Director deems fair and reasonable.
2. RWG's costs and expenses shall be paid in accordance with this Exhibit.
3. In the event the proceedings for issuance of the bonds are terminated before closing, RWG would expect to be paid for its services to the date of abandonment at the composite hourly rate set forth above, but the amount of that payment would not exceed an amount that the Executive Director deems fair and reasonable.
4. In the event the Authority forms or is a member of a joint powers authority that has the power to issue bonds or other obligations; RWG shall provide bond counsel, disclosure counsel, and issuer counsel services to the joint powers authority in connection with the issuance of bonds or other obligations, if and when requested by the joint powers authority. The compensation for Bond Counsel Services in connection with service to the joint powers authority shall be as specified in this Exhibit unless there is a separate contract or agreement with the joint powers authority that provides a fee schedule or rate.

G. Paralegal Services.

Paralegal services shall be billed to, and compensated by, the Authority at a composite hour rate for all paralegals of \$170 per hour.

H. Reimbursable Costs and Other Expenses.

Mileage will be billed at the standard rate established by the IRS for deducting the operating expenses of an automobile used for business purposes. The IRS mileage reimbursement rate was 58 cents per mile on the effective date of this Exhibit. Copying costs will be charged at 5 cents per page. There will be no charge for facsimiles. All other costs, such as long distance telephone charges, messenger and delivery services, and legal research services will be charged at RWG's actual out-of-pocket expenses, with the exception that the Authority will not be billed for telephone calls within California. RWG will not charge for word processing and similar clerical tasks, or for the costs of first-class postage.

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Attachment 3

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY APPROVING AN ANNUAL CONSUMER PRICE INDEX ADJUSTMENT FOR RATES IN THE LEGAL SERVICES AGREEMENT WITH RICHARDS, WATSON & GERSHON

WHEREAS, the Board of Directors approved a legal services agreement with the firm of Richards, Watson & Gershon (RWG) on February 19, 2019, for the provision of legal services; and

WHEREAS, said legal services agreement provides that the service rates for legal services shall be adjusted annually on July 1 consistent with the Consumer Price Index (CPI); and

WHEREAS, the applicable CPI adjustment for the 2023 - 2024 one-year period is 3.9%; and

WHEREAS, said legal services agreement requires Board of Directors approval of any annual adjustment of 3.0% or more.

NOW THEREFORE, BE IT RESOLVED that the South Bay Regional Public Communications Authority Board of Directors approves an annual Consumer Price Index adjustment to the rates set forth in the legal services agreement with the firm of Richards, Watson & Gershon by 3.9% effective upon approval of this resolution, as listed in Exhibit A, attached hereto.

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 13th day of August, 2024, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Rodney Tanaka, Chairperson
Board of Directors

John Krok, Secretary
Board of Directors

Exhibit A

- \$274/hr current billing rate for general services would be increased to \$285/hr.
- \$338/hr current billing rate for special services (e.g., real estate, labor & employment, litigation, public finance services) would be increased to \$351/hr
- \$452/hr current billing rate for bond counsel would be increased to \$470/hr
- \$194/hr current billing rate for paralegal services would be increased to \$202/hr

F-5



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: F-5

TO: Board of Directors

FROM: John Krok, Acting Executive Director

SUBJECT: Amended Family Care and Medical Leave Policy

ATTACHMENTS:

1. Current Family Care and Medical Leave Policy, Issued November 7, 2012
2. Redlined Policy Showing Changes From Current Policy
3. Draft Resolution With Draft Amended Policy

RECOMMENDATION

Staff recommends that the Board of Directors adopt a resolution amending the Family Care and Medical Leave Policy, which would supersede and amend the previous policy that was issued on November 7, 2012.

BACKGROUND AND DISCUSSION

In an ongoing effort to update the Authority's personnel-related policies, staff asked the Authority's General Counsel to review the current Family Care and Medical Leave Policy and suggest any revisions in order to ensure that the Policy is in compliance with state and federal law, recent case law, and that it reflects best practices.

Attached as Attachment No. 1 is the current Policy, which was issued on November 7, 2012. Attached as Attachment No. 2 is a redlined version of the amended Policy that indicates how the current Policy was revised in order to update the Policy to bring it into compliance with state and federal law and recent case law and to reflect best practices.

FISCAL IMPACT

None.

F-5

Attachment 1

**SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
MEMORANDUM**

DATE: November 7th, 2012

TO: ALL PERSONNEL

SUBJECT: APM SECTION 41: FAMILY CARE AND MEDICAL LEAVE POLICY

1. Statement of Policy

To the extent not already provided for under current leave policies and provisions, the South Bay Regional Public Communications Authority ("SBRPCA") will provide family and medical care leave for eligible employees as required by State and Federal Law. The following provisions set forth certain of the rights and obligations with respect to such leave. Rights and obligations which are not specifically set forth below are set forth in the Department of Labor regulations implementing the Federal Family and Medical Leave Act of 1993 ("FMLA"), and the regulations of the California Family Rights Act ("CFRA"). Unless otherwise provided by this policy, "leave" under this policy shall mean leave pursuant to the FMLA and CFRA.

2. Reasons for Leave

Leave is only permitted for the following reasons:

- A. The birth of a child or to care for a newborn of an employee;
- B. The placement of a child with an employee in connection with the adoption or foster care of a child;
- C. Leave to care for a child, parent, spouse or registered domestic partner who has a serious health condition;
- D. Leave because of a serious health condition that makes the employee unable to perform the functions of his/her position; and
- E. Leave for a "qualifying exigency" may be taken arising out of the fact that an employee's spouse, son, daughter or parent is on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation (under the FMLA only, not the CFRA).

3. Employees Eligible for Leave

An employee is eligible for leave if the employee:

- A. Has been employed for at least 12 months; and

- B. Has been employed for at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave.

4. Amount of Leave

Eligible employees are entitled to a total of 12 workweeks of leave during any 12-month period. Where FMLA leave qualifies as both military caregiver leave and care for a family member with a serious health condition, the leave will be designated as military caregiver leave first.

A. Minimum Duration of Leave

If leave is requested for the birth, adoption or foster care placement of a child of the employee, leave must be concluded within one year of the birth or placement of the child. In addition, the basic minimum duration of such leave is two weeks. However, an employee is entitled to leave for one of these purposes (e.g., bonding with a newborn) for at least one day, but less than two weeks' duration on any two occasions.

If leave is requested to care for a child, parent, spouse, registered domestic partner or the employee him/herself with a serious health condition, there is no minimum amount of leave that must be taken. However, the notice and medical certification provisions of this policy must be complied with.

5. Paid Accrued Leaves

While on leave under this policy, as set forth herein, SBRPCA will require an employee to concurrently use paid accrued leaves after requesting FMLA and/or CFRA leave

A. SBRPCA's Right to Require an Employee to Use Paid Leave When Using FMLA/CFRA Leave

Employees must exhaust their accrued leaves concurrently with FMLA/CFRA leave to the same extent that employees have the right to use their accrued leaves concurrently with FMLA/CFRA leave.

B. SBRPCA's Right to Require an Employee to Exhaust FMLA/CFRA Leave Concurrently with Other Leaves

If an employee takes a leave of absence, for any reason, which is FMLA/CFRA-qualifying, the SBRPCA may designate that non-FMLA/CFRA leave as running concurrently with the employee's 12-week FMLA/CFRA leave entitlement.

C. SBRPCA's and Employee's Right if an Employee Requests Accrued Leave without Mentioning Either the FMLA or CFRA

If an employee requests to utilize accrued vacation leave or other accrued paid time off without reference to a FMLA/CFRA-qualifying purpose, the SBRPCA may not ask the employee if the leave is for a FMLA/CFRA-qualifying purpose. However, if the SBRPCA denies the employee's request and the employee provides information that the requested time off is for a FMLA/CFRA-qualifying purpose, the SBRPCA may inquire further into the reason for the absence. If the

reason is FMLA/CFRA-qualifying, the SBRPCA will require the employee to exhaust accrued leave as described above.

6. Medical Certification

Employees who request leave for their own serious health condition, or to care for a child, parent or spouse who has a serious health condition, must provide written certification from the health care provider of the individual requiring care if requested by the SBRPCA.

If the leave is requested because of the employee's own serious health condition, the certification must include a statement that the employee is unable to work at all or is unable to perform the essential functions of his/her position.

Employees who request leave to care for a covered servicemember who is a child, spouse, parent or "next of kin" of the employee must provide written certification from a health care provider regarding the injured servicemember's serious injury or illness.

The first time an employee requests leave because of a qualifying exigency, an employer may require the employee to provide a copy of the covered military member's active duty orders or other documentation issued by the military which indicates that the covered military member is on active duty or call to active duty status in support of a contingency operation, and the dates of the covered military member's active duty service. A copy of new active duty orders or similar documentation shall be provided to the employer if the need for leave because of a qualifying exigency arises out of a different active duty or call to active duty status of the same or a different covered military member.

A. Time to Provide a Certification

When an employee's leave is foreseeable and at least 30 days' notice has been provided, if a medical certification is requested, the employee must provide it before the leave begins. When this is not possible, the employee must provide the requested certification to the SBRPCA within the time frame requested by the SBRPCA (which must allow at least 15 calendar days after the employer's request), unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.

B. Consequences for Failure to Provide an Adequate or Timely Certification

If an employee provides an incomplete medical certification, the employee will be given a reasonable opportunity to cure such deficiency.

However, if an employee fails to provide a medical certification within the time frame established by this policy, the SBRPCA may delay the taking of FMLA/CFRA leave until the required certification is provided.

C. Second and Third Medical Opinions

If the SBRPCA has reason to doubt the validity of a certification related to the employee him/herself, the SBRPCA may require a medical opinion of a second health care provider chosen and paid for by the SBRPCA. If the second opinion is different from the first, the SBRPCA may require the opinion of a third provider jointly approved by the SBRPCA and the employee, and paid for by the SBRPCA. The opinion of the third provider will be binding. An

employee may request a copy of the health care provider's opinions when there is a second or third medical opinion sought.

D. Intermittent Leave or Leave on a Reduced Leave Schedule

If an employee requests leave intermittently (a few days or hours at a time) or on a reduced leave schedule to care for him/herself or a child, parent, spouse or registered domestic partner with a serious health condition, the employee must provide medical certification that such leave is medically necessary. "Medically Necessary" means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule.

7. Employee Notice of Leave

Although the SBRPCA recognizes that emergencies arise which may require employees to request immediate leave, employees are required to give as much notice as possible of their need for leave. Except for qualifying exigency leave, if leave is foreseeable, at least 30 days' notice is required. In addition, if an employee knows that he/she will need leave in the future, but does not know the exact date(s) (e.g., for the birth of a child or to take care of a newborn), the employee shall inform his/her supervisor as soon as possible that such leave will be needed. Such notice may be orally given. If the SBRPCA determines that an employee's notice is inadequate or the employee knew about the requested leave in advance of the request, the SBRPCA may delay the granting of the leave until it can, in its discretion, adequately cover the position with a substitute.

For foreseeable leave due to a qualifying exigency, an employee must provide notice of the need for leave as soon as practicable, regardless of how far in advance such leave is foreseeable.

8. Reinstatement upon Return from Leave

A. Employee's Obligation to Periodically Report on His/Her Condition

Employees may be required to periodically report on their status and intent to return to work. This will avoid any delays in reinstatement when the employee is ready to return.

B. Fitness-for-Duty Certification

As a condition of reinstatement of an employee whose leave was due to the employee's own serious health condition which made the employee unable to perform his/her job, the employee must obtain and present a fitness-for-duty certification from the health care provider that the employee is able to resume work. Failure to provide such certification will result in denial of reinstatement.

9. Required Forms

Employees must fill out the following applicable forms in connection with leave under this policy:

- A. "Request for Family or Medical Leave Form" prepared by the SBRPCA to be eligible for leave.
NOTE: EMPLOYEES WILL RECEIVE A SBRPCA RESPONSE TO THEIR REQUEST WHICH WILL SET FORTH CERTAIN CONDITIONS OF THE LEAVE;

- B. Medical Certification – either for the employee’s own serious health condition, or for the serious health condition of a child, parent, spouse or registered domestic partner;
- C. Fitness-for-Duty to Return from Leave Form.

- 10. DISTRIBUTION. All Personnel
- 11. PROPONENT. Operations Manager
- 12. APPROVED. _____ 11/07/12
Ralph Mailloux, Executive Director

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Attachment 2

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY MEMORANDUM

DATE: ~~November 7th, 2012~~ August 13, 2024

TO: -ALL PERSONNEL

SUBJECT: -APM SECTION 41: FAMILY CARE AND MEDICAL LEAVE POLICY

~~1. Statement of Policy~~

1. STATEMENT OF POLICY

To the extent not already provided for under current leave policies and provisions, the South Bay Regional Public Communications Authority ("SBRPCA") ~~will provide~~ provides family and medical care leave for eligible employees as required by State and Federal Law. ~~The following provisions set forth certain of the rights~~ Employees who misuse or abuse family and obligations with respect to such medical care leave. Rights may be disciplined, up to and obligations which including termination, and are not specifically set forth below are set forth in the Department of Labor regulations implementing the Federal Family and Medical Leave Act of 1993 ("FMLA"), and the regulations of the California Family Rights Act ("CFRA"). Unless otherwise provided protected by this policy, "leave" under this policy shall mean leave pursuant to the FMLA and CFRA. job restoration or maintenance of health benefits provisions.

~~2. Reasons for Leave~~

~~This policy is supplemented by the Federal Family and Medical Leave Act (FMLA), and the California Family Rights Act (CFRA). Unless otherwise stated in this policy, "leave" means leave pursuant to the FMLA and CFRA. Unless otherwise provided by law, the SBRPCA will run each employee's FMLA and CFRA leaves concurrently.~~

2. DEFINITIONS

(a) "Child"

a. Under the FMLA, "child" means a child under the age of 18 years of age, or 18 years of age or older who is incapable of self-care because of a mental or physical disability. An employee's child is one for whom the employee has actual day-to-day responsibility for care, and includes a biological, adopted, foster or step-child. A child is "incapable of self-care" if he/she requires active assistance or supervision to provide daily self-care in three or more of the activities of daily living or instrumental activities of daily living, such as caring for grooming and hygiene, bathing, dressing and eating, cooking, cleaning shopping, taking public transportation, paying bills, maintaining a residence, or using telephones and directories.

b. Under the CFRA, "child" means a child, including a child who is 18 years of age or older who is capable of self-care. An employee's child means a biological, adopted, foster, step-child, legal ward, a child of a domestic partner, or a person to whom the employee stands in loco parentis.

(b) "Covered active duty" means: (1) in the case of a member of a regular component of the Armed Forces, duty during deployment of the member with the Armed Forces to a foreign country; or (2) in the case of a member of the reserve component of the Armed Forces, duty during the deployment of members of the Armed Forces to a foreign country under a call or order to active duty under certain specified provisions.

(c) "Covered Service Member" means: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces, including a member of the National Guard or Reserves, at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

(d) Under CFRA, "Designated Person" means any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave. An employer may limit an employee to one designated person per 12-month period for family care and medical leave.

(e) "Domestic Partner" is another adult with whom the employee has chosen to share their life in an intimate and committed relationship of mutual caring and with whom the employee has filed a Declaration of Domestic Partnership with the Secretary of State, and who meets the criteria specified in California Family Code section 297. A legal union formed in another state that is substantially equivalent to the California domestic partnership is also sufficient.

(f) "Family member" for FMLA leave means an employee's child, parent, and spouse. "Family member" for CFRA leave means an employee's child, parent, parent-in-law, spouse, domestic partner, grandchild, grandparent, and sibling.

(g) "Grandchild" means a child of the employee's child.

(h) "Grandparent" means a parent of the employee's parent.

(i) "Health Care Provider" means any of the following:

1) A doctor of medicine or osteopathy who is authorized to practice medicine or surgery in the State of California;

2) An individual duly licensed as a physician, surgeon, or osteopathic physician or surgeon in another state or jurisdiction, including another country, which directly treats or supervises treatment of a serious health condition;

3) A podiatrist, dentist, clinical psychologist, optometrist, or chiropractor (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by x-ray to exist) authorized to practice in California and performing within the scope of their practice as defined under California State law;

4) A nurse practitioner or nurse-midwife or a clinical social worker who is authorized to practice under California State law and who are performing within the scope of their practice as defined under California State law;

5) A Christian Science practitioner listed with the First Church of Christ, Scientist in Boston, Massachusetts; and

6) Any health care provider from whom an employer or group health plan's benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.

(j) "Next of Kin of a Covered Service Member" means the nearest blood relative other than the covered service member's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the covered service member by court decree or statutory provisions, brothers and sisters, grandparents, aunts and uncles, and first cousins, unless the covered service member has specifically designated in writing another blood relative as their nearest blood relative for purposes of military caregiver leave under the FMLA.

(k) "Outpatient Status" means, with respect to a covered service member, the status of a member of the Armed Forces assigned to either: (1) a military medical treatment facility as an outpatient; or (2) a unit established for the purpose of providing command and control of members of the Armed Forces receiving medical care as outpatients.

(l) "Parent" means the biological parent of an employee or an individual who stands or stood in loco parentis (in place of a parent) to an employee when the employee was a child. This term does not include parents-in-law.

(m) "Parent-in-law" means the parent of a spouse or domestic partner of the employee.

(n) "Serious Health Condition" means an illness, injury impairment, or physical or mental condition that involves:

1) Inpatient Care in a hospital, hospice, or residential medical care facility, including any period of incapacity (e.g., inability to work or perform other regular daily activities due to the serious health condition, treatment involved, or recovery therefrom). A person is considered "inpatient" when a health care facility admits them to the facility with the expectation that they will remain at least overnight, even if it later develops that such person can be discharged or transferred to another facility, and does not actually remain overnight; or

2) Continuing treatment by a health care provider: A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:

a. A period of incapacity (i.e., inability to work, or perform other regular daily activities) due to serious health condition of more than three consecutive calendar days; and

b. Any subsequent treatment or period of incapacity relating to the same condition, that also involves:

i. Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision by a health care provider, or by a provider of health care services (e.g., a physical therapist) under orders of, or on referral by a health care provider; or

ii. Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider. This includes, for example, a course of prescription medication or therapy requiring special equipment to resolve or alleviate the health condition. If the medication is over the counter, and can

be initiated without a visit to a health care provider, it does not constitute a regimen of continuing treatment.

3) Any period of incapacity due to pregnancy or for prenatal care. Note that pregnancy is a “serious health condition” only under the FMLA. Under California law, an employee disabled by pregnancy is entitled to pregnancy leave.

4) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

a. Requires periodic visits for treatment by a health care provider, or by a nurse or physician’s assistant under direct supervision of a health care provider;

b. Continues over an extended period of time (including recurring episodes of a single underlying condition); and

c. May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.). Absences for such incapacity qualify for leave even if the absence lasts only one day.

5) A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by health care provider.

6) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

(o) “Serious Injury or Illness” means: (1) in the case of a member of the Armed forces, including a member of the National Guard or reserves, means an injury or illness that a covered service member incurred in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by the service in the line of duty on active duty in the Armed Forces) and that may render the service member medically unfit to perform the duties of the member’s office, grade, rank, or rating; or (2) in the case of a veteran who was a member of the Armed Forces, including a member of the National Guard or Reserves, means an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

(p) “Sibling” means a person related to the employee by blood, adoption, or affinity through a common legal or biological parent.

(q) “Single 12 Month Period” means a 12-month period which begins on the first day the eligible employee takes FMLA leave to take care of a covered service member and ends 12 months after that date.

(r) “Spouse” means one or two persons to a marriage, regardless of the sex of the persons, and for purposes of CFRA leave, includes a registered domestic partner as defined.

(s) “12-Month Period” means a rolling 12-month period measured backward from the date leave is taken and continuous with each additional leave day taken.

3. REASONS FOR LEAVE

Leave is only permitted for the following reasons:

- A. The birth of a child or to care for a newborn of an employee;
- B. The placement of a child with an employee in connection with the adoption or foster care of a child;
- C. Leave to care for a child, parent, spouse or registered domestic partner who has a serious health condition;
- ~~D.~~ Under the CFRA only, leave is permitted to care for a domestic partner, grandparent, grandchild, parent-in-law, sibling, or any Designated Person, who has a serious health condition. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA.
- ~~E.~~ Leave because of a serious health condition that makes the employee unable to perform ~~the~~ any one or more essential functions of ~~his/her~~ their position; ~~and~~
- ~~E.~~
- ~~F.~~ Leave for a variety of “qualifying exigency” may be taken exigencies arising out of the fact that an employee’s spouse, son, daughter or parent is on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation ~~(under the FMLA only, not the CFRA);~~

~~3.~~ Employees Eligible for Leave

- ~~G.~~ Under the CFRA only, leave for a variety of “qualifying exigencies” arising out of the fact that an employee’s domestic partner is on active duty or call to active-duty status in the National Guard or Reserves in support of a contingency operation. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA; or
- ~~H.~~ Leave to care for a spouse, son, daughter, parent, or “next of kin” who is a covered service member of the U.S. Armed Forces who has a serious injury or illness: incurred in the line of duty while on active military duty; or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces. This leave can run up to 26 weeks of unpaid leave during a single 12-month period.

4. EMPLOYEES ELIGIBLE FOR LEAVE

An employee is eligible for leave if the employee satisfies the following conditions:

- A. ~~Has~~ The employee has been employed by the SBPRCA for at least 12 months; and

- B. ~~Has been employed for~~The employee has worked for the SBRPCA at least 1,250 hours during the 12-month period immediately ~~—~~preceding the commencement of the leave.; and

4. Amount of Leave

- C. For FMLA leave eligibility, the SBRPCA directly employs at least 50 full or part-time employees within a 75-mile radius for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year. The workweeks do not have to be consecutive. The phrase “current or preceding calendar year” refers to the calendar year in which the employee requests the leave or the calendar year preceding this request.

5. AMOUNT OF LEAVE

Eligible employees are entitled to a total of 12 workweeks (or 26 workweeks to care for a covered service member) of leave during any 12-month period. ~~Where If~~ FMLA leave qualifies as both military caregiver leave and care for a family member with a serious health condition, the leave will be designated as military caregiver leave first.

A. Minimum Duration of Leave

If leave is requested for the birth, adoption or foster care placement of a child of the employee, leave must be concluded within one year of the birth or placement of the child. In addition, the basic minimum duration of such leave is two weeks. However, an employee is entitled to leave for one of these purposes (e.g., bonding with a newborn) for ~~at least one day, but~~ less than two ~~weeks; weeks~~ duration on any two occasions.

- B. If leave is requested to care for a child, parent, parent-in-law, spouse, registered domestic partner, grandparent, grandchild, sibling or the employee him/herself/themselves with a serious health condition, there is no minimum amount of leave that must be taken. However, the notice and medical certification provisions ~~of~~ in this policy must be complied with.

5. Paid Accrued Leaves

- C. If both parents of a child, adoptee, or foster child are employed by the SBRPCA and are entitled to bonding leave:

(a) The aggregate number of workweeks of FMLA leave to which both may be entitled may be limited to 12 workweeks during any 12-month period; and

(b) Each married parent is entitled to take 12 workweeks of CFRA leave during any 12-month period.

If both parents of a covered service member are employed by the SBRPCA and are entitled to leave to care for a covered service member, the aggregate number of workweeks of leave to which both may be entitled is limited to 26 work weeks during the 12-month period. This limitation does not apply to any other type of leave under this policy.

6. EMPLOYEE BENEFITS WHILE ON LEAVE

(a) Group Health Insurance during Unpaid Leave: Leave under this policy is unpaid. While on FMLA or CFRA leave, employees will continue to be covered by the SBRPCA's group health insurance for up to 12 weeks each leave year to the same extent that coverage is provided while the employee is on the job. If the employee is disabled by pregnancy, coverage will continue up to four months each leave year. If an employee disabled by pregnancy also uses leave under the CFRA for baby-bonding, the SBRPCA will maintain the employee's coverage while she is disabled by pregnancy (up to four months or 17 1/3 weeks) and during her CFRA leave (up to 12 weeks).

(b) Benefit Plans Not Provided through the SBPRCA Group Health Plan during Unpaid Leave Do Continue: While on unpaid leave, employees will continue to be covered by the SBRPCA's benefits plans that are not part of its group health plan for up to 12 weeks each leave year to the same extent that coverage is provided while the employee is on the job.

(d) Payment of Premiums: Employees may make the appropriate contributions for continued coverage under the health benefits plans by payroll deductions (if the employee is using their paid leave accruals) or direct payments (if the employee is not using their paid leave accruals). The SBRPCA will inform the employee whether the direct payments for premiums should be paid to the carrier or to the SBRPCA, and the deadlines for paying premiums in order to prevent coverage from being dropped. Employee contribution rates are subject to any changes in rates that occur while employee is on leave.

(e) Recovery of Premium if the Employee Fails to Return from Leave: If an employee fails to return to work after their leave entitlement has been exhausted or expires, the SBRPCA shall have the right to recover its share of health plan premiums for the entire leave period, unless the employee does not return because of the continuation, recurrence, or onset of a serious health condition of the employee or their family member which would entitle the employee to leave, or because of circumstances beyond the employee's control.

6. PAID ACCRUED LEAVES

While on leave under this policy, as set forth herein, SBRPCA will require an employee to concurrently use paid accrued leaves after requesting FMLA and/or CFRA leave. Although family and medical care leave is unpaid, the SBPCRA will require an employee to concurrently use all paid accrued leaves during family and medical care leave as described below. An employee may use any earned or accrued paid leave except sick leave for all or part of any unpaid family and medical care leave. An employee is entitled to use sick leave concurrently with family and medical care leave for the employee's own serious health condition or that of the employee's family member.

A. SBRPCA's Right to Require an Employee to Use Paid Leave When Using FMLA/CFRA Leave

Employees must exhaust their accrued leaves concurrently with FMLA/CFRA leave to the same extent that employees have the right to use their accrued leaves concurrently with FMLA/CFRA leave.

- a. Employees are not required to use paid leave during leave pursuant to a disability plan that pays a portion of the employee's salary while on leave unless the employee agrees to use paid lave to cover the unpaid portion of the disability leave benefit; and
- b. An employee must agree to use accrued sick leave to care for a child, parent, spouse or domestic partner, grandparent, grandchild, or sibling.

~~B.~~ B. SBRPCA's Right to Require an Employee to Exhaust FMLA/CFRA Leave Concurrently with Other Leaves

If an employee takes a leave of absence, for any ~~reason, purpose~~ which ~~isqualifies under~~ FMLA/CFRA-~~qualifying~~, the SBRPCA ~~may~~will designate that non-FMLA/CFRA leave as running concurrently with the employee's 12-week FMLA/CFRA leave entitlement.

C. SBRPCA's and Employee's Right if an Employee Requests Accrued Leave without Mentioning Either the FMLA or CFRA

If an employee requests to utilize accrued vacation leave or other accrued paid time off without reference to a FMLA/CFRA-qualifying purpose, the SBRPCA may not ask the employee if the leave is for a FMLA/CFRA-qualifying purpose. However, if the SBRPCA denies the employee's request and the employee provides information that the requested time off is for a FMLA/CFRA-qualifying purpose, the SBRPCA may inquire further into the reason for the absence. If the reason is FMLA/CFRA-qualifying, the SBRPCA ~~will~~may require the employee to exhaust accrued leave as described above.

~~6.~~ Medical Certification

7. MEDICAL CERTIFICATION

Employees who request leave must provide written certification and/or recertification to support the need for the leave as described below:

Employee's Own Serious Health Condition: Employees who request leave for their own serious health condition, or to care for a child, parent or spouse who has a serious health condition, must provide written certification from the health care provider that contains all of the individual requiring care following: the date, if requested by the SBRPCA.

a. ——— If the leave is requested because known, on which the serious health condition commenced; the probably duration of the employee's own serious health condition, the certification must include condition; and a statement that the, due to the serious health condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of his/her/their position. Upon expiration of the time period the health care provider originally estimated that the employee needed for their own serious health condition, the employee must obtain recertification if additional leave is requested.

b. ——— Family Member Serious Health Condition: Employees who request leave to care for a family member who has a serious health condition must provide written certification from the health care provider of the family member requiring care that contains all of the following: the date, if known, on which the serious health condition commenced; the probable duration of the condition; an estimate of the amount of time which the care provider believes the employee needs to care for the family member, and a statement that the serious health condition warrants the participation of the employee to provide care during a period of treatment. The term "warrants the participation of the employee" includes, but is not limited to, providing psychological comfort, and arranging third party care for the covered ~~servicemember~~family member, as well as directly

providing or participating in the medical care. Upon expiration of the time period the health care provider originally estimated that the employee needed to care for a covered family member, the employer must obtain recertification if additional leave is requested.

c. Service member Serious Injury or Illness: Employees who request FMLA leave to care for a covered service member who is a child, spouse, parent or "next of kin" of the employee, must provide written certification from a health care provider regarding the injured servicemember's service member's serious injury or illness. The SBRPCA will verify the certification as permitted by the FMLA regulations.

d. Qualifying Exigency: The first time an employee requests leave because of a qualifying exigency, an employer the SBRPCA may require the employee to provide a copy of the covered military member's active duty orders or other documentation issued by the military which indicates that the covered military member is on covered active duty or call to active duty status in support of a contingency operation a foreign country, and the dates of the covered military member's active duty service. A copy of the new active duty orders or similar documentation shall be provided to the employer SBRPCA if the need for leave because of a qualifying exigency arises out of a different active duty or call to active duty status of the same or a different covered military member. The SBPRCA will verify the certification as permitted by the FMLA and CFRA regulations.

A. Time to Provide a Certification

When an employee's leave is foreseeable and employee has provided at least 30 days' notice has been provided, if days for a foreseeable leave, the employee must provide a medical certification is requested, the employee must provide it before the leave begins. When this is not possible, the employee must provide the requested medical certification to the SBRPCA within the time frame requested by the SBPRCA SBRPCA (which must allow at least 15 calendar days after the employer's request), unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.

B. Consequences for Failure to Provide an Adequate or Timely Certification

If an employee provides an incomplete medical certification, the employee will be given a reasonable opportunity to cure such deficiency.

However, if an employee fails to provide a medical certification within the time frame established by this policy, the SBRPCA may delay the taking of FMLA/CFRA leave until the required certification is provided, or deny FMLA/CFRA protections following the expiration of the time period to provide an adequate certification.

C. Second and Third Medical Opinions

If the SBRPCA has reason to doubt the validity of a certification related to the employee him/herself employee's serious health condition, the SBRPCA may require a medical opinion of a second health care provider chosen and paid for by the SBRPCA. If the second opinion is different from the first, the SBRPCA may require the opinion of a third provider jointly approved by the SBRPCA and the employee, and paid for by the SBRPCA. The opinion of the third provider will be binding. An employee may request a copy of the health care provider's opinions when there is a second or third medical opinion sought.

D. Intermittent Leave or Leave on a Reduced LeaveWork Schedule

If an employee requests leave intermittently (a few days or hours at a time) or on a reduced leavework schedule for their own serious health condition, or to care for him/herself or a child, parent, spouse or registered domestic partner family member with a serious health condition, the employee must provide medical certification that such leave is medically necessary. "Medically Necessary" means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule work schedule. The SBRPCA may require an employee who certifies the need for a reduced schedule or intermittent leave to temporarily transfer to an alternate position of equivalent pay and benefits that better accommodates the leave schedule.

~~7. Employee Notice of Leave~~

8. EMPLOYEE NOTICE OF LEAVE

Although the SBRPCA recognizes that emergencies arise which may require employees to request immediate leave, employees are required to give as much verbal or written notice as possible of their need for leave. Except for qualifying exigency leave, if leave is foreseeable, at least 30 days' notice is required. In addition, if an employee knows that he/she will need leave in the future, but does not know the exact date(s) (e.g., for the birth of a child or to take care of a newborn), the employee shall inform his/her/their supervisor as soon as possible that such leave will be needed. Such notice may be orally given. If the SBRPCA determines that an employee's notice is inadequate or the employee knew about the requested leave in advance of the request, the SBRPCA may delay the granting of the leave until it can, in its discretion, adequately cover the position with a substitute.

For foreseeable leave due to a qualifying exigency, an employee must provide verbal or written notice of the need for leave as soon as practicable, regardless of how far in advance such leave is foreseeable.

~~8. Reinstatement upon Return from Leave~~

~~A. Employee's~~ 9. REINSTATEMENT UPON RETURN FROM LEAVE

a. **Reinstatement to Same or Equivalent Position:** Upon expiration of leave, an employee is entitled to be reinstated to the position of employment held when the leave commenced, or, in limited circumstances, to a comparable position. Employees have no greater rights to reinstatement, benefits, and other conditions of employment than if the employee had been continuously employed during the FMLA/CFRA period.

b. **Date of Reinstatement:** If a definite date of reinstatement has been agreed upon at the beginning of the leave, the employee will be reinstated on the date agreed upon. If the reinstatement date differs from the original agreement, the employee will be reinstated within two business days, where feasible, after the employee notifies the employer of their readiness to return.

Employees' Obligation to Periodically Report on His/Her/Their Condition

c. : Employees may be required to periodically report on their status and intent to return to work. This will avoid any delays in reinstatement when the employee is ready to return.

~~B.~~ **Fitness-for-Duty Certification**

~~d.~~ : As a condition of reinstatement of an employee whose leave was due to the employee's own serious health condition, which made the employee unable to perform his/her job, the employee must obtain and present a fitness-for-duty certification from the health care provider that the employee is able to resume work. Failure to provide such certification will result in denial of reinstatement.

~~9.~~ Required Forms

~~e.~~ **Reinstatement of "Key Employees":** Under the FMLA only, the SBPRCA may deny reinstatement to a "key" employee (e., an employee who is among the highest paid 10 percent of all employed by the SBPRCA within 75 miles of the worksite) if such denial is necessary to prevent substantial and grievous economic injury to the operations of the SBPRCA, and the employee is notified of the SBPRCA's intent to deny reinstatement on such basis at the time the employer determines that such injury would occur. Under the CFRA, the SBPRCA may not deny reinstatement to a "key employee" during or upon expiration of CFRA leave. Where FMLA and CFRA leave run concurrently, the SBPRCA will follow the requirements for reinstatement of the CFRA.

10. REQUIRED FORMS

Employees must ~~fill out~~complete the ~~following~~ applicable forms ~~in connection with leave under this policy:~~

~~A.~~ "Request for Family or Medical Leave Form" prepared by the SBPRCA to be eligible for leave.
NOTE: ~~EMPLOYEES WILL RECEIVE A SBPRCA RESPONSE TO THEIR REQUEST WHICH WILL SET FORTH CERTAIN CONDITIONS OF THE LEAVE;~~

~~B.~~ Medical Certification—~~either for the employee's own serious health condition, to receive family and medical leave. Contact your immediate supervisor or for the serious health condition of a child, parent, spouse administration to obtain forms or registered domestic partner; they can be found in the file cabinet in the communications center.~~

~~C.~~ Fitness for Duty to Return from Leave Form.

~~40.~~ 11. DISTRIBUTION. All Personnel

~~41.~~ 12. PROPONENT. ~~Operations~~Administrative Services Manager

~~42.~~ 13. APPROVED. 11/07/12
Ralph Mailloux, John Krok, Interim Executive Director

F-5

Attachment 3

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY ADOPTING AN AMENDED FAMILY CARE
AND MEDICAL LEAVE POLICY**

WHEREAS, Article IV, Section G of the South Bay Regional Public Communications Authority's Bylaws states that the Board of Directors shall make all policy decisions and determinations for the Authority.

WHEREAS, the Board of Directors desires to amend the Authority's current Family Care and Medical Leave Policy for all Authority personnel.

WHEREAS, the Board of Directors desires that the previous Family Care and Medical Leave Policy, issued November 7, 2012, be replaced and superseded by the amended policy that is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Bay Regional Public Communications Authority:

SECTION 1. The Board of Directors adopts the amended Family Care and Medical Leave Policy attached hereto as Exhibit A.

SECTION 2. The amended Family Care and Medical Leave Policy attached hereto as Exhibit A becomes the effective Policy and supersedes any previous versions of the Policy, including the version that was issued on November 7, 2012.

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 ____ day of ____, 2024, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Rodney G. Tanaka, Chair
Board of Directors

John Krok, Acting Executive Director and
Secretary
Board of Directors

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY MEMORANDUM

DATE: August 13, 2024

TO: ALL PERSONNEL

SUBJECT: APM SECTION 41: FAMILY CARE AND MEDICAL LEAVE POLICY

1. STATEMENT OF POLICY

To the extent not already provided for under current leave policies and provisions, the South Bay Regional Public Communications Authority (“SBRPCA”) provides family and medical care leave for eligible employees as required by State and Federal Law. Employees who misuse or abuse family and medical care leave may be disciplined, up to and including termination, and are not protected by job restoration or maintenance of health benefits provisions.

This policy is supplemented by the Federal Family and Medical Leave Act (FMLA), and the California Family Rights Act (CFRA). Unless otherwise stated in this policy, “leave” means leave pursuant to the FMLA and CFRA. Unless otherwise provided by law, the SBRPCA will run each employee’s FMLA and CFRA leaves concurrently.

2. DEFINITIONS

(a) “Child”

a. Under the FMLA, “child” means a child under the age of 18 years of age, or 18 years of age or older who is incapable of self-care because of a mental or physical disability. An employee’s child is one for whom the employee has actual day-to-day responsibility for care, and includes a biological, adopted, foster or step-child. A child is “incapable of self-care” if he/she requires active assistance or supervision to provide daily self-care in three or more of the activities of daily living or instrumental activities of daily living, such as caring for grooming and hygiene, bathing, dressing and eating, cooking, cleaning shopping, taking public transportation, paying bills, maintaining a residence, or using telephones and directories.

b. Under the CFRA, “child” means a child, including a child who is 18 years of age or older who is capable of self-care. An employee’s child means a biological, adopted, foster, step-child, legal ward, a child of a domestic partner, or a person to whom the employee stands in loco parentis.

(b) “Covered active duty” means: (1) in the case of a member of a regular component of the Armed Forces, duty during deployment of the member with the Armed Forces to a foreign country; or (2) in the case of a member of the reserve component of the Armed Forces, duty during the deployment of members of the Armed Forces to a foreign country under a call or order to active duty under certain specified provisions.

(c) “Covered Service Member” means: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a

veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces, including a member of the National Guard or Reserves, at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

(d) Under CFRA, "Designated Person" means any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave. An employer may limit an employee to one designated person per 12-month period for family care and medical leave.

(e) "Domestic Partner" is another adult with whom the employee has chosen to share their life in an intimate and committed relationship of mutual caring and with whom the employee has filed a Declaration of Domestic Partnership with the Secretary of State, and who meets the criteria specified in California Family Code section 297. A legal union formed in another state that is substantially equivalent to the California domestic partnership is also sufficient.

(f) "Family member" for FMLA leave means an employee's child, parent, and spouse. "Family member" for CFRA leave means an employee's child, parent, parent-in-law, spouse, domestic partner, grandchild, grandparent, and sibling.

(g) "Grandchild" means a child of the employee's child.

(h) "Grandparent" means a parent of the employee's parent.

(i) "Health Care Provider" means any of the following:

1) A doctor of medicine or osteopathy who is authorized to practice medicine or surgery in the State of California;

2) An individual duly licensed as a physician, surgeon, or osteopathic physician or surgeon in another state or jurisdiction, including another country, which directly treats or supervises treatment of a serious health condition;

3) A podiatrist, dentist, clinical psychologist, optometrist, or chiropractor (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by x-ray to exist) authorized to practice in California and performing within the scope of their practice as defined under California State law;

4) A nurse practitioner or nurse-midwife or a clinical social worker who is authorized to practice under California State law and who are performing within the scope of their practice as defined under California State law;

5) A Christian Science practitioner listed with the First Church of Christ, Scientist in Boston, Massachusetts; and

6) Any health care provider from whom an employer or group health plan's benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.

(j) "Next of Kin of a Covered Service Member" means the nearest blood relative other than the covered service member's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the covered service member by court decree or statutory provisions, brothers and

sisters, grandparents, aunts and uncles, and first cousins, unless the covered service member has specifically designated in writing another blood relative as their nearest blood relative for purposes of military caregiver leave under the FMLA.

(k) "Outpatient Status" means, with respect to a covered service member, the status of a member of the Armed Forces assigned to either: (1) a military medical treatment facility as an outpatient; or (2) a unit established for the purpose of providing command and control of members of the Armed Forces receiving medical care as outpatients.

(l) "Parent" means the biological parent of an employee or an individual who stands or stood in loco parentis (in place of a parent) to an employee when the employee was a child. This term does not include parents-in-law.

(m) "Parent-in-law" means the parent of a spouse or domestic partner of the employee.

(n) "Serious Health Condition" means an illness, injury impairment, or physical or mental condition that involves:

1) Inpatient Care in a hospital, hospice, or residential medical care facility, including any period of incapacity (e.g., inability to work or perform other regular daily activities due to the serious health condition, treatment involved, or recovery therefrom). A person is considered "inpatient" when a health care facility admits them to the facility with the expectation that they will remain at least overnight, even if it later develops that such person can be discharged or transferred to another facility, and does not actually remain overnight; or

2) Continuing treatment by a health care provider: A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:

a. A period of incapacity (i.e., inability to work, or perform other regular daily activities) due to serious health condition of more than three consecutive calendar days; and

b. Any subsequent treatment or period of incapacity relating to the same condition, that also involves:

i. Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision by a health care provider, or by a provider of health care services (e.g., a physical therapist) under orders of, or on referral by a health care provider; or

ii. Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider. This includes, for example, a course of prescription medication or therapy requiring special equipment to resolve or alleviate the health condition. If the medication is over the counter, and can be initiated without a visit to a health care provider, it does not constitute a regimen of continuing treatment.

3) Any period of incapacity due to pregnancy or for prenatal care. Note that pregnancy is a "serious health condition" only under the FMLA. Under California law, an employee disabled by pregnancy is entitled to pregnancy leave.

4) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

- a. Requires periodic visits for treatment by a health care provider, or by a nurse or physician's assistant under direct supervision of a health care provider;
- b. Continues over an extended period of time (including recurring episodes of a single underlying condition); and
- c. May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.). Absences for such incapacity qualify for leave even if the absence lasts only one day.

5) A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by health care provider.

6) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

(o) "Serious Injury or Illness" means: (1) in the case of a member of the Armed forces, including a member of the National Guard or reserves, means an injury or illness that a covered service member incurred in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by the service in the line of duty on active duty in the Armed Forces) and that may render the service member medically unfit to perform the duties of the member's office, grade, rank, or rating; or (2) in the case of a veteran who was a member of the Armed Forces, including a member of the National Guard or Reserves, means an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

(p) "Sibling" means a person related to the employee by blood, adoption, or affinity through a common legal or biological parent.

(q) "Single 12 Month Period" means a 12-month period which begins on the first day the eligible employee takes FMLA leave to take care of a covered service member and ends 12 months after that date.

(r) "Spouse" means one or two persons to a marriage, regardless of the sex of the persons, and for purposes of CFRA leave, includes a registered domestic partner as defined.

(s) "12-Month Period" means a rolling 12-month period measured backward from the date leave is taken and continuous with each additional leave day taken.

3. REASONS FOR LEAVE

Leave is only permitted for the following reasons:

- A. The birth of a child or to care for a newborn of an employee;
- B. The placement of a child with an employee in connection with the adoption or foster care of a child;

- C. Leave to care for a child, parent, spouse or registered domestic partner who has a serious health condition;
- D. Under the CFRA only, leave is permitted to care for a domestic partner, grandparent, grandchild, parent-in-law, sibling, or any Designated Person, who has a serious health condition. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA.
- E. Leave because of a serious health condition that makes the employee unable to perform any one or more essential functions of their position;
- F. Leave for a variety of “qualifying exigencies” arising out of the fact that an employee’s spouse, son, daughter or parent is on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation;
- G. Under the CFRA only, leave for a variety of “qualifying exigencies” arising out of the fact that an employee’s domestic partner is on active duty or call to active-duty status in the National Guard or Reserves in support of a contingency operation. Leave for this purpose does not apply to FMLA leave and will not run concurrently with leave under the FMLA; or
- H. Leave to care for a spouse, son, daughter, parent, or “next of kin” who is a covered service member of the U.S. Armed Forces who has a serious injury or illness: incurred in the line of duty while on active military duty; or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces. This leave can run up to 26 weeks of unpaid leave during a single 12-month period.

4. EMPLOYEES ELIGIBLE FOR LEAVE

An employee is eligible for leave if the employee satisfies the following conditions:

- A. The employee has been employed by the SBPRCA for at least 12 months; and
- B. The employee has worked for the SBRPCA at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave; and
- C. For FMLA leave eligibility, the SBRPCA directly employs at least 50 full or part-time employees within a 75-mile radius for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year. The workweeks do not have to be consecutive. The phrase “current or preceding calendar year” refers to the calendar year in which the employee requests the leave or the calendar year preceding this request.

5. AMOUNT OF LEAVE

Eligible employees are entitled to a total of 12 workweeks (or 26 workweeks to care for a covered service member) of leave during any 12-month period. If FMLA leave qualifies as both military caregiver leave and care for a family member with a serious health condition, the leave will be designated as military caregiver leave first.

A. Minimum Duration of Leave

If leave is requested for the birth, adoption or foster care placement of a child of the employee, leave must be concluded within one year of the birth or placement of the child. In addition, the basic minimum duration of such leave is two weeks. However, an employee is entitled to leave for one of these purposes (e.g., bonding with a newborn) for less than two weeks duration on any two occasions.

- B. If leave is requested to care for a child, parent, parent-in-law, spouse, registered domestic partner, grandparent, grandchild, sibling or the employee themselves with a serious health condition, there is no minimum amount of leave that must be taken. However, the notice and medical certification provisions in this policy must be complied with.
- C. If both parents of a child, adoptee, or foster child are employed by the SBRPCA and are entitled to bonding leave:
 - (a) The aggregate number of workweeks of FMLA leave to which both may be entitled may be limited to 12 workweeks during any 12-month period; and
 - (b) Each married parent is entitled to take 12 workweeks of CFRA leave during any 12-month period.

If both parents of a covered service member are employed by the SBRPCA and are entitled to leave to care for a covered service member, the aggregate number of workweeks of leave to which both may be entitled is limited to 26 work weeks during the 12-month period. This limitation does not apply to any other type of leave under this policy.

6. EMPLOYEE BENEFITS WHILE ON LEAVE

(a) Group Health Insurance during Unpaid Leave: Leave under this policy is unpaid. While on FMLA or CFRA leave, employees will continue to be covered by the SBRPCA's group health insurance for up to 12 weeks each leave year to the same extent that coverage is provided while the employee is on the job. If the employee is disabled by pregnancy, coverage will continue up to four months each leave year. If an employee disabled by pregnancy also uses leave under the CFRA for baby-bonding, the SBRPCA will maintain the employee's coverage while she is disabled by pregnancy (up to four months or 17 1/3 weeks) and during her CFRA leave (up to 12 weeks).

(b) Benefit Plans Not Provided through the SBPRCA Group Health Plan during Unpaid Leave Do Continue: While on unpaid leave, employees will continue to be covered by the SBRPCA's benefits plans that are not part of its group health plan for up to 12 weeks each leave year to the same extent that coverage is provided while the employee is on the job.

(d) Payment of Premiums: Employees may make the appropriate contributions for continued coverage under the health benefits plans by payroll deductions (if the employee is using their paid leave accruals) or direct payments (if the employee is not using their paid leave accruals). The SBRPCA will inform the employee whether the direct payments for premiums should be paid to the carrier or to the SBRPCA, and the deadlines for paying premiums in order to prevent coverage from being dropped. Employee contribution rates are subject to any changes in rates that occur while employee is on leave.

(e) Recovery of Premium if the Employee Fails to Return from Leave: If an employee fails to return to work after their leave entitlement has been exhausted or expires, the SBRPCA shall have the right to recover its share of health plan premiums for the entire leave period, unless the employee does not return because of the continuation, recurrence, or onset of a serious health condition of the employee or their family member which would entitle the employee to leave, or because of circumstances beyond the employee's control.

6. PAID ACCRUED LEAVES

While on leave under this policy, as set forth herein, SBRPCA will require an employee to concurrently use paid accrued leaves after requesting FMLA and/or CFRA leave. Although family and medical care leave is unpaid, the SBPCRA will require an employee to concurrently use all paid accrued leaves during family and medical care leave as described below. An employee may use any earned or accrued paid leave except sick leave for all or part of any unpaid family and medical care leave. An employee is entitled to use sick leave concurrently with family and medical care leave for the employee's own serious health condition or that of the employee's family member.

A. SBRPCA's Right to Require an Employee to Use Paid Leave When Using FMLA/CFRA Leave

Employees must exhaust their accrued leaves concurrently with FMLA/CFRA leave to the same extent that employees have the right to use their accrued leaves concurrently with FMLA/CFRA leave.

- a. Employees are not required to use paid leave during leave pursuant to a disability plan that pays a portion of the employee's salary while on leave unless the employee agrees to use paid leave to cover the unpaid portion of the disability leave benefit; and
- b. An employee must agree to use accrued sick leave to care for a child, parent, spouse or domestic partner, grandparent, grandchild, or sibling.

B. SBRPCA's Right to Require an Employee to Exhaust FMLA/CFRA Leave Concurrently with Other Leaves

If an employee takes a leave of absence for any purpose which qualifies under FMLA/CFRA, the SBRPCA will designate that non-FMLA/CFRA leave as running concurrently with the employee's 12-week FMLA/CFRA leave entitlement.

C. SBRPCA's and Employee's Right if an Employee Requests Accrued Leave without Mentioning Either the FMLA or CFRA

If an employee requests to utilize accrued vacation leave or other accrued paid time off without reference to a FMLA/CFRA-qualifying purpose, the SBRPCA may not ask the employee if the leave is for a FMLA/CFRA-qualifying purpose. However, if the SBRPCA denies the employee's request and the employee provides information that the requested time off is for a FMLA/CFRA-qualifying purpose, the SBRPCA may inquire further into the reason for the absence. If the reason is FMLA/CFRA-qualifying, the SBRPCA may require the employee to exhaust accrued leave as described above.

7. MEDICAL CERTIFICATION

Employees who request leave must provide written certification and/or recertification to support the need for the leave as described below:

- a. **Employee's Own Serious Health Condition:** Employees who request leave for their own serious health condition must provide written certification from the health care provider that contains all of the following: the date, if known, on which the serious health condition commenced; the probable duration of the condition; and a statement that, due to the serious health condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of their position. Upon expiration of the time period the health care provider originally estimated that the employee needed for their own serious health condition, the employee must obtain recertification if additional leave is requested.
- b. **Family Member Serious Health Condition:** Employees who request leave to care for a family member who has a serious health condition must provide written certification from the health care provider of the family member requiring care that contains all of the following: the date, if known, on which the serious health condition commenced; the probable duration of the condition; an estimate of the amount of time which the care provider believes the employee needs to care for the family member, and a statement that the serious health condition warrants the participation of the employee to provide care during a period of treatment. The term "warrants the participation of the employee" includes, but is not limited to, providing psychological comfort, and arranging third party care for the covered family member, as well as directly providing or participating in the medical care. Upon expiration of the time period the health care provider originally estimated that the employee needed to care for a covered family member, the employer must obtain recertification if additional leave is requested.
- c. **Service member Serious Injury or Illness:** Employees who request FMLA leave to care for a covered service member who is a child, spouse, parent or "next of kin" of the employee, must provide written certification from a health care provider regarding the injured service member's serious injury or illness. The SBPRCA will verify the certification as permitted by the FMLA regulations.
- d. **Qualifying Exigency:** The first time an employee requests leave because of a qualifying exigency, the SBPRCA may require the employee to provide a copy of the military member's active duty orders or other documentation issued by the military which indicates that the military member is on covered active duty or call to active duty status in a foreign country, and the dates of the military member's active duty service. A copy of the new active duty orders or similar documentation shall be provided to the SBPRCA if the need for leave because of a qualifying exigency arises out of a different active duty or call to active duty status of the same or a different military member. The SBPRCA will verify the certification as permitted by the FMLA and CFRA regulations.

A. Time to Provide a Certification

When an employee has provided at least 30 days for a foreseeable leave, the employee must provide a medical certification before the leave begins. When this is not possible, the employee must provide the medical certification to the SBPRCA within the time frame requested by the

SBRPCA (which must allow at least 15 calendar days after the employer's request, unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.)

B. Consequences for Failure to Provide an Adequate or Timely Certification

If an employee provides an incomplete medical certification, the employee will be given a reasonable opportunity to cure such deficiency. However, if an employee fails to provide a medical certification within the time frame established by this policy, the SBRPCA may delay the taking of FMLA/CFRA leave until the required certification is provided, or deny FMLA/CFRA protections following the expiration of the time period to provide an adequate certification.

C. Second and Third Medical Opinions

If the SBRPCA has reason to doubt the validity of a certification related to the employee's serious health condition, the SBRPCA may require a medical opinion of a second health care provider chosen and paid for by the SBRPCA. If the second opinion is different from the first, the SBRPCA may require the opinion of a third provider jointly approved by the SBRPCA and the employee, and paid for by the SBRPCA. The opinion of the third provider will be binding. An employee may request a copy of the health care provider's opinions when there is a second or third medical opinion sought.

D. Intermittent Leave or Leave on a Reduced Work Schedule

If employee requests leave intermittently (a few days or hours at a time) or on a reduced work schedule for their own serious health condition, or to care for a family member with serious health condition, the employee must provide medical certification that such leave is medically necessary. "Medically Necessary" means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced work schedule. The SBRPCA may require an employee who certifies the need for a reduced schedule or intermittent leave to temporarily transfer to an alternate position of equivalent pay and benefits that better accommodates the leave schedule.

8. EMPLOYEE NOTICE OF LEAVE

Although the SBRPCA recognizes that emergencies arise which may require employees to request immediate leave, employees are required to give as much verbal or written notice as possible of their need for leave. Except for qualifying exigency leave, if leave is foreseeable, at least 30 days' notice is required. In addition, if an employee knows that he/she will need leave in the future, but does not know the exact date(s) (e.g., for the birth of a child or to take care of a newborn), the employee shall inform their supervisor as soon as possible that such leave will be needed. Such notice may be orally given. If the SBRPCA determines that an employee's notice is inadequate or the employee knew about the requested leave in advance of the request, the SBRPCA may delay the granting of the leave until it can, in its discretion, adequately cover the position with a substitute.

For foreseeable leave due to a qualifying exigency, an employee must provide verbal or written notice of the need for leave as soon as practicable, regardless of how far in advance such leave is foreseeable.

9. REINSTATEMENT UPON RETURN FROM LEAVE

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Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: H - 1

TO: Board of Directors

FROM: John Krok, Acting Executive Director
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Proposed Capital Improvement Program: Amended Budgetary Policy, 5-Year Capital Improvement Plan and Budget Appropriation from Enterprise Fund for Year 1, and Proposed Debt Policy

ATTACHMENTS:

1. Resolution Amending the Budgetary Policy
2. Resolution Adopting the Five-Year CIP and Appropriation of \$595,000 from Enterprise Fund Balance
3. Resolution Adopting Debt Policy
4. Capital Improvements Program Framework and Proposed CIP and Debt Policies Report by Matrix

RECOMMENDATION

Staff recommends the Board of Directors approve and adopt the following:

1. A resolution amending the Budgetary Policy to include Section 7 on Capital Improvement Planning
2. A resolution adopting the Five-Year Capital Improvement Plan effective FY24-25 with an initial appropriation of \$595,000 from the Enterprise Fund undesignated fund balance
3. A resolution adopting a Debt Policy

BACKGROUND

Staff was directed to establish a five-year Capital Improvement Plan (CIP) to ensure sufficient resources exist to fund the Authority's capital asset needs and to help stabilize future increases in assessments.

The Authority hired third-party consultant, Matrix Consulting Group ("Matrix"), to assist with the development of a capital improvement policy and framework, which they summarized in a report (Attachment 4). Matrix has extensive experience working with local

government agencies and assisted with the development of the Authority's Cost Allocation Policy.

To aid in developing the CIP, a building assessment was conducted by an additional third-party, CSG Consultants. The report provided an assessment of the condition of the Authority's headquarters, including building, building systems and components, parking lot, and other remote structures under the Authority's control. The report included recommendations for needed repairs and/or replacement of components within the next five years.

To gather information regarding the Authority's technology and communications needs, Authority staff collaborated with the City of Hawthorne's Information Technology Services Director.

Currently, the Authority's annual budget includes a Capital Outlay component that is approximately 1-2% of total expenses for the budget year, typically ranging from \$200,000 to \$250,000. Those funds are utilized for planned capital expenditures in the budget year. Capital expenditures that are not part of the planned purchases for the budget year but deemed necessary are paid for through an increase in assessment revenues or through the allocation of undesignated fund balance with approval from the Board of Directors. The Authority has a total (audited) fund balance of \$6,508,629 as of June 30, 2023, which includes the required 10% Operating and Capital Reserve required under the Authority's Budgetary Policy established under Resolution No. 344.

DISCUSSION

CIP Policy and Framework via Amendment to Budgetary Policy

Matrix recommends integrating the Five-Year CIP into the Authority's annual budget process by amending the Budgetary Policy to include a section related to Capital Improvement Planning (Attachment 1). This new section would require the five-year CIP be included in the annual budget presentation and incorporate the first year as part of the annually adopted budget. Additionally, the new section would 1) establish the criteria for a capital asset purchase to be included in the CIP, 2) include funding principles to govern CIP purchases, and 3) provide guidelines for prioritization of such purchases.

- 1) A capital improvement project or purchase must meet the following criteria in order to be included in the Five-Year CIP:
 - Real property acquisition (Land of any amount and useful life).
 - Construction of a new facility (Facility with a minimum useful life of five years).
 - Addition (a modification that changes the structural "footprint" of a facility) to existing facilities greater than or equal to \$25,000. (Of any useful life)
 - Remodeling/repair/preservation of the interior/exterior of any facility and its components greater than or equal to \$25,000 (Minimum useful life of ten years).
 - Major equipment items or projects, including computer and communications infrastructure, which are greater than or equal to \$25,000 and five years of useful life (includes all vehicles).

The major categories are summarized in the table below:

Purchase Type	Minimum Amount (\$)	Minimum Useful Life (Years)
Real Property/Land	Any	Any
Construction of a new facility	Any	5
Addition to an existing facility	\$25,000	Any
Remodeling/Repair/Facility Preservation	\$25,000	10
Major Equipment or Projects (incl. Vehicles & Technology)	\$25,000	5

- 2) CIP purchases should be funded by considering funding sources in the following order:
 - Assessment revenues or unobligated Enterprise fund balance
 - Grants
 - Low-interest state-sponsored loans
 - Other debt financing such as Revenue Bonds
 - If the purchase is financed with debt, it should be in accordance with a debt policy
- 3) The Authority shall prioritize capital projects by weighing the following factors:
 - Existing project with contractual obligations
 - Mandated project by State or Federal agency
 - Project impacts Health & Safety
 - Goals and priorities as defined by the Board of Directors
 - Preservation of or improvement of existing capital assets

Staff presented the proposed policy to the Executive Committee during the June meeting. The Executive Committee approved the policy for recommendation to the Board of Directors but directed staff to first consider whether the \$25,000 threshold should be increased. Because many tentative CIP projects are in the \$25,000-\$45,000 range, increasing the minimum would result in an increase to operating costs funded through the annual assessment process. Therefore, staff conferred with Matrix and agreed that the \$25,000 threshold for CIP projects is appropriate for now.

Initial Five-Year CIP and Appropriation of \$595,000 in undesignated Enterprise Funds

Matrix gathered data from various sources and utilized the aforementioned guidelines to develop the initial Five-Year CIP Summary (Attachment 2: Exhibit A). The capital projects identified for the five-year CIP can be summarized as follows:

Capital Request Type	Total Requests
Communications (Radios)	\$800,000
Information Technology	\$800,400
Facilities	\$865,000
New Computer Aided Dispatch (CAD) System	\$2,000,000
Total Project Costs	\$4,465,400

The first year of the five-year CIP includes \$595,000 in capital purchases, which includes radio communications network equipment and facility-related projects.

As the selection process for a new Computer Aided Dispatch (CAD) System is still underway, the initial five-year CIP includes a \$2 million-dollar projected CAD purchase in FY25-26 based on vendor responses to the Request for Proposal (RFP). However, due to various factors, payments towards the CAD purchase can occur sooner in FY24-25. Therefore, staff believes it is in the best interest of the Authority to review any additional appropriations or changes to the CIP related to the CAD system separately when the information is known and available. Additionally, it is important to note that the CIP contains an estimate for implementation costs only. Annually recurring subscription costs are anticipated in the range of \$400,000-\$650,000 per year. These annual subscription costs will be part of the operating budget in future years and thus increase assessments to all agencies. As a strategy to minimize the impact once the CAD is implemented, undesignated funds from the Enterprise Fund are available to be utilized to offset annual subscription costs for a phase-in approach.

Staff presented the proposed Five-Year CIP and \$595,000 appropriation from undesignated Enterprise Fund balance to the Executive Committee during the June meeting and approved for recommendation to the Board of Directors.

Debt Policy

As part of their work related to the CIP policy, Matrix recommends that the Authority adopt a debt policy. The debt policy establishes guidelines for the effective governance, management, and administration of utilizing debt to make purchases, especially as they relate to capital assets.

The Debt Policy defines the acceptable use of debt for financing the construction, acquisition, and rehabilitation of capital assets owned and operated by the Authority when the following conditions exist for the project:

1. It is necessary to provide basic services
2. It will provide a benefit in excess of one year
3. It will not impose an unreasonable burden

In addition, the Debt Policy summarizes types of debt the Authority may consider including revenue bonds, loans, and other short-term debt, such as lease-purchase financing. It further states that any debt issued by the Authority should not exceed the capital asset's useful life.

Staff presented the proposed Debt Policy to the Executive Committee during the June meeting. The Executive Committee approved the policy for recommendation to the Board of Directors but directed staff to first confirm with Matrix that the Debt Policy is in accordance with the California Debt and Investment Advisory Commission's (CDIAC) guidelines. Matrix confirmed the proposed policy is aligned with CDIAC's guidelines.

FISCAL IMPACT

The Five-Year CIP effective for FY24-25 totals \$4.4 million dollars and the Authority's available fund balance as of June 30, 2024 is projected to be approximately \$5.4 million dollars. Therefore, sufficient funds are available in the Enterprise Fund to fund the CIP projects for the next five years. The appropriation of \$595,000 from the Enterprise Fund will cover CIP costs for the first year of the Five-Year CIP.

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Attachment 1

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY AMENDING THE 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;

WHEREAS, pursuant to Article IV (G) of the Bylaws , the Board of Directors shall make all policy decisions and determinations for the Authority;

WHEREAS, the Board of Directors desires to amend the Authority's Budgetary Policy to include Section 7 regarding capital improvement planning; 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 amended 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.

SECTION 7– CAPITAL IMPROVEMENT PLANNING

- A. The Capital Improvement Program (CIP) identifies major improvements and capital purchases needed to improve services to the cities. The Capital Improvement Plan (CIP) will be approved as a 5-year plan in conjunction with the Board of Directors' approval of the annual operating budget.

B. A Capital Improvement Project (Project) must meet one of the following criteria:

- Real property acquisition (land of any amount and useful life).
- Construction of a new facility (facility with a minimum useful life of five years).
- Addition (a modification that changes the structural “footprint” of a facility) to existing facilities greater than or equal to \$25,000 (of any useful life).
- Remodeling/repair/preservation of the interior/exterior of any facility and its components greater than or equal to \$25,000 (minimum useful life of ten years).
- Major equipment items or projects, including computer and communications infrastructure, which are greater than or equal to \$25,000 and five years of useful life (includes all vehicles).

Purchase Type	Minimum Amount (\$)	Minimum Useful Life (Years)
Real property/land	Any	Any
Construction of a new facility	Any	5
Addition to an existing facility	\$25,000	Any
Remodeling/Repair/Facility preservation	\$25,000	10
Major equipment or projects (incl. vehicles & technology)	\$25,000	5

C. Funding principles to govern CIP funding and the issuance of debt:

- The Authority should attempt to use cash (from assessment revenues or unrestricted fund balance) to pay for capital expenditures on an annual basis or when funds are available that are not expected to be needed for other purposes in the foreseeable future.
- The Authority should actively seek sources of financing (either grants or low-interest state-sponsored loans) as an alternative to entering the capital markets.
- Debt financing should be considered for capital improvement projects as approved in the annual capital improvement program budget after all non-debt sources of funds (e.g., cash, grants, loans, etc.) have been considered.
- The Authority shall issue debt for capital projects based upon the Authority’s Debt Policy.
- Debt should be structured so that the principal will be retired over the useful life of the project financed. The Authority should not issue a debt indebtedness period longer than the period during which it intends to use the capital improvement being financed.

D. The Authority shall prioritize capital projects by weighing the impact that such purchase(s) will have on the overall operations, maintaining continuity and

consistency throughout the overall capital improvement program. The project evaluation and selection process should consider:

- **Existing Project:** If it is an existing project with current contractual obligations, this would be a current, and active project that would be in the process of completion. Approved, but incomplete projects will be carried forward each year and included in the CIP approval process.
- **Mandate:** The project has been mandated by a current State or Federal agency, making this a project that would need to be completed to adhere to those guidelines.
- **Health & Safety:** Whether this project directly impacts health and safety.
- **Goals & Priorities:** Consideration should be made to reflect the goals and priorities of the Board and the direction that is provided for the organization towards capital expenditures.
- **Maintenance or Operational Impact:** The completion of projects that result in the preservation of prior capital investments or have a positive operational cost impact on the annual budget. Capital expenditures shall be identified to ensure the maintenance of and prevention of deterioration of prior capital projects.
- **Other:**
 1. Capital projects that do not directly identify with one of the prior categories previously listed.
 2. Projects that are of high value and beneficial to the long-range planning efforts of the Board and maintain the integrity to the success of the organization.

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 13th day of August, 2024 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

, Councilmember
Chairman, Board of Directors

, Executive Director
Secretary, Board of Directors

H-1

Attachment 2

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ADOPTING THE INITIAL FIVE-YEAR CAPITAL IMPROVEMENT PLAN EFFECTIVE FISCAL YEAR 2024-2025 AND APPROVING INITIAL APPROPRIATION OF \$595,000 FROM ENTERPRISE FUND BALANCE, AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the Board of Directors of the South Bay Regional Public Communications Authority desires to establish a five-year Capital Improvement Plan in accordance with the Capital Improvement Program set forth in the Authority's Budgetary Policy to ensure sufficient resources exist to fund the Authority's capital asset needs and to help stabilize future increases in assessments;

WHEREAS, pursuant to Article IV(G) of the Bylaws, the Board of Directors shall make all policy decisions and determinations for the Authority; and

WHEREAS, the first year of the five-year Capital Improvement Plan includes \$595,000 in capital purchases, which will require an initial appropriation from the Enterprise Fund balance;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Bay Regional Public Communications Authority:

SECTION 1. The Board of Directors approves and adopts the initial five-year Capital Improvement Plan, a copy of which is attached hereto as Exhibit A, which shall be effective in fiscal year 2024-2025.

SECTION 2. In order to fund the first year of the five-year Capital Improvement Plan, the Board of Directors approves an initial appropriation of funds amounting to \$595,000 from the Enterprise Fund balance.

SECTION 3. The Board of Directors hereby finds that it can be seen with certainty that there is no possibility that the approval of this Capital Improvement Plan may have a significant effect on the environment. The Capital Improvement Plan is a prioritizing and funding allocation program and cannot and does not have the potential to cause a significant effect on the environment. Accordingly, the approval of this Capital Improvement Plan is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations. In addition, the items contemplated by the Capital Improvement Plan include activities such as replacement of computer and communications equipment, plumbing and HVAC improvements, landscaping improvements, and other items that either do not constitute a project under CEQA or are exempt from CEQA, including pursuant to Sections 15301 and 15304 of Title 14 of the California

Code of Regulations In the event that further environmental review is required for any activities set forth in the Capital Improvement Plan, such review will be conducted at the time the physical improvements prioritized in the Capital Improvement Plan are considered at a future unspecified date.

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 13th day of August 2024, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____, Chair
Board of Directors

John Krok, Secretary
Board of Directors

H-1

ATTACHMENT 2

EXHIBIT A

South Bay Regional Public Communications Agency - Five Year Capital Improvement Program

	FY22-23 Actual	FY23-24 Projected	FY24-25 Projected	FY25-26 Projected	FY26-27 Projected	FY27-28 Projected	FY28-29 Projected
Beginning Fund Balance	\$ 5,310,254	\$ 6,508,629	\$ 6,795,746	\$ 6,338,827	\$ 3,778,451	\$ 3,511,483	\$ 3,493,473
Revenues	\$ 13,221,430	\$ 14,188,254	\$ 14,507,244	\$ 15,054,872	\$ 15,642,845	\$ 16,275,612	\$ 16,958,372
Expenses	\$ 11,568,801	\$ 13,518,929	\$ 13,768,921	\$ 14,301,786	\$ 14,874,698	\$ 15,492,102	\$ 16,159,192
Revenues over Expenses:	\$ 1,652,629	\$ 669,325	\$ 738,323	\$ 753,086	\$ 768,147	\$ 783,510	\$ 799,180
Beginning Fund Balance	\$ 5,310,254	\$ 6,508,629	\$ 6,795,746	\$ 6,338,827	\$ 3,778,451	\$ 3,511,483	\$ 3,493,473
Pension/OPEB Obligation (Restricted)		\$ 382,208	\$ 600,242	\$ 564,462	\$ 536,715	\$ 493,020	\$ 391,475
Obligated Reserves:							
Operating & Capital Reserve		\$ 1,351,892.90	\$ 1,376,892	\$ 1,430,179	\$ 1,487,470	\$ 1,549,210	\$ 1,615,919
Total Obligated Reserves:		\$ 1,351,893	\$ 1,376,892	\$ 1,430,179	\$ 1,487,470	\$ 1,549,210	\$ 1,615,919
Unobligated Fund Balance		\$ 4,774,528	\$ 4,818,612	\$ 4,344,186	\$ 1,754,266	\$ 1,469,253	\$ 1,486,079
Total Fund Balance	\$ 6,508,629	\$ 6,795,746	\$ 6,933,827	\$ 6,527,451	\$ 4,009,883	\$ 3,801,973	\$ 3,901,178
Unobligated Fund Balance		\$ 5,443,853	\$ 5,556,935	\$ 5,097,272	\$ 2,522,413	\$ 2,252,763	\$ 2,285,259
Proposed Capital Improvements:							
Information Technology			\$ -	\$ 70,000	\$ 343,400	\$ 128,500	\$ 258,500
Radios			\$ 330,000	\$ 400,000	\$ 70,000	\$ -	\$ -
Facilities			\$ 265,000	\$ 279,000	\$ 85,000	\$ 180,000	\$ 56,000
New Computer Aided Dispatch system			\$ -	\$ 2,000,000			
Total CIP Costs:			\$ 595,000	\$ 2,749,000	\$ 498,400	\$ 308,500	\$ 314,500
Unobligated Fund Balance After Capital:		\$ 4,774,528	\$ 4,223,612	\$ 1,595,186	\$ 1,255,866	\$ 1,160,753	\$ 1,171,579
Operating Revenues over Expenses at End of Year:		\$ 669,325	\$ 738,323	\$ 753,086	\$ 768,147	\$ 783,510	\$ 799,180
Ending Unobligated Fund Balance:		\$ 5,443,853	\$ 4,961,935	\$ 2,348,272	\$ 2,024,013	\$ 1,944,263	\$ 1,970,759
Percentage Unobligated Fund Balance:			34%	16%	13%	12%	12%

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA
Year 1-Capital Budget Worksheet

SECTION 1		PROJECT COSTS											
Project Name:		NETWORK SWITCHES				Project Number:		25-01-RA					
						Priority Number:		5					
Category:		One-Time Capital				Type:		Non-Recurring					
Project Manager		Allocated		Year 1		Year 2		Year 3		Year 4		Year 5	
Project Cost Summary:		FY 2024		FY 2025		FY 2026		FY 2027		FY 2028		FY 2029	
		\$0		\$250,000		\$0		\$0		\$0		\$0	
Project Estimates:		Project Start Date:		7/1/2024	Project End Date:		6/30/2025	In last year's 5 Year Plan?					

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacement of the legacy Network Switches at all RCC sites (9 sites), which control the network routing between the RCC sites and INSB, is needed. The current Extreme E4G switches were installed in 2015 and have an expected useful life of 7 years. There is currently no support/firmware/repair available for these switches.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software		\$250,000					\$250,000
Total Capital Costs	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$250,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$250,000					\$250,000
							\$0
							\$0
Total	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 1-Capital Budget Worksheet

SECTION 1		LAN (Switches)					
Project Name:					Project Number:	25-02-RA	
					Priority Number:	5	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$80,000	\$0	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2024	Project End Date:	6/30/2025	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacement of the legacy switches at the sites (LAN), which control the peripherals (site equipment, telemetry, telephone, cameras) at each individual site is needed. The current Cisco switches were provided to RCC from Used Surplus Equipment (provided by Hawthorne) in 2019 and are at the end of their expected useful life. There is currently no support/firmware/repair available for these switches.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software		\$80,000					\$80,000
Total Capital Costs	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$80,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$80,000					\$80,000
							\$0
							\$0
Total	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 1-Capital Budget Worksheet

SECTION 1							
Project Name:	REPLACEMENT OF VAC-1 SUPPLY AND RETURN FAN VARIABLE FREQUENCY DRIVES				Project Number:	25-03-FA	
Category:	One-Time Capital				Priority Number:	5	
Project Manager:					Type:	Non-Recurring	
Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
	\$0	\$25,000	\$0	\$0	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2024	Project End Date:	6/30/2024	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Variable Air Volume Air Handling Unit (VAC-1): The main ducted supply to the building is from a variable air volume air handling unit (VAC-1) with chilled water coils located within the mechanical equipment room on the first floor. This unit provides ducted air for cooling to multiple VAV boxes within the building. This unit is a 504.9 MBH central station modular air handler manufactured by Carrier (Model 39T-26) with sections each for a mixing box, filters, a chilled water-cooling coil, a supply fan, and a return fan. The supply and return fans are each equipped with a variable frequency drive (VFD) for variable operation.</p> <p>The VFD components are at the end of useful life and replacement is needed.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs		\$25,000					\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$25,000
Net Project Costs	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$25,000					\$25,000
							\$0
							\$0
Total	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 1-Capital Budget Worksheet

SECTION 1								
Project Name:	RADIO ROOM AIR CONDITIONING UNITS				Project Number:	25-04-FA		
	CU-1/CU-2 and AC-1/AC-2				Priority Number:	5		
Category:	One-Time Capital				Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$180,000	\$0	\$0	\$0	\$0	
Project Estimates:	Project Start Date:	7/1/2024	Project End Date:	6/30/2024	In last year's 5 Year Plan?			

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The radio room is cooled by two (2) Compu-Aire (Model CAC-9-F) outdoor air-cooled condensers (CU-1 and CU-2) located within the mechanical equipment area of the service yard and two (2) indoor floor mounted DX air-conditioning units (AC-1 and AC-2) located within the radio room (Model CAA-832). These units alternate to provide 24/7 cooling to the critical equipment within the room.</p> <p>Based on age and an expected useful life of 20 years, units AC-1 and AC-2, and air-cooled condensers CU-1 and CU-2 require lifecycle replacement.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs		\$180,000					\$180,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$180,000
Net Project Costs	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$180,000					\$180,000
							\$0
							\$0
Total	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 180,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 1-Capital Budget Worksheet

SECTION 1								
Project Name:		ELEVATOR SUMP PUMP				Project Number:		25-05-FA
						Priority Number:		5
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$25,000	\$0	\$0	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2024	Project End Date:	6/30/2024	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Elevator Sump Pumps: A sump pit with pump and level alarms and controls is located at the bottom of each elevator hoistway. These pumps discharge to a holding tank with an alarm panel in the SW corner of garage service bays.</p> <p>Based on age, the sump pump systems have surpassed their useful life of 20 years and require lifecycle replacement.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs		\$25,000					\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$25,000
Net Project Costs	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$25,000					\$25,000
							\$0
							\$0
Total	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 1-Capital Budget Worksheet

SECTION 1								
Project Name:		REPLACEMENT OF IRRIGATION SYSTEM				Project Number:		25-06-FA
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$35,000	\$0	\$0	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2024	Project End Date:	6/30/2024	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Landscaping is in a poor to unsatisfactory condition and the irrigation system is in poor condition and needs to be replaced by a water efficient, remotely controlled system to ensure proper irrigation. Landscaping in the parking lot and open spaces are missing in some areas and in poor condition in others. These conditions are caused by improper irrigation and maintenance of the plant species.</p> <p>Replacement of the irrigation control system for rear and side portions of strip planters is needed along with new drought resistant vegetation.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs		\$35,000					\$35,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$35,000
Net Project Costs	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance		\$35,000					\$35,000
							\$0
							\$0
Total	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 2-Capital Budget Worksheet

SECTION 1							
Project Name:	NEW COMPUTER-AIDED DISPATCH (CAD) SYSTEM			Project Number:	26-01-IT		
				Priority Number:	4		
Category:	One-Time Capital			Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$2,000,000	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The Authority's current CAD system is at the end of its useful life and requires replacement. An RFP has resulted in two vendors that are being considered. Replacement of the CAD system is estimated to be approximately \$2,000,000.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$2,000,000				\$2,000,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$2,000,000
Net Project Costs	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$2,000,000				\$2,000,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 2-Capital Budget Worksheet

SECTION 1								
Project Name:		DEPLOYMENT OF MFA				Project Number:		26-02-IT
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$0	\$25,000	\$0	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Deploying Multi-Factor Authentication (MFA) to computer workstations in a 9-1-1 dispatch center is essential to enhance the security of sensitive systems and data. Given the critical nature of emergency services, safeguarding access to dispatch software and communications infrastructure is paramount to prevent unauthorized access, data breaches, and potential service disruptions. MFA adds an additional layer of security by requiring multiple forms of verification, significantly reducing the risk of compromised credentials. Furthermore, compliance with the Criminal Justice Information Services (CJIS) Security Policy mandates the use of advanced authentication methods to protect criminal justice information. Implementing MFA ensures adherence to these stringent requirements, maintaining the integrity and reliability of emergency response operations and ultimately protecting public safety.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software			\$25,000				\$25,000
Total Capital Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$25,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$25,000				\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000

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Year 2-Capital Budget Worksheet

SECTION 1								
Project Name:		DISPATCH FLOOR FIREWALL INSTALLATION				Project Number:		26-03-IT
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$0	\$45,000	\$0	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Implementation of an additional layer of dedicated firewalls to protect the dispatch computers from cyber threats. Given the sensitive nature of the data and operations handled by dispatch systems, a dedicated firewall provides robust security by monitoring and controlling incoming and outgoing network traffic. This added layer of defense helps prevent unauthorized access, malware, and other cyber attacks, ensuring the integrity and availability of emergency response services. By isolating and protecting dispatch computers with a dedicated firewall, the Authority can enhance its cybersecurity posture, ensuring reliable and secure operations that are vital for public safety.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software			\$45,000				\$45,000
Total Capital Costs	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$45,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$45,000				\$45,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000

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Year 2-Capital Budget Worksheet

SECTION 1		PROJECT INFORMATION					
Project Name:	ANTENNA SYSTEM			Project Number:	26-04-RA		
				Priority Number:	5		
Category:	One-Time Capital			Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$400,000	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Replacement of the legacy RF antenna/coax lines for both Conventional Analog Systems and Console/Dispatch equipment is needed. The current lines were installed between 2007-2009 and have an expected useful life of 12-15 years.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus			\$400,000				\$400,000
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$400,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$400,000				\$400,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000

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Year 2-Capital Budget Worksheet

SECTION 1								
Project Name:		BUILDING AUTOMATION SYSTEM				Project Number:		26-05-FA
						Priority Number:		5
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$155,000	\$0	\$0	\$0	
Project Estimates:		Project Start Date:	Project End Date:	6/30/2026	In last year's 5 Year Plan?			
		7/1/2025						

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The building is served by a Carrier Comfort Building Management System with proprietary, non-BACnet controls. The building automation system is original to the building and the equipment that it serves with a graphical user interface to represent the building and its connected systems.</p> <p>Based on the age and useful life of 15 years for the control system, lifecycle replacement is needed.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$155,000				\$155,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 155,000	\$ -	\$ -	\$ -	\$155,000
Net Project Costs	\$ -	\$ -	\$ 155,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$155,000				\$155,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 155,000	\$ -	\$ -	\$ -	\$ 155,000

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Year 2-Capital Budget Worksheet

SECTION 1							
Project Name:		REPLACEMENT OF HEATING BOILER AND BOILER CONTROLLER			Project Number:		26-07-FA
					Priority Number:		5
Category:		One-Time Capital			Type:		Non-Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		Project Cost Summary:					
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$45,000	\$0	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?	

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The building is heated by a Raypak natural gas fired hot water boiler (B-1) with an input heating capacity of 750 MBH. Hot water from the boiler is circulated by two (2) 2-HP base-mounted end-suction water pumps (HWP-1 and HWP-2) manufactured by Bell & Gossett via piping to the various VAV boxes and hot water unit heaters throughout the building. A 53-gallons expansion tank bolted to the concrete slab is also provided to allow for expansion and contraction of the heating water. The boiler, hot water pumps, and the expansion tank are located within the equipment area of the service yard at the southeast corner of the site. Four (4) hot water unit heaters (Modine Model No. HS108501) provide heating to the garage service bays. The heating system boiler and hot water pumps appear to be the original units installed in 2001.</p> <p>Based on age and useful life of 30 years, the hot water boiler, and associated controls, are anticipated to require periodic repair or partial replacement over the evaluation period to address deficiencies as they occur, to restore aged or deteriorated sections and to maintain their function and reliability. However, due to the salt sea water atmospheric conditions, the useful life for the boiler is assumed to be reduced and require lifecycle replacement.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$45,000				\$45,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$45,000
Net Project Costs	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$45,000				\$45,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000

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Year 2-Capital Budget Worksheet

SECTION 1		PROJECT COSTS					
Project Name:	REPLACEMENT OF HOT WATER PUMPS				Project Number:	26-08-FA	
					Priority Number:	5	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$25,000	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The building is heated by a Raypak natural gas fired hot water boiler (B-1) with an input heating capacity of 750 MBH. Hot water from the boiler is circulated by two (2) 2-HP base-mounted end-suction water pumps (HWP-1 and HWP-2) manufactured by Bell & Gossett via piping to the various VAV boxes and hot water unit heaters throughout the building. A 53-gallons expansion tank bolted to the concrete slab is also provided to allow for expansion and contraction of the heating water. The boiler, hot water pumps, and expansion tank are located within the equipment area of the service yard at the southeast corner of the site. Four (4) hot water unit heaters (Modine Model No. HS108501) provide heating to the garage service bays. The heating system boiler and hot water pumps appear to be the original units installed in 2001.</p> <p>The hot water pumps have surpassed their useful life of 20 years and lifecycle replacement is needed. It is recommended that these pumps be removed and replaced with new, vertical inline centrifugal pumps to match the existing sizes of the existing pumps.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$25,000				\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$25,000
Net Project Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$25,000				\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000

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Year 2-Capital Budget Worksheet

SECTION 1							
Project Name:	AIR COMPRESSOR AND REFRIGERATED AIR DRYER	Project Number:	26-09-FA				
		Priority Number:	5				
Category:	One-Time Capital	Type:	Non-Recurring				
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$25,000	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Compressed air is provided by a reciprocating compressor (CAC-1) with an adjacent refrigerated air dryer (AD-1) to the hose reels in the carport and technical service bays of the garage and the adjacent technical area (Rm. 108).</p> <p>Based on age, and useful life of 20 years, air compressor and refrigerated air dryer require lifecycle replacement.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$25,000				\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$25,000
Net Project Costs	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$25,000				\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000

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Year 2-Capital Budget Worksheet

SECTION 1							
Project Name:	GLASS BLOCK WALLS/WINDOWS				Project Number:	26-10-FA	
					Priority Number:	5	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$29,000	\$0	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2025	Project End Date:	6/30/2026	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>In a variety of locations, but primarily at the front façade, glass block is used. The glass block is 4-inches thick and 8"x"8 in height and width. The mortar for the glass block in both the Main Conference Room and the Communications Center show signs of deterioration. The sills associated with glass blocks show signs of moderate water damage. There's bubbling and some flaking of paint and gypsum wallboard on the sills.</p> <p>The mortar joints for glass block windows require to be scraped out and repointed on the interior side. The sill underneath damaged areas require repair to sustain the useful life of the systems.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs			\$29,000				\$29,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ 29,000	\$ -	\$ -	\$ -	\$29,000
Net Project Costs	\$ -	\$ -	\$ 29,000	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance			\$29,000				\$29,000
							\$0
							\$0
Total	\$ -	\$ -	\$ 29,000	\$ -	\$ -	\$ -	\$ 29,000

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Year 3-Capital Budget Worksheet

SECTION 1							
Project Name:	DESKTOP SYSTEM REPLACEMENTS - ADMINISTRATIVE				Project Number:	27-01-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$30,000	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing administration computer desktop workstations that are out of warranty and at the end of their life cycle is crucial to maintain operational efficiency and security of the authority. Outdated systems are prone to hardware failures and are incompatible with the latest software updates, posing significant risks to productivity and data integrity. Additionally, unsupported machines lack the necessary security patches, making them vulnerable to cyber threats. By upgrading to new, warranty-covered desktops, the administration ensures reliable performance, enhanced security, and continued support, thereby safeguarding critical data and business continuity.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software				\$30,000			\$30,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$30,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$30,000			\$30,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000

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Year 3-Capital Budget Worksheet

SECTION 1		PROJECT COSTS					
Project Name:	CORE REPLACEMENT				Project Number:	27-02-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$60,000	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacement of the Authority's network core device is crucial for ensuring optimal performance, security, and longevity of the Authority's network infrastructure. The current network core device, reaching the end of its life useful life, requires replacement to maintain high standards of service. A new, modern network core enhances system resiliency, providing improved redundancy and reliability to efficiently manage peak loads and emergency situations. Additionally, updated network cores offer advanced cybersecurity features, protecting against evolving threats and ensuring compliance with industry standards. This upgrade is vital for delivering uninterrupted, secure, and efficient emergency services, ultimately enhancing public safety.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software				\$60,000			\$60,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$60,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$60,000			\$60,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

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Year 3-Capital Budget Worksheet

SECTION 1								
Project Name:	PRIMARY FIREWALL REPLACEMENT				Project Number:	27-03-IT		
					Priority Number:	6		
Category:	One-Time Capital				Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$70,000	\$0	\$0	
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?			

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing the Authority's primary network firewalls, which are approaching over five years old by 2026, is essential to maintain robust cybersecurity and optimal network performance. As firewalls age, their ability to effectively counteract evolving cyber threats diminishes, posing potential security risks. Upgrading to modern firewalls ensures the latest security features and updates are in place, protecting sensitive data and systems from advanced threats. Additionally, newer firewalls offer improved performance, greater reliability, and enhanced management capabilities, ensuring the network remains resilient and efficient. This proactive replacement is crucial for safeguarding the Authority's digital infrastructure and ensuring continued compliance with industry security standards.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software				\$70,000			\$70,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$70,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$70,000			\$70,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000

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Year 3-Capital Budget Worksheet

SECTION 1		PROJECT COSTS					
Project Name:	REPLACEMENT OF ERP SYSTEM				Project Number:	27-04-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$183,400	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The Authority's current Enterprise Resource Planning (ERP) System for finance and payroll operations, Tyler Eden, is scheduled to "sunset" in March 2027. The technology currently utilized within the Eden product will be incompatible with other systems used by the Authority, ultimately making it difficult to enhance Eden's functionality. Therefore, the Authority will need to implement a new ERP system before the end of FY27. The project costs provided are based on estimates provided by Tyler Technologies to migrate the Authority to a newer system.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software				\$183,400			\$183,400
Total Capital Costs	\$ -	\$ -	\$ -	\$ 183,400	\$ -	\$ -	\$183,400
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ 183,400	\$ -	\$ -	\$ 183,400

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$183,400			\$183,400
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 183,400	\$ -	\$ -	\$ 183,400

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 3-Capital Budget Worksheet

SECTION 1									
Project Name:		BATTERY BACK UP (REPEATER)				Project Number:		27-05-RA	
						Priority Number:		6	
Category:		One-Time Capital				Type:		Non-Recurring	
Project Manager		Project Cost Summary:		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
				\$0	\$0	\$0	\$70,000	\$0	\$0
Project Estimates:		Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?			

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Battery Back-up for Conventional RF and Microwave Equipment- Replacement	
<p>The current conventional radio communications equipment has an existing back up battery system that was installed in 2014 when converted to an IP based conventional radio system (Tait Infrastructure). This project would fund the replacement of batteries at the 9 sites which have an estimated life expectancy of 10 years. The current battery system was installed in 2009. The current back up time for the radio system is under 15 min, which they should hold up to 4 hours. If an outage is to occur, the equipment would have to revert to back up battery prior to the generator to kick in.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software				\$70,000			\$70,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$70,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$70,000			\$70,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ 70,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 3-Capital Budget Worksheet

SECTION 1							
Project Name:	CHILLED WATER PUMPS				Project Number:	27-06-FA	
					Priority Number:	5	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$25,000	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The building is cooled by a 60-ton Carrier rotary scroll high efficiency air-cooled chiller (CH-1) with R-410A refrigerant. Chilled water is circulated by two (2) 5-HP base-mounted end-suction water pumps (CWP-1 and CWP-2) manufactured by Bell & Gossett via piping to the air-handling units throughout the building. A 33.6-gallon expansion tank bolted to the concrete slab allows for expansion and contraction of the heating water. The chiller, chilled water pumps, and the expansion tank are located within the equipment area of the service yard at the southeast corner of the site.</p> <p>Chilled water pumps CWP-1 and CWP-2 appear to be the original units installed in 2001. These units have surpassed their useful life of 25 years and lifecycle replacement is required. It is recommended that these pumps be removed and replaced with new vertical inline centrifugal pumps to match the sizes of the existing pumps.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs				\$25,000			\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$25,000
Net Project Costs	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$25,000			\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 3-Capital Budget Worksheet

SECTION 1		PROJECT INFORMATION					
Project Name:	AIR-HANDLING UNIT (AH-1)			Project Number:	27-07-FA		
				Priority Number:	5		
Category:	One-Time Capital			Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$60,000	\$0	\$0
Project Estimates:	Project Start Date:	7/1/2026	Project End Date:	6/30/2027	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>UPS Room Air Handling Unit: AH-1, a 2,000-cfm chilled water fan coil air conditioner (Carrier Model 42BH-20), is located above the entry door to Rm. 103 and serves this room that houses critical electrical, U.P.S. and C.P.U. equipment for the building.</p> <p>The AH-1 unit appears to be the original unit installed in 2001. Based on age and useful life of 25 years, the AH-1 requires lifecycle replacement within this period.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs				\$60,000			\$60,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$60,000
Net Project Costs	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance				\$60,000			\$60,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

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Year 4-Capital Budget Worksheet

SECTION 1								
Project Name:		ERP SYSTEM MAINTENANCE				Project Number:		28-01-IT
						Priority Number:		5
Category:		Maintenance Capital				Type:		Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$0	\$38,500	\$0	
Project Estimates:		Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Recurring annual maintenance for new ERP system.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software					\$38,500		\$38,500
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$ -	\$38,500
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$ -	\$ 38,500

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Assessment Revenues					\$38,500		\$38,500
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$ -	\$ 38,500

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 4-Capital Budget Worksheet

SECTION 1								
Project Name:		NETWORK EDGE SWITCH REPLACEMENT				Project Number:		28-02-IT
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		Project Cost Summary:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$0	\$0	\$0	\$45,000	\$0
Project Estimates:		Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Edge networking switch equipment refers to devices positioned at the periphery of a network, connecting end-user devices like computers, printers, and security cameras to the broader network infrastructure. These switches manage local data traffic, ensuring efficient communication between devices and the central network. The need to replace aging edge networking gear at the Authority is crucial due to outdated equipment potentially causing performance bottlenecks, security vulnerabilities, and reliability issues.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software					\$45,000		\$45,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$45,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 45,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance					\$45,000		\$45,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 45,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 4-Capital Budget Worksheet

SECTION 1							
Project Name:	DESKTOP SYSTEM REPLACEMENT - DISPATCH				Project Number:	28-03-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$45,000	\$0
Project Estimates:	Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing the Authority's dispatch center desktop workstations as they reach the end of their warranty and lifecycle in 2027 is critical to maintaining operational efficiency and security. Aging workstations pose risks such as hardware failures, decreased performance, and vulnerability to security breaches due to outdated software and lack of support. Upgrading to new desktops ensures reliable performance, compatibility with current software updates, and enhanced cybersecurity measures. This initiative supports uninterrupted emergency response operations, improves productivity, and ensures compliance with modern IT standards, ultimately enhancing the Authority's ability to deliver effective services and protect public safety.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture					\$45,000		\$45,000
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$45,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 45,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance					\$45,000		\$45,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ 45,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 4-Capital Budget Worksheet

SECTION 1							
Project Name:	Manhattan Beach Communication Station Equipment Shelter				Project Number:		28-04-FA
	Building Air Conditioning Units				Priority Number:		5
Category:	One-Time Capital				Type:		Non-Recurring
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$25,000	\$0
Project Estimates:	Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Manhattan Beach – Communications Shed 3516 Grandview Avenue, Manhattan Beach, CA This offsite communication building is cooled by two (2) exterior, wall mounted Bard Manufacturing Co. air-conditioning units (Serial No. 140A072289877-02, Model No. WA242-A05XPD053) with R22 refrigerant. These units are controlled by a Bard Series MC3000 lead/lag controller to provide 24/7 cooling to the equipment within the building. These are fully redundant air conditioning units, and based on the manufacture date and an EUL of 20 years, lifecycle replacement is needed.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs					\$25,000		\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$25,000
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance					\$25,000		\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 4-Capital Budget Worksheet

SECTION 1		PROJECT COSTS					
Project Name:	Preaction System			Project Number:		28-05-FA	
				Priority Number:		5	
Category:	One-Time Capital			Type:		Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$55,000	\$0
Project Estimates:	Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>A double interlocked, pre-action system located within a cabinet in the NW corner of garage service bays provides fire protection to the communications center, training room on the second floor, and the computer room on the first floor.</p> <p>Based on age, the preaction system has surpassed their EUL of 15 years and require lifecycle replacement.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs					\$55,000		\$55,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$55,000
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance					\$55,000		\$55,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ 55,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 4-Capital Budget Worksheet

SECTION 1		PROJECT INFORMATION					
Project Name:	EMERGENCY GENERATOR ABOVE GROUND TANK AND DAY TANK			Project Number:		28-06-FA	
				Priority Number:		5	
Category:	One-Time Capital			Type:		Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$100,000	\$0
Project Estimates:	Project Start Date:	7/1/2027	Project End Date:	6/30/2028	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Emergency Generator Fueling System: The diesel generator fueling system consists of a 6,000-gallon above ground tank, a day tank and a Veeder Root TLS 300/350 monitoring system mounted inside the generator enclosure.</p> <p>The EUL of the 6,000-gallon fuel tank and day tank is 25 years, and the Veeder Root TLS 300/350 monitoring system is no longer being manufactured due to obsolete components and increased costs for older technologies. As such, lifecycle replacement is needed.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs					\$100,000		\$100,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$100,000
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance					\$100,000		\$100,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1							
Project Name:	BUILDING CAMERA REPLACEMENT				Project Number:	29-01-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$0	\$35,000
Project Estimates:	Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>The Authority's security cameras are now over five years old, with some exceeding seven years old so lifecycle replacement is necessary to ensure effective facility protection and overmatch. These older cameras have difficulty meeting minimum standards for image quality and can potentially compromise security operations. By replacing these aging cameras with newer models, the Authority can improve monitoring capabilities with features such as higher resolution, better low-light performance, and advanced analytics. This replacement project is essential for maintaining robust security measures, enhancing incident response capabilities, and safeguarding the Authority's facility.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture						\$35,000	\$35,000
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$35,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$35,000	\$35,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1		PROJECT COSTS					
Project Name:	BUILDING CAMERA SERVER REPLACEMENT				Project Number:	29-02-IT	
					Priority Number:	6	
Category:	One-Time Capital				Type:	Non-Recurring	
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		\$0	\$0	\$0	\$0	\$0	\$50,000
Project Estimates:	Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing the Authority's aging security camera recording server is crucial to enhance storage capacity, performance, and system resilience. The current server, nearing the end of its lifecycle, may struggle to handle increasing data loads and maintain reliable operation. Upgrading to a new server will provide ample storage for extended retention periods, improve processing power for faster video retrieval and analysis, and ensure robust resilience to prevent downtime and data loss. This upgrade is essential for maintaining effective surveillance operations, supporting comprehensive security monitoring, and enhancing the Authority's overall security posture.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture						\$50,000	\$50,000
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$50,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$50,000	\$50,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1								
Project Name:		BUILDING CAMERA SERVER REPLACEMENT				Project Number:		29-03-IT
						Priority Number:		5
Category:		Maintenance Capital				Type:		Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		Project Cost Summary:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$0	\$0	\$0	\$0	\$38,500
Project Estimates:		Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Recurring annual maintenance for new ERP system.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software						\$38,500	\$38,500
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$38,500
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$ 38,500

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Assessment Revenues						\$38,500	\$38,500
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,500	\$ 38,500

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1								
Project Name:	STORAGE ARRAY REPLACEMENT				Project Number:	29-04-IT		
					Priority Number:	6		
Category:	One-Time Capital				Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$0	\$0	\$100,000	
Project Estimates:	Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?			

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing the Authority's data storage array is essential to ensure data integrity, performance, and security. As storage arrays age, they become prone to failures, inefficiencies, and are unable to receive crucial security updates, putting sensitive information at risk. Upgrading to a modern storage array will provide enhanced capacity, faster data access, and robust security features, ensuring reliable data storage and compliance with evolving data protection standards. This replacement is critical for maintaining efficient operations, safeguarding data, and supporting the Authority's long-term technological and operational needs. This replacement time will be at the maximum life expectancy of the existing devices.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software						\$100,000	\$100,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$100,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$100,000	\$100,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1								
Project Name:	SERVER REPLACEMENT				Project Number:	29-05-IT		
					Priority Number:	6		
Category:	One-Time Capital				Type:	Non-Recurring		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$0	\$0	\$35,000	
Project Estimates:	Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?			

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
<p>Replacing the Authority's servers is crucial to maintaining reliable, secure, and efficient operations. As servers age, they face increased risks of hardware failures, performance degradation, and security vulnerabilities due to the lack of updates and support. Upgrading to new servers will ensure enhanced processing power, improved system reliability, and access to the latest security features, which are essential for safeguarding sensitive data and supporting critical applications. This replacement time will be at the maximum life expectancy of the existing devices.</p>	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software						\$35,000	\$35,000
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$35,000
Salaries & Benefits							\$0
Profess/Contract Svcs							\$0
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$35,000	\$35,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1								
Project Name:		CARPET REPLACEMENT				Project Number:		29-06-FA
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		Project Cost Summary:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
			\$0	\$0	\$0	\$0	\$0	\$31,000
Project Estimates:		Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Carpeting is used in the office areas. The carpet is in good condition; however, it is reaching the end of its useful life and will need to be replaced.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs						\$31,000	\$31,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,000	\$31,000
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,000	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$31,000	\$31,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,000	\$ 31,000

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

SBRPCA

Year 5-Capital Budget Worksheet

SECTION 1								
Project Name:		CARPET TILE/FLOORING REPLACEMENT				Project Number:		29-07-FA
						Priority Number:		6
Category:		One-Time Capital				Type:		Non-Recurring
Project Manager		Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$0	\$0	\$25,000	
Project Estimates:		Project Start Date:	7/1/2028	Project End Date:	6/30/2029	In last year's 5 Year Plan?		

SECTION 2	PROJECT DESCRIPTION
Project Description/Justification:	
Flooring throughout the Authority's headquarters is in good condition; however, it is reaching the end of its useful life and will need to be replaced.	
Notes:	

SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design/Plans							\$0
Engineering/Arch Svcs							\$0
Land/ROW Acquisition							\$0
Construction							\$0
Heavy Equip/Apparatus							\$0
Light Equip/Furniture							\$0
Hardware/Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Svcs						\$25,000	\$25,000
Materials & Supplies							\$0
Maint/Fuel/Util/Other							\$0
Revenues (New/Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$25,000
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Fund - Unrestricted Fund Balance						\$25,000	\$25,000
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000

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Attachment 3

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY ADOPTING A DEBT POLICY**

WHEREAS, pursuant to Article IV (G) of the Bylaws , the Board of Directors shall make all policy decisions and determinations for the Authority; and

WHEREAS, the Board of Directors desires to adopt a debt policy to establish the guidelines for the effective governance, management, and administration of utilizing debt to make purchases, especially as they relate to capital assets.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Bay Regional Public Communications Authority:

SECTION 1. The Board of Directors adopts the Debt Policy attached hereto as Exhibit A.

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 13th day of August 2024, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____, Chair
Board of Directors

John Krok, Secretary
Board of Directors

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ATTACHMENT 3

EXHIBIT A

DEBT POLICY

1. Introduction

Debt Management and Disclosure Policy

This Debt Management and Disclosure Policy (the “Debt Policy”) provides guidelines for debt issuance, management, and post-issuance-related policies and procedures for the South Bay Regional Public Communications Authority (“SBRPCA” or the “Authority”). This Debt Policy may be amended by the Authority as it deems appropriate from time to time in the prudent management of the debt and financing.

2. Purpose

This Debt Policy aims to establish guidelines and parameters for the effective governance, management, and administration of debt and other financing obligations issued by the Authority. The purpose of this debt policy is to enhance and guide decision-making, provide guidance on the structure of debt issuance, articulate policy goals, and underscore a dedication to long-term planning, encompassing the authority’s capital improvement program.

3. Debt Policy Objective

This Debt Policy is intended to comply with the requirements of Senate Bill 1029 (SB 1029), codified as part of California Government Code Section 8855(i), effective on January 1, 2017, and shall govern all debt undertaken by the Authority. The primary objectives of the Authority's debt and financing-related activities are to:

1. Improve the decision-making process related to debt management and issuance.
2. Provide clear guidance on the structuring of debt issuance for optimal financial outcomes.
3. Identify and articulate specific policy goals related to debt management and fiscal responsibility.
4. Provide guidance to provide capital structure that balances debt and equity to meet the authority’s goals efficiently.
5. Ensure the Authority follows all relevant laws and regulations governing debt management and issuance.

4. Acceptable Uses of Debt Proceeds

The Authority will consider the use of debt financing primarily for assets and capital projects only if the term of debt shall not exceed the asset(s) or project’s useful life or will otherwise comply with Federal tax law requirements. Bonded debt shall not be issued to

finance normal operating expenses. Operating Fund debt will not be issued to support ongoing operational costs unless such debt issuance achieves net operating cost savings, and such savings are verified by independent analysis.

A. Long-Term Debt: Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and/or operated by the Authority. Long-term debt financings are appropriate when any of the following conditions exist:

1. When the project to be financed is necessary to provide basic services, or other projects for the benefit of the Authority.
2. When the project to be financed will provide benefit to the Authority over a duration of more than one year.
3. When the total debt financing would not impose an unreasonable burden on the Authority.

5. Standards for Use of Debt Financing

The Authority acknowledges the existence of various financing structures and funding sources, each carrying distinct benefits, costs, and risks. The Authority commits to contemplating debt issuance solely in instances where policy, equity, and economic efficiency align with debt financing over cash funding. Before proceeding with debt or other financing obligations, the Authority will assess the enduring affordability of the proposed debt issuance.

6. Types of Debt

To maximize the financial options available to benefit the public, it is the Authority's policy to allow the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

1. Revenue Bonds:
 - i. Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue.
2. Loans:
 - i. The Authority is authorized to enter loans, installment payment obligations, or other similar funding structures secured by a prudent source or sources of repayment. Lines of credit will be considered an interim funding source in anticipation of long-term borrowing and may be issued to generate funding for cash flow needs. The final maturity of the debt issued to finance the project shall be consistent with the useful life of the project.

- ii. Short-term debt may also be used to finance short-lived capital projects such as lease-purchase financing for equipment.

The Authority may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. However, the other form or forms of debt must comply with this Debt Management Policy.

Debt shall be issued as fixed rate debt unless the Authority determines a variable rate issue would be beneficial to the Authority based on the circumstances.

7. Relationship to Capital Improvement Program

The Authority intends to issue debt for the purposes stated in this Debt Policy and the decision to incur new indebtedness should be integrated with the Capital Improvement Program Budget. Prior to issuance of revenue bonds, a reliable revenue source shall be identified to secure repayment of the debt and the annual debt service payments shall be included in the Operating Budget.

8. Policy Goals Related to Planning Goals and Objectives

This Debt Policy has been adopted to assist with the Authority's goal of financial sustainability and financial prudence. In following this Debt Policy, the Authority shall pursue the following policy goals:

- i. The Authority is dedicated to financial planning, upholding suitable reserve levels, and applying sensible practices in governance, management, and budget administration. The Authority plans to undertake debt issuance for the specified purposes outlined in this Debt Policy and to execute policy decision outlined in the annual Operating Budget and Capital Improvement Program.

9. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the Authority shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

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ATTACHMENT 4

Capital Improvements Program Framework and
Proposed CIP and Debt Policies

SOUTH BAY REGIONAL PUBLIC
COMMUNICATIONS AUTHORITY

June 12, 2024

matrix 
consulting group

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1. INTRODUCTION AND BACKGROUND

The Matrix Consulting Group was retained by the South Bay Regional Public Communications Authority (SBRPCA, or the Authority) to create an initial 5-year Capital Improvement Program (CIP) and an associated CIP framework and policy. This document includes the initial proposed framework for the CIP process.

1.1 Background

SBRPCA is a regional Public Safety Answering Point (PSAP) and public safety dispatch provider for southern California agencies and has been in existence since 1977. The Authority is a joint powers authority owned by the cities of Gardena, Hawthorne, and Manhattan Beach while also providing communications services under contract to the cities of Culver City, El Segundo, and Hermosa Beach. The Authority dispatches over 300,000 police and fire incidents annually.

The Authority is governed by a Board of Directors that consists of city council members from each member city. This Board oversees the Authority's annual budget and decides upon the assessment rates that each member city must pay to maintain the budget and cover the annual costs of the communications center. The Board delegates management oversight to an Executive Committee made up of the City Managers of each member city, who then appoints an Executive Director to manage the day-to-day operations of the Authority. Finally, a User Committee made up of the chiefs of member departments provides operational guidance to staff.

The Authority's budget is set using revenues from assessments to member and contract cities that are allocated based upon a Cost Allocation Policy that was adopted in 2019-2020. 51% of the revenues in the budget come from assessments to Member Cities, 42% from Contract Cities, and 7% from non-assessment sources. Current year projected revenues total \$14,188,254.

Expenditures in the budget are allocated to operating and capital expenses, with 77% of funds paying for salaries & benefits of staff, 22% for supplies and equipment, and 1% for capital outlay. The 1% comes out to \$200,000 in the current year, while in previous years capital outlay has varied from \$200,000 to \$250,000. Each year funds from budget surplus or available fund balance are also used to cover future pension and other post-employment benefits (OPEB) liabilities and a required minimum cash on hand of 10% of proposed expenditures. The Authority has a fund balance of \$6,508,629 as of June 30, 2023, which includes the current 10% reserves allocation. After the 10% Operating and Capital Reserve allocation and estimated pension and OPEB payments, \$5,443,853 remains as an unrestricted, undesignated fund balance.

Currently, major capital or large expenditures that are not planned in normal operations are either paid for through an increase in assessment revenues or through the allocation of undesignated fund balance with approval from the Board of Directors.

This year, the Executive Committee has requested that needed capital improvements be documented by maintenance vendors and management team members to plan out whether the Authority has funding available in the current budget planning year and in the years to come, thereby ensuring that any assessment or other available revenues can be planned for in consideration of long-term financial planning for the Authority.

These potential projects have come in various forms, including a Building Assessment Report¹, communication upgrade needs for the radio system, and technology needs and requests that are intended to keep the Authority current or improve efficiency. From these requests the following total amounts have been submitted (for the five-year period):

Capital Request Type	Total Requests
Communications (Radios)	\$800,000
Information Technology	\$800,400
Facilities	\$865,000
New Computer Aided Dispatch (CAD) System	\$2,000,000
Total Project Costs	\$4,465,400

Developing this CIP will allow the Authority to utilize existing and projected fund balance by prioritizing projects. Additionally, the Authority can minimize the need for excessive assessment increases in any given year or the incursion of debt.

1.2 SBRPCA Budget Process

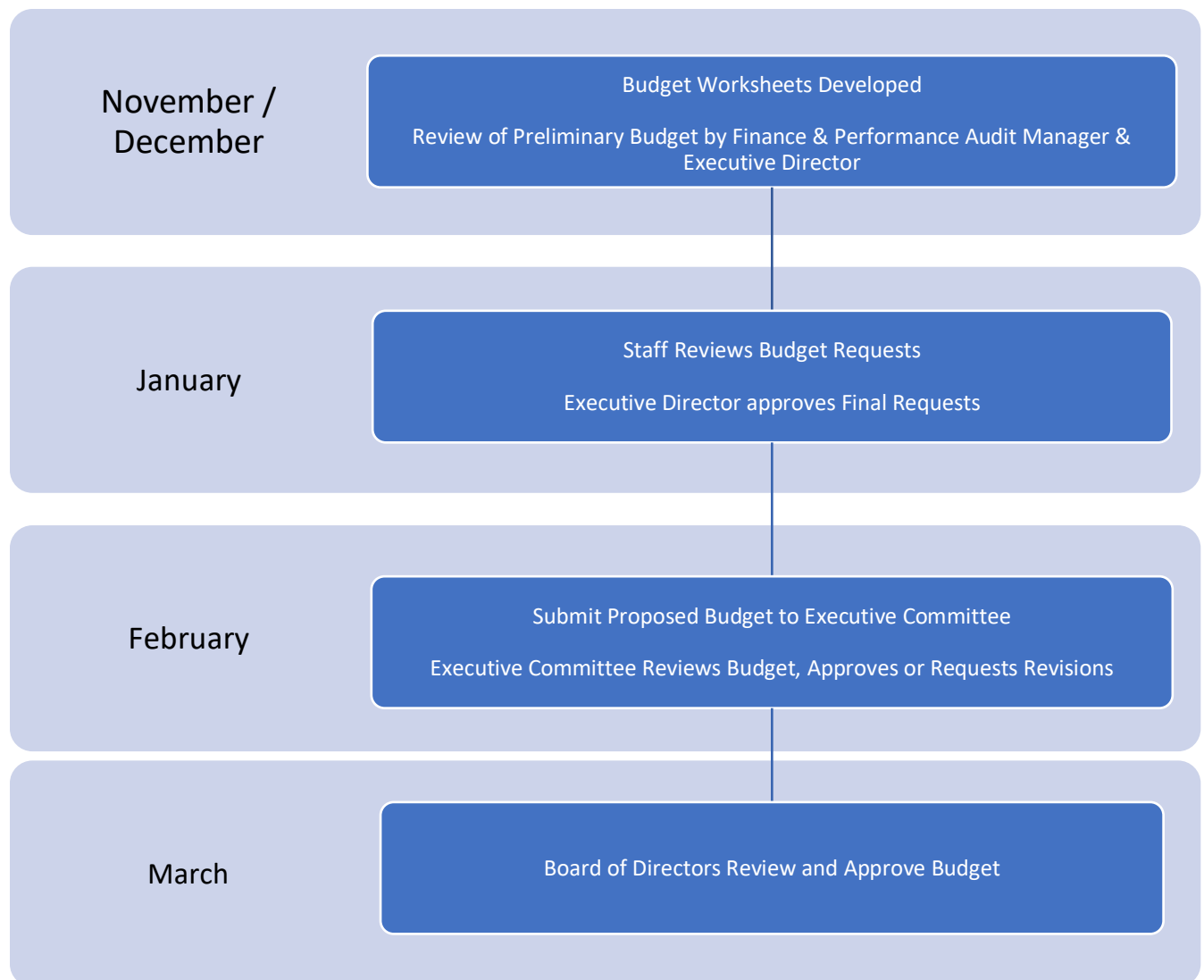
The current budgetary process utilized within the Authority is designed to ensure that the Authority's budget is developed and approved in time to be integrated into member and contract city budgets for the same fiscal year. These entities need to be aware of their assessment in order to incorporate it into their respective budget development process.

The Authority's budget process is overseen by the Authority's Finance Department and commences in November of each year. At that time, the Finance & Performance Audit Manager (Finance Manager) presents a review of revenues and expenditures from the previous year, and the management team, under the direction of the Executive Director decides if any major changes need to be incorporated for presentation for the coming year. The Executive Director approves or denies budget increase requests by January.

¹ CSG Consultants, Inc. (2023) *Building Assessment Report for a Five-Year Capital Improvement Plan*.

The Finance Manager then develops the proposed budget submission for consideration by the Executive Committee in February. The Executive Committee reviews and provides direction on changes or revisions to the budget, and if necessary, requests another review. If another review is not needed, the Finance Manager will update the proposed budget if needed, and the Executive Director (on behalf of the Executive Committee) will submit to the Board of Directors for approval in March. The budget must be approved by the end of March to communicate assessments to the member and contract cities before the end of their budget processes.

SBRPCA Budget Development Process



The following framework and policy integrate the annual request of capital projects and development of a Capital Improvement Program into the existing budget process, so that

the Executive Committee and the Board of Directors can review capital investments for the coming five years along with current year planned revenues and expenditures.

2. CAPITAL IMPROVEMENT PROGRAM FRAMEWORK

In developing an appropriate policy for the Authority to utilize in maintaining a quality annual CIP, a framework is needed to understand the steps necessary to develop a CIP effectively and how these steps may impact the budget and member and contract city assessments.

2.1 Overarching Framework

The framework is separated into two primary workflows, the Five-Year CIP and the Annual CIP.

Five-Year Capital Improvement Program (5-Yr. CIP)

The Five-Year CIP should serve as the foundation for the entire program. A solid five-year plan benefits all stakeholders of the program. It allows for time to plan, fund, and staff the program. It also shows the Board of Directors and Executive Committee the future needs and can build trust between policymakers and staff by showing that the Authority's needs are being planned and vetted well ahead of the budget request year.

Annual Capital Improvement Planning

The CIP process is a cycle that will recur annually. The schedule should follow the basic timelines established below, with specific milestone dates developed at the beginning of each year and published/available to the management team. Each year a five-year plan will be developed with the first year adopted and incorporated in the budget.

2.2 Defining a Capital Project

The first step to implementing the framework is to define what types of expenditures should be included in the CIP for long-range planning. Any large expense can be included, due to its potential impact on funding over that time. Capital projects typically fall under specific types and categories. Typically, a capital asset is a tangible or intangible item or project that has a value of more than \$5,000. Examples of tangible items include equipment, furniture, etc. Examples of intangible items include a new software system, or a conversion of radios / phones due to age, etc.

Using this information, the following is recommended as guidelines for what is a capital project for inclusion in the CIP:

1. **Real property acquisition (Land)** – The purchase of land in any amount, due to the impact of that property on the Authority's assets.

2. **Construction of a new facility** – Similarly, the construction of a new facility as an asset for the Authority should be included.
3. **Addition (a modification that changes the structural “footprint” of a facility) to existing facilities greater than or equal to \$25,000.** – The value of such projects could be revised based upon the Authority’s needs, however any major improvement to an asset should also be included.
4. **Remodeling/repair/preservation of the interior/exterior of any facility greater than or equal to \$25,000** – The value of such projects could be revised based upon the Authority’s needs, however any major improvement to an asset should also be included.
5. **Major equipment items or projects including computer infrastructure, which are greater than or equal to \$25,000 (includes all vehicles)** - All tangible assets of this value or above, but also any and all vehicle assets should be considered a capital project.
6. **Replacement of a capital asset that has concluded its useful life, valued greater than or equal to \$25,000.** – Any asset that was purchased as a capital project should be considered as such when a replacement is necessary.
7. **Minimum Useful Life** – Assets or Projects that are intended for short term useful lives, should not be considered a Capital Project. Useful life minimum time periods of 10 years or more is recommended for the majority of the previous categories, and 5 years or more for projects such as technology with a shorter obsolescence period.

2.3 Proposed Process

The proposed process would begin roughly one or two months prior to the current budget process per year so that the development and review of the CIP can be done concurrently with the proposed budget. This would mean that the process would begin either in October or November, depending on the direction of the Finance Manager.

2.3.1 CIP Process Kickoff

The process each year should begin with a meeting between the management team to discuss the priorities for capital projects in the coming year, for the Finance Manager to provide forms and directions, and to review current projects in the CIP. This meeting should include a review of the condition of existing assets; manufacturer, or vendor recommendations; and strategic or master planning instruments that would drive needed projects and priorities.

At this meeting, the Finance Manager should provide new project forms to the other management team members that will be used for submitting new projects for consideration, like the existing review of budget worksheets. It is recommended that due

to the integrated nature of this with the budget process, this workshop or kickoff also provides direction to the management team on budget requests and the budget and CIP process for the year.

2.3.2 Project Requests and Revisions

The management team should then use the remainder of the month to develop project requests that are based on a standard form. These forms typically include a project name, description, budget estimate, and requested implementation year. These forms typically also include prioritization information, operating cost impacts, potential revenue enhancement, and justification information. A recommended CIP Project Form is included as Attachment A.

These forms should then be submitted to the Finance Manager by a deadline that would provide sufficient time to integrate needed data in the forms into a CIP spreadsheet.

2.3.3 CIP Project Identification

Upon the initial review of the project requests, the Executive Director shall recommend projects for the finalization of the CIP. Identified projects should include the following information:

- A summary of the scope of the project.
- The plan to identify the cost to operate and maintain the capital asset.
- Identification of the proposed schedule for planning, construction, and other milestones in the completion of the capital project.

2.3.4 Development of CIP Spreadsheet

Once these forms have been submitted, the annual CIP spreadsheet, should be updated with these new or revised projects and their cost data. The CIP Spreadsheet should be a five-year rolling financial overview of the Authority so that available fund balance, projected revenues, and projected operating expenses are all shown through that period. An initial CIP Spreadsheet will be developed as Task 2 of this project and provided to the Authority to use and update for future years.

Projects should be integrated into the spreadsheet and expected project budgets updated to review long term financial impacts to the Authority. Once this spreadsheet is updated, the Finance Manager and Executive Director should review to determine impacts leading into budget requests in December and January.

2.3.5 Review of CIP Spreadsheet and Policy Direction

Upon this review, consideration should be made to the affordability of the projects in the plan and determine if either the timing, the size, or the inclusion of the project at all should be changed. If during this review it is determined that all projects are necessary for the Authority to operate, and the funding is not available to implement them, then consideration of revenue increases or other funding sources should now be addressed.

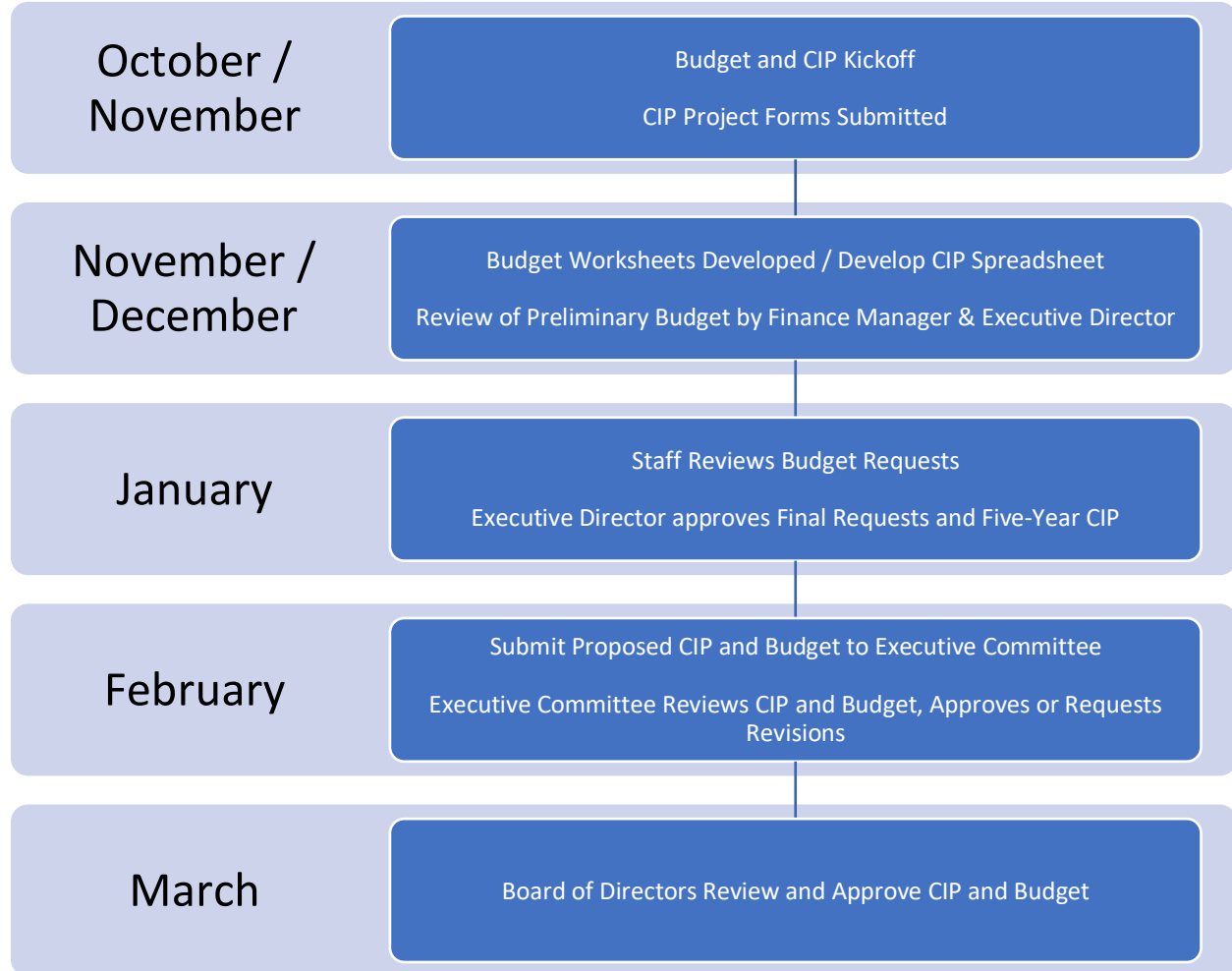
If borrowing is considered, the following guidelines (referenced in the proposed policy language in Chapter 3) should be used:

- If pay-as-you-go financing is unavailable, other sources of potential revenue enhancement (such as Grants or Low Interest State Revolving Funds) should be considered prior to bonding or loans.
- Debt financing or other borrowing should be considered after any and all other funding options have been considered.
- Debt should be structured so that the payments and the principal on the loan does not exceed the useful life of the new asset.
- If debt financing is utilized, outstanding debt should be evaluated annually by the Finance Manager to determine if there are economic advantages to refinancing or other borrowing options.

If revenue enhancements are not a viable option for funding the CIP, the management team, and ultimately the Executive Director should then determine which projects are not viable and therefore need to be removed from the proposed CIP, and those that need to be scheduled out further, or revised for cost.

The Finance Manager would then update the CIP Spreadsheet based upon these directions and develop a cover page summary of the entire plan that would represent the financial projections of the Authority over the course of the five-year period, for inclusion in the annual budget document proposal.

2.3.6 New Process Map



2.4 CIP Project Evaluation and Prioritization

Once the projects are submitted, at various stages of the process in Section 2.3, Authority staff and policy makers need objective criteria to use for appropriately prioritizing projects that looks beyond just financial impact or cost. These criteria provide guidance on the timing of certain projects as well as their necessity or timeliness.

These criteria can include internal or external impact factors that should be considered in determining the project's priority. These can include useful life considerations (whether the asset is nearing the end of it or not), its impacts on operational costs for the Authority, or external mandates by state, federal, or other agencies. Recommended criteria include whether the project exists in the CIP already (to limit changes in funding

projections), mandates, impacts to the health and safety of patrons in the Authority's jurisdiction, overarching goals of the Authority, maintenance of current assets or operating cost benefits, and then general subjective considerations due to the Authority's unique nature.

These prioritization items have been incorporated into the proposed CIP policy in Chapter 3.

3. CAPITAL IMPROVEMENT PROGRAM PROPOSED POLICY

The Authority currently has a Budgetary Policy that outlines definitions, policy requirements, control, and amendments for the Annual Budget. The project team has agreed that an additional section should be added that would specifically deal with the CIP. The following is the recommended addition to that policy.

3.1 Proposed Policy Language

SECTION 7 – CAPITAL IMPROVEMENT PLANNING

A. The Capital Improvement Program (CIP) identifies major improvements and capital purchases needed to improve services to the cities. The Capital Improvement Plan (CIP) will be approved as a 5-year plan in conjunction with the board’s approval of the annual operating budget.

B. A Capital Improvement Project (Project) must meet one of the following criteria:

- Real property acquisition (Land of any amount and useful life).
- Construction of a new facility (Facility with a minimum useful life of five years).
- Addition (a modification that changes the structural “footprint” of a facility) to existing facilities greater than or equal to \$25,000. (Of any useful life.)
- Remodeling/repair/preservation of the interior/exterior of any facility and its components greater than or equal to \$25,000 (Minimum useful life of ten years).
- Major equipment items or projects, including computer and communications infrastructure, which are greater than or equal to \$25,000 and five years of useful life (includes all vehicles).

Purchase Type	Minimum Amount (\$)	Minimum Useful Life (Years)
Real Property/Land	Any	Any
Construction of a new facility	Any	5
Addition to an existing facility	\$25,000	Any
Remodeling/Repair/Facility Preservation	\$25,000	10
Major Equipment or Projects (incl. Vehicles & Technology)	\$25,000	5

C. Funding Principles to govern CIP funding and the issuance of debt:

- The Authority should attempt to use cash (from assessment revenues or unrestricted fund balance) to pay for capital expenditures on an annual basis or when funds are available that are not expected to be needed for other purposes in the foreseeable future.

- The Authority should actively seek sources of financing (either grants or low-interest state-sponsored loans) as an alternative to entering the capital markets.
 - Debt financing should be considered for capital improvement projects as approved in the annual capital improvement program budget after all non-debt sources of funds (e.g., cash, grants, loans, etc.) have been considered.
 - The Authority shall issue debt for capital projects based upon the Authority's Debt Management Policy.
 - Debt should be structured so that the principal will be retired over the useful life of the project financed. The Authority should not issue a debt indebtedness period longer than the period during which it intends to use the capital improvement being financed.
- D. The Authority shall prioritize capital projects by weighing the impact that such purchase(s) will have on the overall operations, maintaining continuity and consistency throughout the overall capital improvement program. The project evaluation and selection process should consider:
- **Existing Project:** If it is an existing project with current contractual obligations, this would be a current, and active project that would be in the process of completion. Approved, but incomplete projects will be carried forward each year and included in the CIP approval process.
 - **Mandate:** The project has been mandated by a current State or Federal agency, making this a project that would need to be completed to adhere to those guidelines.
 - **Health & Safety:** Whether this project directly impacts health and safety.
 - **Goals & Priorities:** Consideration should be made to reflect the goals and priorities of the Board and the direction that is provided for the organization towards capital expenditures.
 - **Maintenance or Operational Impact:** The completion of projects that result in the preservation of prior capital investments or have a positive operational cost impact on the annual budget. Capital expenditures shall be identified to ensure the maintenance of and prevention of deterioration of prior capital projects.
 - **Other:**
 1. Capital projects that do not directly identify with one of the prior categories previously listed.
 2. Projects that are of high value and beneficial to the long-range planning efforts of the Board and maintain the integrity to the success of the organization.

4. PROPOSED DEBT POLICY

1. Introduction

Debt Management and Disclosure Policy

This Debt Management and Disclosure Policy (the “Debt Policy”) provides guidelines for debt issuance, management, and post-issuance-related policies and procedures for the South Bay Regional Public Communications Authority (“SBRPCA” or the “Authority”). This Debt Policy may be amended by the Authority as it deems appropriate from time to time in the prudent management of the debt and financing.

2. Purpose

This Debt Policy aims to establish guidelines and parameters for the effective governance, management, and administration of debt and other financing obligations issued by the Authority. The purpose of this debt policy is to enhance and guide decision-making, provide guidance on the structure of debt issuance, articulate policy goals, and underscore a dedication to long-term planning, encompassing the authority’s capital improvement program.

3. Debt Policy Objective

This Debt Policy is intended to comply with the requirements of Senate Bill 1029 (SB 1029), codified as part of California Government Code Section 8855(i), effective on January 1, 2017, and shall govern all debt undertaken by the Authority. The primary objectives of the Authority’s debt and financing-related activities are to:

1. Improve the decision-making process related to debt management and issuance.
2. Provide clear guidance on the structuring of debt issuance for optimal financial outcomes.
3. Identify and articulate specific policy goals related to debt management and fiscal responsibility.
4. Provide guidance to provide capital structure that balances debt and equity to meet the authority’s goals efficiently.
5. Ensure the Authority follows all relevant laws and regulations governing debt management and issuance.

4. Acceptable Uses of Debt Proceeds

The Authority will consider the use of debt financing primarily for assets and capital projects only if the term of debt shall not exceed the asset(s) or project’s useful life or will

otherwise comply with Federal tax law requirements. Bonded debt shall not be issued to finance normal operating expenses. Operating Fund debt will not be issued to support ongoing operational costs unless such debt issuance achieves net operating cost savings, and such savings are verified by independent analysis.

- A. Long-Term Debt: Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and/or operated by the Authority. Long-term debt financings are appropriate when any of the following conditions exist:
1. When the project to be financed is necessary to provide basic services, or other projects for the benefit of the Authority.
 2. When the project to be financed will provide benefit to the Authority over a duration of more than one year.
 3. When the total debt financing would not impose an unreasonable burden on the Authority.

5. Standards for Use of Debt Financing

The Authority acknowledges the existence of various financing structures and funding sources, each carrying distinct benefits, costs, and risks. The Authority commits to contemplating debt issuance solely in instances where policy, equity, and economic efficiency align with debt financing over cash funding. Before proceeding with debt or other financing obligations, the Authority will assess the enduring affordability of the proposed debt issuance.

6. Types of Debt

To maximize the financial options available to benefit the public, it is the Authority's policy to allow the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

1. Revenue Bonds:
 - i. Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue.
2. Loans:
 - i. The Authority is authorized to enter loans, installment payment obligations, or other similar funding structures secured by a prudent source or sources of repayment. Lines of credit will be considered an interim funding source in anticipation of long-term borrowing and may be issued to generate funding for cash flow needs. The final maturity of the

- debt issued to finance the project shall be consistent with the useful life of the project.
- ii. Short-term debt may also be used to finance short-lived capital projects such as lease-purchase financing for equipment.

The Authority may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. However, the other form or forms of debt must comply with this Debt Management Policy.

Debt shall be issued as fixed rate debt unless the Authority determines a variable rate issue would be beneficial to the Authority based on the circumstances.

7. Relationship to Capital Improvement Program

The Authority intends to issue debt for the purposes stated in this Debt Policy and the decision to incur new indebtedness should be integrated with the Capital Improvement Program Budget. Prior to issuance of revenue bonds, a reliable revenue source shall be identified to secure repayment of the debt and the annual debt service payments shall be included in the Operating Budget.

8. Policy Goals Related to Planning Goals and Objectives

This Debt Policy has been adopted to assist with the Authority's goal of financial sustainability and financial prudence. In following this Debt Policy, the Authority shall pursue the following policy goals:

- i. The Authority is dedicated to financial planning, upholding suitable reserve levels, and applying sensible practices in governance, management, and budget administration. The Authority plans to undertake debt issuance for the specified purposes outlined in this Debt Policy and to execute policy decision outlined in the annual Operating Budget and Capital Improvement Program.

9. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the Authority shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Debt Management Policy Adopted on XXXXX XX, 2023

Attachment A – CIP Project Sheet

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

**SBRPCA
Year 5-Capital Budget
Worksheet**

SECTION 1								
Project Name:						*Project Number:		
						Priority Number:		
Category:						Type:		
Project Manager	Project Cost Summary:	Allocated	Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
		\$0	\$0	\$0	\$0	\$0	\$0	
Project Estimates:	Project Start Date:		Project End Date:		In last year's 5 Year Plan?			

* If this is an existing project, please supply a Project #.

SECTION 2 PROJECT DESCRIPTION

Project Description/Justification:

Notes:	
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SECTION 3	PROJECT COSTS						
Activity	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Prelim Design / Plans							\$0
Engineering / Architectural Services							\$0
Land / ROW Acquisition							\$0
Construction							\$0
Heavy Equipment / Apparatus							\$0
Light Equip. / Furniture							\$0
Hardware / Software							\$0
Total Capital Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Salaries & Benefits							\$0
Profess/Contract Services							\$0
Materials & Supplies							\$0
Maintenance / Fuel / Util / Other							\$0
Revenues (New / Add.)							\$0
Net Oper. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Net Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 4	FINANCING						
Funding Source	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
							\$0
							\$0
							\$0
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

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

JUNE 18, 2024

A. CALL TO ORDER

The Executive Committee and the User Committee convened in a regular joint session at 2:06PM on Tuesday, June 18, 2024, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

B. ROLL CALL

Present: City Manager Clint Osorio, City of Gardena
City Manager Bruce Moe, City of Manhattan Beach
City Manager Vontray Norris, City of Hawthorne
Chief Mike Saffell, Gardena Police Department
Chief Gary Tomatani, Hawthorne Police Department
Chief Rachel Johnson, Manhattan Beach Police Department

Absent: Chief Mike Lang, Manhattan Beach Fire Department

Also Present: Interim Executive Director John Krok
Operations Manager Shannon Kauffman
Finance Manager Vanessa Alfaro
Executive Assistant Cristina Manley
Jennifer Petrusis, General Counsel, RWG Law
Communications Operator Brianna Wells

C. PUBLIC DISCUSSION

Markus Petrusis shared his appreciation to all the personnel in the South Bay for their service.

D. EMPLOYEE RECOGNITION

Interim Director Krok recognized Communications Operator Brianna Wells for her 5 years of service with the Authority.

1. ADDITION TO THE AGENDA:

Approve a \$50,000.00 Change Order to Federal Signal Corporation for Supplies and Equipment
APPROVE

Interim Executive Director Krok raised a matter involving an outstanding invoice in excess of \$40,000 - Federal Signal (outfit public safety vehicles), that came to his attention after the agenda for the meeting had been posted. Pursuant to Government Code section 54954.2(b)(2), the Executive Committee determined through a unanimous vote that there was an immediate need to take action.

MOTION: City manager Moe moved to approve \$50,000 change order to Federal Signal. The motion was seconded by City Manager Osorio and passed by a vote 3-0.

E. EXECUTIVE COMMITTEE CONSENT CALENDAR

1. Minutes from May 21, 2024

APPROVE

2. Check Register – May 2024

RECEIVE AND FILE

3. Schedule of Fees and Charges for Fiscal Year 2024/25

RECOMMEND THAT THE BOARD OF DIRECTORS ADOPT A RESOLUTION ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2024/25

4. Approve FY2024/25 Blanket Purchase Orders for Supplies and in Services in a Total Amount Not-To-Exceed \$1,513,912

APPROVE

MOTION: City Manager Moe moved to approve the Executive Committee Consent Calendar items 1-4. The motion was seconded by City Manager Osorio and passed by a vote of 3-0.

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

None.

G. **GENERAL BUSINESS**

1. Capital Improvements Program Framework and Proposed CIP, and Proposed Debt Policy

PROVIDE DIRECTION

1. **Establishment of a Budgetary Policy:**

- **Current Proposal:** Interim Executive Director Krok proposed incorporating a section on Capital Improvement Planning into the Authority's Budgetary Policy. This aims to ensure adequate resources for capital assets and stabilize future assessment increases.
- **Consultant Recommendations:** The Matrix Consulting Group was hired to develop a capital improvement policy. Their recommendations include:
 - Criteria for capital asset purchases to be included in the Capital Improvement Plan (CIP).
 - Funding principles for CIP purchases.
 - Guidelines for prioritizing these purchases.
- **Next Steps:** An amendment to the Budgetary Policy will be drafted to cover major improvements and capital purchases. This amendment will be presented to the Board of Directors (BOD) for approval in July.
- **City Manager Feedback:**
 - **City Manager Moe:** Expressed concerns over the proposed threshold of \$25,000 for capital asset purchases, suggesting it be increased to avoid delays. Noted that Manhattan Beach's threshold is \$75,000.
 - **Finance Manager Alfaro:** Explained that Matrix Consulting Group reviewed policies from member cities, and the proposed threshold is lower due to the Authority's size.
 - **City Manager Osorio:** Suggested reviewing past CIP expenditures to better estimate an appropriate threshold. Also inquired about the capitalization threshold for accounting, which is currently \$5,000 and may be updated.
 - **Action:** Interim Director Krok will consider modifying the dollar amount as suggested and incorporate feedback into the policy amendment.

2. **Initial Five-Year Capital Improvement Plan:**

- **Initial Appropriation:** An initial appropriation of \$595,000 from the Enterprise Fund balance is proposed.
- **Assessment and Recommendations:**
 - A report from CSG Consultants assessed the Authority's headquarters and facilities, identifying needed repairs and replacements.
 - The first year of the CIP includes \$595,000 for capital purchases such as radio communication networks, equipment, and facilities.

- The full five-year plan includes:
 - \$800,000 for radios
 - \$800,400 for information technology
 - \$865,000 for facilities
 - \$2,000,000 for the CAD system
 - **Total:** \$4,465,400
 - The Authority's current fund balance is \$6,508,629 (as of June 30, 2023), which includes a 10% Operating & Capital Reserve.
 - **Future Costs:** The CAD system's implementation cost is estimated, with annual maintenance costs expected to be \$400,000 - \$650,000. These will be part of the operating budget and affect assessments.
 - **City Manager Feedback:**
 - **City Manager Norris:** Suggested factoring in inflation for the five-year projection.
 - **City Manager Moe:** Recommended performing a five-year forecast with inflation adjustments for the July meeting.
 - **Finance Manager Alfaro:** Mentioned an attachment with fund balance projections as part of the five-year budget process.
3. **Debt Policy:**
- **Consultant Recommendation:** Matrix Consulting Group recommended adopting a Debt Policy to govern the use of debt for capital asset purchases. The policy may include revenue bonds, loans, and other short-term debt, with guidelines to ensure debt does not exceed the asset's useful life.
 - **City Manager Feedback:**
 - **City Manager Osorio:** Inquired if best practices were considered, suggesting reference to the California Debt and Investment Advisory Commission (CDIAC).
 - **Finance Manager Alfaro:** Confirmed that Matrix is considering best practices and reviewing other member cities' debt policies.
4. **Consensus and Next Steps:**
- **Jennifer Petrusis:** Confirmed that the Interim Executive Director will proceed with the provided direction and prepare to present the updated policies and plans to the Board of Directors.

The Interim Executive Director will move forward with integrating the feedback, finalizing the Budgetary Policy amendment, and preparing detailed reports for the upcoming BOD meeting.

H. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from Meeting – May 21, 2024

MOTION: Chief Lang moved to approve the User Committee Consent Calendar Item 1. The motion was seconded by Chief Johnson and passed by a vote of 4–0.

I. **ITEMS TO BE REMOVED FROM THE CONSENT CALENDAR**

None.

J. **EXECUTIVE DIRECTORS REPORT**

1. **Authority Staffing:**

- **Current Status:** Staffing levels are at 70%.
- **Recent Developments:**
 - Three new dispatchers completed academy training in May and are now in training for phone positions.

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

JUNE 18, 2024

- One dispatcher has successfully completed police dispatch training, which is helping to reduce overtime slots.
 - We currently have three new dispatcher candidates undergoing background checks.
 - **Ongoing Efforts:** We are continuously exploring ways to reduce overtime. Supervisors are being utilized to fill shifts during peak times to assist with staffing needs and overtime management.
2. **Computer Aided Dispatch (CAD) Software and Professional Services Update:**
- **Recent Activities:**
 - Staff conducted an onsite visit with Versaterm in Santa Monica.
 - Two virtual site visits were completed: one with Versaterm in Salt Lake City and another with Central Square JefComm in Colorado.
 - **Next Steps:** We will be meeting with our CAD consultant to review recommendations and make a selection. We anticipate making a decision in July or August.
3. **Status of Pulse Point Implementation:**
- **Current Status:** Pulse Point, a free citizen notification app, is now implemented and operational. This app alerts citizens about fire department calls for service, including the location and responding equipment.
 - **Current Limitations:** Not all features are active due to restrictions of the current CAD system.
4. **Authority Events:**
- **Upcoming Event:** The Authority will be hosting the El Segundo Citizen Academy on Wednesday, June 19, 2024.
5. **Strategic Planning:**
- **Background:** A strategic planning initiative was started during former Executive Director Klun's tenure with the assistance of a consultant.
 - **Current Status:** Interim Executive Director Krok is reviewing the existing reports and will provide an update on the progress soon.
- K. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**
- City Manager Moe inquired if the City of Redondo Beach has shown interest in contracting with the Authority. Interim Director Krok stated the City of Redondo Beach has not contacted the Authority.
- L. **ADJOURNMENT**
- The meeting was adjourned at 2:34PM.

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Check Register FY 2023-24

June 2024

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
June 7, 2024	\$150,077.85	
June 14, 2024	\$181,908.21	
June 21, 2024	\$183,585.58	
June 28, 2024	<u>\$97,942.77</u>	
Accounts Payable Total	\$613,514.41	
<u>Payroll Checks Issued Date</u>		
June 14, 2024	\$210,641.61	includes eligible MOU payoff amounts
June 28, 2024	<u>\$173,183.23</u>	
Payroll Total	\$383,824.84	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
2142	5/24/2024	00411	PITNEY BOWES	3106654440	5/11/2024	OFFICE EQUIPMENT LEASE	170.36	170.36
2143	6/7/2024	00070	GAS COMPANY, THE	059 194 8982 2	6/3/2024	GAS SERVICE HQ/ 4/30/2024-	1,665.15	1,665.15
57905	6/7/2024	00153	ALERTE SYSTEMS INC	A32597	4/9/2024	ALERTE SYSTEMS INC BILLA	4,006.08	4,006.08
57906	6/7/2024	00297	AT&T, ATT CALNET	000021803676	6/3/2024	PHONE SERVICE 5/03/24-6/02	1,118.68	1,118.68
57907	6/7/2024	00014	CDW GOVERNMENT, INC.	RD64463	5/7/2024	CDW-G BILLABLE PARTS	3,002.12	
				RH75597	5/15/2024	CDW-G BILLABLE PARTS	2,995.89	5,998.01
57908	6/7/2024	00017	CHEM PRO LABORATORY, IN	IN152237	6/1/2024	WATER TREATMENT SERVIC	96.05	96.05
57909	6/7/2024	00225	COMMLINE INC	0454562-IN	5/31/2024	COMMLINE INC - SUPPORT	15,000.00	15,000.00
57910	6/7/2024	00008	FEDERAL SIGNAL CORP	8615384	5/21/2024	FEDERAL SIGNAL CORP BILL	47,060.37	
				8601895	5/6/2024	FEDERAL SIGNAL CORP BILL	311.64	47,372.01
57911	6/7/2024	00005	FEDEX	8-509-69877	5/24/2024	EXPRESS MAIL SERV/ 5/20/20	13.52	13.52
57912	6/7/2024	00027	HAVIS INC.	SIN260225	5/3/2024	HAVIS INC BILLABLE PARTS	1,151.82	
				SIN260948	5/9/2024	HAVIS INC BILLABLE PARTS	787.64	
				SIN259133	4/26/2024	HAVIS INC BILLABLE PARTS	783.95	
				SIN260598	5/7/2024	HAVIS INC BILLABLE PARTS	275.50	2,998.91
57913	6/7/2024	00577	JESSICA RAMOS	3163	5/14/2024	VEHICLE MAINTENANCE & D	120.00	120.00
57914	6/7/2024	00799	LA UNIFORMS & TAILORING	21739	5/11/2024	UNIFORM SETS	359.77	
				21775	5/15/2024	UNIFORM SETS	355.61	
				21805	5/18/2024	UNIFORM SETS	335.77	1,051.15
57915	6/7/2024	00331	MITSUBISHI ELECTRIC INC	491553	6/1/2024	HQ MAINTENANCE - ELEVATO	805.30	805.30
57916	6/7/2024	00047	MOTOROLA SOLUTIONS, INC	8281893001	5/15/2024	MOTOROLA SOLUTIONS INC	8,571.94	
				8281892968	5/15/2024	MOTOROLA SOLUTIONS INC	1,888.85	
				8281889727	5/10/2024	MOTOROLA SOLUTIONS INC	1,260.16	11,720.95
57917	6/7/2024	01005	ORKIN PEST CONTROL	260755791	5/8/2024	HQ MAINTENANCE - PEST CO	73.99	73.99
57918	6/7/2024	01022	RACE COMMUNICATIONS	RC1215224	6/1/2024	COMMUNICATION CONTRAC	1,198.50	1,198.50
57919	6/7/2024	00818	RICHARDS,WATSON & GERSI	247929	5/29/2024	FY 23-34 GENERAL COUNSEI	8,028.20	8,028.20
57920	6/7/2024	00145	SETINA MFG CO INC	285685	5/14/2024	SETINA MANUFACTURING CO	4,696.93	4,696.93
57921	6/7/2024	00345	STOMMEL INC.	SI103560	5/20/2024	LEHR AUTO BILLABLE PARTS	5,204.37	5,204.37
57922	6/7/2024	00036	TALLEY INCORPORATED	10448201	5/24/2024	TALLEY INC BILLABLE PARTS	1,768.91	1,768.91
57923	6/7/2024	01109	TRUCKVAULT INC.	269829	4/29/2024	TRUCK VAULT BILLABLE PAR	7,733.37	7,733.37

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
57924	6/7/2024	00171	VERIZON WIRELESS	9964950348	5/23/2024	GPD DAC CHARGES/ 4/24/24-	1,953.02
				9964889698	5/23/2024	DAC CHARGES HPD/ 4/24/24-	1,618.29
				9964874387	5/23/2024	MODEM SVC. MBPD/ 4/24/24	911.86
				9964480921	5/18/2024	CELL PH. CHGS: 4/19/24-5/18,	319.74
				9964874388	5/23/2024	MODEM SVC. MBPD/ 4/24/24-	78.02
							4,880.93
57925	6/7/2024	01065	WAGeworks INC., HEALTHEINV6580639	5/23/2024	WAGework ADMINISTRATION	92.00	92.00
57926	6/7/2024	00063	WHELEN ENGINEERING CO., 488223	4/29/2024	WHELEN ENGINEERING CO	12,911.38	
			490570	5/2/2024	WHELEN ENGINEERING CO	4,746.26	
			490808	5/2/2024	WHELEN ENGINEERING CO	2,419.99	
			490912	5/2/2024	WHELEN ENGINEERING CO	1,441.85	21,519.48
57927	6/7/2024	00067	XCEL MECHANICAL SYSTEMS3520	5/10/2024	FY 23-24 HQ MAINTENANCE	995.00	995.00
Sub total for BANK OF THE WEST:							148,327.85

Bank : bow BANK OF THE WEST

<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>	
57904	6/7/2024	00580	PUN GROUP, LLP, THE	114598	4/30/2024	PROFESSIONAL AUDIT SERV	1,750.00	1,750.00
Sub total for BANK OF THE WEST:							1,750.00	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20759	6/4/2024	00696	GUARDIAN	533654-06	5/22/2024	GUARDIAN - DENTAL, VISION	7,254.36	7,254.36
20760	6/12/2024	00058	CALPERS	1000000175479	5/14/2024	HEALTH PREMIUMS FOR JUN	60,400.21	60,400.21
20761	6/14/2024	00219	INTERNAL REVENUE SERVICE	Ben38396	6/14/2024	FEDERAL WITHHOLDING TAX	46,862.15	46,862.15
20762	6/14/2024	00223	EMPLOYMENT DEVELOPMENT DEPT	Ben38400	6/14/2024	STATE DISABILITY INSURANCE	17,846.12	17,846.12
20763	6/14/2024	00222	STATE DISBURSEMENT UNIT	Ben38404	6/14/2024	SUPPORT: PAYMENT	184.62	184.62
20764	6/14/2024	00058	CALPERS	Ben38398	6/14/2024	PERS RETIREMENT: PAYMENT	34,613.19	34,613.19
20765	6/14/2024	00221	MISSIONSQUARE RETIREMENT	Ben38394	6/14/2024	DEFERRED COMPENSATION	12,720.65	12,720.65
57928	6/14/2024	00217	CALIFORNIA TEAMSTERS UNION	Ben38392	6/14/2024	UNION DUES TEAMSTERS: PAYMENT	1,106.50	1,106.50
57929	6/14/2024	00218	CWA LOCAL 9400	Ben38390	6/14/2024	UNION DUES CWA: PAYMENT	170.34	170.34
57930	6/14/2024	00996	WAGeworks INC., HEALTHCARE	Ben38402	6/14/2024	HEALTH CARE FSA: PAYMENT	750.07	750.07
Sub total for BANK OF THE WEST:							181,908.21	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
2144	6/21/2024	00012	CALIFORNIA WATER SERVICE	5550731926	5/31/2024	FIRE PROTECTION SERVICE	104.45	104.45
2145	6/21/2024	00651	FRONTIER	209-188-0077-04	6/1/2024	PHONE SERVICE 6/1/24 - 6/30	337.87	337.87
2146	6/21/2024	00069	SOUTHERN CALIFORNIA EDI	700440732476	6/12/2024	ELEC SERV / 5/2/24 - 6/9/24	14,251.65	
				700610392752	6/4/2024	ELECT SERV GRANDVIEW/ 5	239.49	14,491.14
2147	6/21/2024	00073	STATE BOARD OF EQUALIZA	012-655960	6/21/2024	SALES & USE TAX 2024 Q2 PI	1,176.00	1,176.00
2148	6/21/2024	00621	FIRST BANKCARD					
		00714	DOOR DASH	051624	5/16/2024	EMPLOYEE SERVICES	36.20	
		00523	CALIFORNIA CHAMBER OF C	11797402	5/22/2024	TRAINING	34.99	
		00854	MANHATTAN POSTAL CENTE	I373455	5/7/2024	RECRUITMENT	32.50	
		00466	AMAZON MARKETPLACE	113-8642909-13	5/8/2024	OFFICE SUPPLIES	22.04	
		00466	AMAZON MARKETPLACE	114-3518984-78	5/14/2024	JANITORIAL SUPPLIES	22.04	
		00872	URTH CAFFE	0462	5/23/2024	EMPLOYEE SERVICES - NEW	20.84	
		00872	URTH CAFFE	0470	5/23/2024	EMPLOYEE SERVICES - NEW	18.41	
		00826	LA TIMES	042024	5/20/2024	LA TIMES MONTHLY SUBSC	15.96	
		00466	AMAZON MARKETPLACE	113-6955917-71	5/10/2024	OFFICE SUPPLIES	15.44	
		01112	CRICUT INC.	060525	5/26/2024	SOFTWARE SERVICE - CRIC	11.01	
		00872	URTH CAFFE	0455	5/23/2024	EMPLOYEE SERVICES - NEW	7.66	
		01117	GOODY TECHNOLOGIES INC	9308	5/23/2024	EMPLOYEE RECOGNITION S	1,992.00	
		00523	CALIFORNIA CHAMBER OF C	11795937	5/8/2024	TRAINING	1,269.47	
		00259	CPR TODAY INC	1127447	5/8/2024	TRAINING	500.00	
		00487	B & H PHOTOVIDEO.COM	1105406707	5/3/2024	OFFICE EQUIPMENT	484.47	
		00466	AMAZON MARKETPLACE	114-4948417-82	5/16/2024	PARTS - BILLING	470.47	
		00981	SAM'S CLUB	10166572278	4/29/2024	EMPLOYEE WELLNESS PRO	465.97	
		00466	AMAZON MARKETPLACE	114-5593848-02	5/2/2024	PARTS - BILLING	450.63	
		00228	COSTCO MEMBERSHIP	1110884355	5/9/2024	JANITORIAL SUPPLIES	419.95	
		00228	COSTCO MEMBERSHIP	1113549867	5/21/2024	JANITORIAL SUPPLIES	310.84	
		00052	PARADISE AWARDS	36185	5/29/2024	EMPLOYEE SERVICES - ANN	291.17	
		00610	DIRECTV	065190124X240	5/5/2024	CABLE SERVICE	251.98	
		01036	CLOUDFLARE INC.	IN-2920443	5/28/2024	SOFTWARE SERVICES	250.00	
		00466	AMAZON MARKETPLACE	114-7736052-28	5/3/2024	PARTS - BILLING	167.52	
		00981	SAM'S CLUB	10166989393	4/28/2024	EMPLOYEE SERVICES - NATI	143.57	
		00466	AMAZON MARKETPLACE	113-0299528-51	5/9/2024	OFFICE SUPPLIES	109.70	
		00466	AMAZON MARKETPLACE	114-8322824-74	5/12/2024	OFFICE SUPPLIES	104.21	
		01047	GODADDY	3058751185	4/29/2024	WEBSITE HOSTING SERVICE	99.99	

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
		00761 BOX	INV11894423	5/26/2024	SOFTWARE SERVICES	90.00	
		01047 GODADDY	572539777	5/23/2024	MONTHLY WEBSITE HOSTIN	79.99	
		00228 COSTCO MEMBERSHIP	111537250	5/29/2024	EMPLOYEE WELLNESS PRO	72.56	
		00466 AMAZON MARKETPLACE	042924	4/29/2024	OFFICE SUPPLIES	68.27	
		00872 URTH CAFFE	0450	5/23/2024	EMPLOYEE SERVICES - NEV	51.54	
		00466 AMAZON MARKETPLACE	114-9460477-79	5/14/2024	OFFICE SUPPLIES	46.48	
		01046 PELOTON	050124	5/1/2024	EMPLOYEE SERVICES	44.00	8,471.87
57931	6/21/2024	00810 & ASSOCIATES, MAX PARKE	9938	6/10/2024	WEBSITE MAINTENANCE SE	250.00	250.00
57932	6/21/2024	00297 AT&T, ATT CALNET	000021852292	6/13/2024	PHONE SERV 5/13/24-6/12/24	3,220.98	
			000021859490	6/13/2024	PHONE SERV 5/13/24-6/12/24	266.42	
			000021856427	6/13/2024	PHONE SERV 5/13/24-6/12/24	244.12	3,731.52
57933	6/21/2024	00064 AT&T, ATT PAYMENT CENTER	960 461-1623 55	6/1/2024	PHONE SERVICE 6/01/2024-6	2,363.02	2,363.02
57934	6/21/2024	00014 CDW GOVERNMENT, INC.	RN98932	5/31/2024	CDW-G BILLABLE PARTS	4,640.22	4,640.22
57935	6/21/2024	00439 CIT COM, INC.	2024-06	5/8/2024	CAD SYSTEM CONSULTANT	7,040.00	7,040.00
57936	6/21/2024	00101 CORDOVA, TONY	062124	6/21/2024	RETIREE MED PREM/JULY 20	593.00	593.00
57937	6/21/2024	00081 COSTON, SHANDER	062124	6/21/2024	RETIREE MED PREM/JULY 20	343.00	343.00
57938	6/21/2024	00879 CROWN CASTLE	1582439	6/1/2024	REDUNDANT INTERNET SER	1,100.00	1,100.00
57939	6/21/2024	00103 DIVINITY, TANJI	062124	6/21/2024	RETIREE MED PREM/JULY 20	593.00	593.00
57940	6/21/2024	00785 EXPERIAN	61390	6/2/2024	CREDIT CHCEK	32.24	32.24
57941	6/21/2024	00106 FARLEY, SANDRA	062124	6/21/2024	RETIREE MED PREM/JULY 20	343.00	343.00
57942	6/21/2024	00008 FEDERAL SIGNAL CORP	8548770	3/8/2024	FEDERAL SIGNAL CORP BILL	21,528.70	
			8619443	5/24/2024	FEDERAL SIGNAL CORP BILL	13,224.00	
			8627831	6/4/2024	FEDERAL SIGNAL CORP BILL	714.00	
			8621276	5/28/2024	FEDERAL SIGNAL CORP BILL	485.48	
			8623656	5/30/2024	FEDERAL SIGNAL CORP BILL	414.46	
			8619621	5/24/2024	FEDERAL SIGNAL CORP BILL	394.50	
			8632122	6/7/2024	FEDERAL SIGNAL CORP BILL	36.57	36,797.71
57943	6/21/2024	00651 FRONTIER	7002Z664-S-241	6/5/2024	PHONE SERV 6/05/24-7/04/24	735.11	
			7002Z665-S-241	6/5/2024	PHONE SERV 6/05/24-7/04/24	505.28	1,240.39
57944	6/21/2024	00027 HAVIS INC.	SIN263547	5/30/2024	HAVIS INC BILLABLE PARTS	853.71	
			SIN262883	5/23/2024	HAVIS INC BILLABLE PARTS	583.43	
			SIN263281	5/28/2024	HAVIS INC BILLABLE PARTS	223.06	1,660.20
57945	6/21/2024	00148 HAWTHORNE, CITY OF	IT-23-04-rcc	6/17/2024	COMPUTER CONTRACT SER	50,000.00	50,000.00
57946	6/21/2024	00867 JOE MAR POLYGRAPH	2024-06-006	6/6/2024	PRE-EMPLOYMENT POLYGR	750.00	
			2024-06-008	6/8/2024	PRE-EMPLOYMENT POLYGR	250.00	1,000.00

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
57947	6/21/2024	01106	JOSE CONSTANTINO VALDES	IN1176	6/6/2024	MONTHLY LANDSCAPING SE	450.00	450.00
57948	6/21/2024	00442	LAWSON PRODUCTS, INC.	9311407786	3/26/2024	LAWSON PRODUCTS BILLAB	264.25	264.25
57949	6/21/2024	00113	MARTIN, LISA	062124	6/21/2024	RETIREE MED PREM/JULY 20	343.00	343.00
57950	6/21/2024	00047	MOTOROLA SOLUTIONS, INC	8281901142	5/28/2024	MOTOROLA SOLUTIONS INC	1,411.91	1,411.91
57951	6/21/2024	01044	ON POWER INDUSTRIES LLC	1465	2/29/2024	HQ MAINTENANCE - GENERA/	14,656.13	
				1468	3/3/2024	HQ MAINTENANCE~	6,450.00	21,106.13
57952	6/21/2024	00121	PINELA, ELIZABETH	062124	6/21/2024	RETIREE MED PREM/JULY 20	593.00	593.00
57953	6/21/2024	00060	RIVERA, JOSE	062124	6/21/2024	RETIREE MED PREM/JULY 20	747.95	747.95
57954	6/21/2024	00145	SETINA MFG CO INC	286864	6/4/2024	SETINA MANUFACTURING CO	109.58	109.58
57955	6/21/2024	00034	STEVENS, GARY	062124	6/21/2024	RETIREE MED PREM/JULY 20	593.00	593.00
57956	6/21/2024	00345	STOMMEL INC.	SI104356	6/3/2024	LEHR AUTO BILLABLE PARTS	1,505.48	1,505.48
57957	6/21/2024	00036	TALLEY INCORPORATED	10448579	6/6/2024	TALLEY INC BILLABLE PARTS	1,381.26	1,381.26
57958	6/21/2024	00150	WATTCO	64021	6/3/2024	WATTCO BILLABLE PARTS	313.94	313.94
57959	6/21/2024	01028	WESTIN AUTOMOTIVE PROD	2161114	6/3/2024	WESTIN AUTOMATIVE BILLAI	67.60	67.60
57960	6/21/2024	00063	WHELEN ENGINEERING CO.,	507913	5/31/2024	WHELEN ENGINEERING CO I	531.85	531.85
57961	6/21/2024	00067	XCEL MECHANICAL SYSTEMS	3469	4/29/2024	FY 23-24 HQ MAINTENANCE	8,030.00	8,030.00
Sub total for BANK OF THE WEST:							173,757.58	

Bank : bow BANK OF THE WEST

<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>	
57962	6/21/2024	00417	INFORMER SYSTEMS LLC	6198	6/18/2024	SCHEDULE EXPRESS ANNUA	9,828.00	9,828.00
Sub total for BANK OF THE WEST:							9,828.00	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20766	6/28/2024	00219	INTERNAL REVENUE SERVICE	Ben38506	6/28/2024	FEDERAL WITHHOLDING TAX	33,093.45	33,093.45
20767	6/28/2024	00223	EMPLOYMENT DEVELOPMENT	Ben38510	6/28/2024	STATE DISABILITY INSURANCE	13,604.53	13,604.53
20768	6/28/2024	00222	STATE DISBURSEMENT UNIT	Ben38514	6/28/2024	SUPPORT: PAYMENT	184.62	184.62
20769	6/28/2024	00058	CALPERS	Ben38508	6/28/2024	PERS RETIREMENT: PAYMENT	34,112.67	34,112.67
20770	6/28/2024	00221	MISSIONSQUARE RETIREMENT	Ben38504	6/28/2024	DEFERRED COMPENSATION	12,719.95	12,719.95
57963	6/28/2024	00002	AFLAC	Ben38498	6/28/2024	AFLAC INSURANCE: PAYMENT	2,258.14	2,258.14
57964	6/28/2024	00217	CALIFORNIA TEAMSTERS UNION	Ben38502	6/28/2024	UNION DUES TEAMSTERS: PAYMENT	1,049.00	1,049.00
57965	6/28/2024	00218	CWA LOCAL 9400	Ben38500	6/28/2024	UNION DUES CWA: PAYMENT	170.34	170.34
57966	6/28/2024	00996	WAGeworks INC., HEALTHCARE	Ben38512	6/28/2024	HEALTH CARE FSA: PAYMENT	750.07	750.07
Sub total for BANK OF THE WEST:							97,942.77	

J-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J - 3

TO: Executive Committee

FROM: John Krok, Acting Executive Director

SUBJECT: RATIFY ACTION BY THE EXECUTIVE DIRECTOR TO BIND AND APPROVE FISCAL YEAR 2024/2025 INSURANCE POLICIES PROPOSED BY ALLIANT INSURANCE SERVICES, INC. FOR INSURANCE NECESSARY TO PROTECT THE AUTHORITY AND ITS MEMBER AGENCIES; AND

RATIFY ACTION BY THE EXECUTIVE DIRECTOR TO APPROVE CORRESPONDING PURCHASE ORDERS IN AN AMOUNT NOT TO EXCEED \$383,153.00

ATTACHMENTS: 1. Executive Summary of Insurance Proposal
2. Alliant Insurance Proposal Package

RECOMMENDATION

Staff recommends the Executive Committee ratify the actions taken by the Executive Director to bind and to approve Fiscal Year 2024-2025 insurance policies as proposed by Alliant Insurance Services, Inc. for insurance necessary to protect the Authority and its member agencies and to approve corresponding purchase orders in an amount not to exceed \$383,153.00.

BACKGROUND

The Authority's Bylaws provide the Executive Committee with the powers and duties to purchase, and maintain in force, public liability insurance for the Authority and its officers, agents and employees. The Bylaws also require the Authority to obtain and to maintain workers' compensation insurance, liability insurance, and other such insurance as deemed necessary by the Executive Committee to fully protect the Authority and each of the member agencies.

DISCUSSION

The Authority received proposals for insurance renewals from Alliant Insurance Services, Inc. (“Alliant”). A summary of these proposals is as follows:

Line of Coverage	FY23/24 Coverage	FY24/25 Proposed Coverage	
	Premium	Premium	Δ%
Workers' Compensation	\$91,057	\$110,691	21.56
Excess Liability	\$86,072	\$90,113	4.70
General / Professional Liability	47,206	\$48,257	2.23
Earthquake Coverage	\$37,017	\$38,693	4.53
Public Officials & Employment Practices Liability	\$30,223	\$32,679	8.13
Property	\$28,289	\$30,794	8.86
Cyber Liability	\$15,048	\$12,943	(13.99)
Commercial Auto Coverage	\$12,481	\$8,729	(30.06)
Deadly Weapons Coverage	\$6,099	\$5,868	(3.79)
Garage Keepers Coverage	\$2,042	\$2,091	2.42
Government Crime Coverage	\$1,823	\$1,924	5.54
Auto Physical Damage	\$387	\$370	(4.39)
Totals	\$357,744	\$383,153	7.10

The total cost of the Fiscal Year 2024-2025 insurance program was proposed at \$383,153.00 which is a 7.10% increase over the prior year. Workers Compensation was the most significant increase. This is due to our Ex-Mod increasing from .96 to 1.98. Experience Modification Rating is based on the Authority's most recent 3 years' workers comp claims. The Fiscal Year 2024-2025 insurance policies are about 12% under budget. The FY24-25 adopted budget for the binding of all policies was \$434,716.

On July 10, 2024, we discovered a security incident that involved unauthorized access and encryption of data on a segment of our computer network that manages our internal business administration. Because of this incident, staff was unable to follow the usual process of presenting the proposals for insurance renewals to the Executive Committee for approval and authorization. The Executive Director executed the agreement to ensure there would be no lapse in coverage. Accordingly, staff brings this matter before the Executive Committee at this time and requests that the Committee ratify the actions taken by the Executive Director to bind and to approve Fiscal Year 2024-2025 insurance policies with Alliant in an amount not to exceed \$383,153.00

FISCAL IMPACT

Funds for the premiums for the proposed insurance policies are available in the adopted Fiscal Year 2024-2025 budget (Accounts #5207 Workers' Compensation Insurance and #5513 General Liability Insurance).

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Attachment 1

24-25 Executive Summary - South Bay Regional Public Communications Authority

Line of Coverage	2023/2024 Expiring Cost	2024/2025 Budget as of 1-25-24	2024/2025 Renewal Cost	Variance	NOTES
General Liability/Police Professionals (Law Enforcement Liability)	\$47,206	\$56,647	\$48,257.29	2.23%	
Public Officials (D&O)/Employment Practices Liability	\$30,223	\$36,269	\$32,679.17	8.13%	
Excess Liability Expiring: LEL \$7M xs \$3M Renewal: LEL \$2M xs \$3M & \$5M xs \$5M	\$65,835	\$79,002	\$68,262.01	3.69%	
Excess Liability (POL, EPLI \$5M xs \$5M)	\$20,237	\$24,284	\$21,851.46	7.98%	
Auto Liability	\$12,481	\$16,225	\$8,729.28	-30.06%	Direct through Progressive Online: \$4,019.64 each 6 months.
Alliant Mobile Vehicle Program (AMVP)	\$387	\$464	\$370.00	-4.39%	
GarageKeepers	\$2,042	\$2,348	\$2,091.46	2.42%	
Workers' Compensation	\$91,057	\$104,716	\$110,691.00	21.56%	Ex-Mod increased from .96 to 1.98
Special Property Insurance Program (SPIP)	\$28,289	\$35,644	\$30,794.28	8.86%	
Alliant Crime Insurance Program (ACIP)	\$1,823	\$2,005	\$1,924.00	5.54%	
Alliant Deadly Weapons Response Program (ADWRP)	\$6,099	\$6,709	\$5,867.85	-3.79%	
PRISM Cyber Liability Program	\$15,048	\$20,000	\$12,943.00	-13.99%	
Difference In Conditions (earthquake)	\$37,017	\$46,641	\$38,692.50	4.53%	
Total Cost :	\$357,743.51	\$430,954	\$383,153.00	7.10%	

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Attachment 2



South Bay Regional Public Communications Authority

Package Insurance Proposal

Presented by:

Courtney Ramirez
Senior Vice President

Date Presented: June 10, 2024

Alliant Insurance Services, Inc.
18100 Von Karman Avenue 10th Floor
Irvine, CA 92612
O 949 756 0271

CA License No. 0C36861

www.alliant.com

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Alliant Advantage

	Alliant	Competition
90 years of leadership in meeting the insurance needs of businesses and public entities across the US.	✓	
National presence with best-in-class resources and expertise.	✓	
Privately owned and operated.	✓	
Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship.	✓	
A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health.	✓	
A diverse team of industry specialists who understand the unique needs of your business.	✓	
Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing	✓	
State-licensed support staff.	✓	
A full-service approach that includes risk management services to help identify hazards and present options.	✓	
Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Courtney Ramirez
Senior Vice President

cramirez@alliant.com

Phone: 949 660 8133

Donald Caskey
Account Manager Lead

Donald.Caskey@alliant.com

Phone: 949 527 9641

Named Insured

South Bay Regional Public Communications Authority

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Premium Summary

Coverage	Expiring Premium		Renewal Premium	
Law Enforcement Liability	\$	47,205.88	\$	48,510.08
Public Officials & Employment Practices Liability	\$	30,223.49	\$	32,679.17
Excess Law Enforcement Liability - \$7M excess of \$3M	\$	65,835.03	\$	67,262.01
Excess Public Officials & Employment Practices Liability - \$5M excess of \$5M	\$	20,236.69	\$	21,851.46
Difference In Conditions	\$	37,016.86	\$	38,692.50
Workers Compensation and Employers Liability	\$	91,057.00	\$	110,691.00
Commercial Auto	\$	12,480.65	\$	8,039.28*
Garage Keepers	\$	2,041.93	\$	2,091.46
TOTAL	\$	306,097.53	\$	329,564.17

*Direct quote through Progressive Online: \$4,019.64 each 6 months.

Payment Terms

- Agency Bill
- Payment Plan: Annual

Options

- Excess Law Enforcement Liability - \$7M excess of \$3M Kinsale Insurance Company Option with \$69,967.39 premium.

Law Enforcement Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Indian Harbor Insurance Company	Indian Harbor Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of November 9, 2022	A+ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of September 7, 2023
Standard & Poor's Rating	AA- (Very Strong) as of March 20, 2023	AA- (Very Strong) as of March 7, 2024
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024	July 1, 2024 to July 1, 2025
Policy #	PPL0953903-04	TBD

Coverage Form	Police Professional Liability Insurance Coverage Form –PGU PPL CM 2001 0417 – Claims Made	Police Professional Liability Insurance Coverage Form –PGU PPL CM 2001 0417 – Claims Made
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Retro Active Date	July 1, 2014	July 1, 2014
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Prior/Pending Litigation Date	July 1, 2019	July 1, 2019
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Limits

Maximum Limit of Liability	\$ 3,000,000 Each Claim	\$ 3,000,000 Each Claim
Maximum Aggregate Limit of Liability	\$ 3,000,000	\$ 3,000,000

Retention	\$ 15,000 Each Claim Including Loss Adjustment Expense	\$ 15,000 Each Claim Including Loss Adjustment Expense
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Defense Inside/Outside the Limit	Outside the Limit	Outside the Limit
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Law Enforcement Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Who has the Duty to Defend	Insurer	Insurer
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Import Information to Policyholders – California – PN CA 02 01 17 • Notice to Policyholder – California Surplus Lines Notice – PN CA 05 01 17 • Notice to Policyholder – California Surplus Lines Important Notice – PN CA 05 01 20 • Notice to Policyholders – Fraud Notice – PN CW 01 01 22 • Notice to Policyholders - Privacy Policy – PN CW 02 01 19 • Notice to Policyholders – U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – PN CW 05 05 19 • Additional Insureds, for Acts of Existing Insureds – PGU 1001 04 17 • Moonlighting Exclusion – PGU PPL 1026 04 17 • Prior and Pending Litigation Exclusion – PGU PPL CM 1027 04 17 • Minimum Earned Premium – PGU PPL CM 1053 04 17 • US Professional Indemnity – Cyber Exclusion – PGU 1133 01 22 • Service of Process – XL-CASOP 11 10 	<ul style="list-style-type: none"> • Import Information to Policyholders – California – PN CA 02 01 17 • Notice to Policyholder – California Surplus Lines Notice – PN CA 05 01 17 • Notice to Policyholder – California Surplus Lines Important Notice – PN CA 05 01 20 • Notice to Policyholders – Fraud Notice – PN CW 01 01 22 • Notice to Policyholders – Privacy Policy – PN CW 02 01 19 • Notice to Policyholders – U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – PN CW 05 05 19 • Additional Insureds, for Acts of Existing Insureds – PGU 1001 04 17 • Moonlighting Exclusion – PGU PPL 1026 04 17 • Prior and Pending Litigation Exclusion – PGU PPL CM 1027 04 17 • Minimum Earned Premium – PGU PPL CM 1053 04 17 • US Professional Indemnity – Cyber Exclusion – PGU 1133 01 22 • Service of Process – XL-CASOP 11 10

Law Enforcement Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA	\$ 45,506.00 Policy Premium \$ 245.00 Carrier Fee (Fully Earned) \$ 1,372.53 CA Surplus Lines Tax (3%) \$ 82.35 CA Stamping Fee (0.18%) \$ 47,205.88 Total Cost	\$ 46,770.00 Policy Premium \$ 245.00 Carrier Fee (Fully Earned) \$ 1,410.45 CA Surplus Lines Tax (3%) \$ 84.63 CA Stamping Fee (0.18%) \$ 48,510.08 Total Cost
Total Cost Including TRIA	Not Applicable	Not Applicable
Minimum Earned Premium	25%	25%
Extended Reporting Period	<ul style="list-style-type: none"> • 1 Year @ 70% of Additional Premium • 2 Years @ 100% of Additional Premium • 3 Years @ 150% of Additional Premium 	<ul style="list-style-type: none"> • 1 Year @ 70% of Additional Premium • 2 Years @ 100% of Additional Premium • 3 Years @ 150% of Additional Premium
Policy Auditable	Not Auditable	Not Auditable
Conditions	No Flat Cancellations.	<ul style="list-style-type: none"> • No Flat Cancellations. • Engineering Fee is Non-Refundable. • Backdating of Coverage is Not Allowed.
Quote Valid Until	No Longer Applicable	July 1, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Public Officials & Employment Practices Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Indian Harbor Insurance Company	Indian Harbor Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of November 9, 2022	A+ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of September 7, 2023
Standard & Poor's Rating	AA- (Very Strong) as of March 20, 2023	AA- (Very Strong) as of March 7, 2024
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024	July 1, 2024 to July 1, 2025
Policy #	POL0953904-04	TBD

Coverage Form	Public Officials Liability and Employment Practices Liability Insurance Coverage Form – PGU POL 2001 0417 – Claims Made	Public Officials Liability and Employment Practices Liability Insurance Coverage Form – PGU POL 2001 0417 – Claims Made
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Retro Active Date	July 1, 2014	July 1, 2014
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Limits

Policy Aggregate	\$ 5,000,000	\$ 5,000,000
Public Officials Management	\$ 5,000,000	\$ 5,000,000
Employment Practices Liability	\$ 5,000,000	\$ 5,000,000
Non-Monetary Coverage – Defense Only	\$ 50,000	\$ 50,000
Non-Monetary Coverage – Defense Only Aggregate	\$ 100,000	\$ 100,000
Crisis Management	\$ 25,000	\$ 25,000

Public Officials & Employment Practices Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Retention		
All Coverage, except	\$ 35,000	\$ 35,000
Crisis Management	\$ 5,000	\$ 5,000
Defense Inside/Outside the Limit	Outside the Limit – Subject to Non-Monetary Coverage Limit	Outside the Limit – Subject to Non-Monetary Coverage Limit
Who has the Duty to Defend	Insurer	Insurer
Features/Enhancements	<ul style="list-style-type: none"> • Punitive Damages • Personal Injury • Third Party Wrongful Acts • Back Pay / Front Pay • Loss of Earnings 	<ul style="list-style-type: none"> • Punitive Damages • Personal Injury • Third Party Wrongful Acts • Back Pay / Front Pay • Loss of Earnings
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Import Information to Policyholders – California – PN CA 02 01 17 • Notice to Policyholder – California Surplus • Lines Notice – PN CA 05 01 17 • Notice to Policyholder – California Surplus Lines Important Notice – PN CA 05 01 20 • Notice to Policyholders – Fraud Notice – PN CW 01 01 22 • Notice to Policyholders – Privacy Policy – PN CW 02 01 19 • Notice to Policyholders – U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – PN CW 05 05 19 	<ul style="list-style-type: none"> • Import Information to Policyholders – California – PN CA 02 01 17 • Notice to Policyholder – California Surplus • Lines Notice – PN CA 05 01 17 • Notice to Policyholder – California Surplus Lines Important Notice – PN CA 05 01 20 • Notice to Policyholders – Fraud Notice – PN CW 01 01 22 • Notice to Policyholders – Privacy Policy – PN CW 02 01 19 • Notice to Policyholders – U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – PN CW 05 05 19

Public Officials & Employment Practices Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions - Continued (including but not limited to)	<ul style="list-style-type: none"> • Additional Insureds, for Acts of Existing Insureds – PGU 1001 04 17 • Minimum Earned Premium Upon Cancellation – PGU 1052 04 17 • US Professional Indemnity – Cyber Exclusion – PGU 1133 01 22 • Service of Process – XL-CASOP 11 10 	<ul style="list-style-type: none"> • Additional Insureds, for Acts of Existing Insureds – PGU 1001 04 17 • Minimum Earned Premium Upon Cancellation – PGU 1052 04 17 • US Professional Indemnity – Cyber Exclusion – PGU 1133 01 22 • Service of Process – XL-CASOP 11 10 • Consumer Protection Laws Exclusion Endorsement – PGU 1140 11 23
Total Cost Excluding TRIA	\$ 29,047.00 Policy Premium \$ 245.00 Carrier Policy Fee (fully earned) \$ 878.76 CA Surplus Lines Tax (3%) \$ 52.73 CA Stamping Fee (0.18%) \$ 30,223.49 Total Cost	\$ 31,427.00 Policy Premium \$ 245.00 Carrier Policy Fee (fully earned) \$ 950.16 CA Surplus Lines Tax (3%) \$ 57.01 CA Stamping Fee (0.18%) \$ 32,679.17 Total Cost
Total Cost Including TRIA	Not Applicable	Not Applicable
Minimum Earned Premium	25%	25%
Extended Reporting Period	<ul style="list-style-type: none"> • 1 Year@ 70% of Additional Premium • 2 Years@ 100% of Additional Premium • 3 Years@ 150% of Additional Premium 	<ul style="list-style-type: none"> • 1 Year@ 70% of Additional Premium • 2 Years@ 100% of Additional Premium • 3 Years@ 150% of Additional Premium
Policy Auditable	Not Auditable	Not Auditable
Conditions	No Flat Cancellations.	<ul style="list-style-type: none"> • No Flat Cancellations. • Engineering Fee is Non-Refundable.

Public Officials & Employment Practices Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Conditions – Continued		<ul style="list-style-type: none">• Backdating of coverage is not allowed.
Quote Valid Until	No Longer Applicable	July 1, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M

	Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
Insurance Company	Kinsale Insurance Company	Kinsale Insurance Company	<ul style="list-style-type: none"> Kinsale Insurance Company - \$2M Arch Specialty Insurance Company - \$5M
A.M. Best Rating	A (Excellent), Financial Size Category: XI (\$750 Million to \$1 Billion) as of June 23, 2022	A (Excellent), Financial Size Category: XII (\$1 Billion to Less than 1.25 Billion) as of July 21, 2023	<ul style="list-style-type: none"> A (Excellent), Financial Size Category: XII (\$1 Billion to Less than 1.25 Billion) as of July 21, 2023 A+ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of March 11, 2024
Standard & Poor's Rating	Not Rated	Not Rated	<ul style="list-style-type: none"> Not Rated A+ (Strong) as of January 29, 2024
California Status	Non-Admitted	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024	July 1, 2024 to July 1, 2025	July 1, 2024 to July 1, 2025
Policy #	0100196305-1	TBD	TBD

Coverage Form	Excess Follow Form Liability Insurance Policy - PEX0001-1021 – Claims Made	Excess Follow Form Liability Insurance Policy - PEX0001-1021 – Claims Made	<ul style="list-style-type: none"> Excess Follow Form Liability Insurance Policy - PEX0001-1021 – Claims Made Excess Third Party Liability Policy - 00 EXT0020 00 09 11 – Claims Made
Retro Date	July 1, 2014	July 1, 2014	July 1, 2014
Limits	\$ 7,000,000 Each Occurrence \$ 7,000,000 Aggregate	\$ 7,000,000 Each Occurrence \$ 7,000,000 Aggregate	\$ 7,000,000 Each Occurrence \$ 7,000,000 Aggregate

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

	Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
Underlying Coverages & Limits	Carrier: Indian Harbor Insurance Company Policy Term: 7/1/2023 to 7/1/2024 Coverage Form: Claims Made (Retro Date: 7/1/2014) \$ 3,000,000 Each Claim \$ 3,000,000 Aggregate	Carrier: Indian Harbor Insurance Company Policy Term: 7/1/2024 to 7/1/2025 Coverage Form: Claims Made (Retro Date: 7/1/2014) \$ 3,000,000 Each Claim \$ 3,000,000 Aggregate	Carrier: Indian Harbor Insurance Company Policy Term: 7/1/2024 to 7/1/2025 Coverage Form: Claims Made (Retro Date: 7/1/2014) \$ 3,000,000 Each Claim \$ 3,000,000 Aggregate
Defense Inside/Outside the Limit	Inside the Limit	Inside the Limit	Kinsale: Inside the Limit Arch: Outside the Limit
Who has the Duty to Defend	Insurer	Insurer	Kinsale: Insurer Arch: Insurer
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> Notice - Where to Report A Claim – ADF9013-0323 Schedule of Underlying Insurance - PEX1001-0323 Limitation of Coverage to Specified Coverage Section of Followed Policy - PEX2000-0622 Exclusion - Prior or Pending Litigation (7/1/2022) - PEX3000-0323 Exclusion - Pathogen and Related Hazards - EX3001-1021 Exclusion - Cyber-Attack - PEX3006-1021 	<ul style="list-style-type: none"> Notice - Where to Report A Claim – ADF9013-0323 Schedule of Underlying Insurance - PEX1001-0323 Limitation of Coverage to Specified Coverage Section of Followed Policy - PEX2000-0622 Exclusion - Prior or Pending Litigation (7/1/2022) - PEX3000-0323 Exclusion - Pathogen and Related Hazards - EX3001-1021 Exclusion - Cyber-Attack - PEX3006-1021 	Kinsale Insurance Company <ul style="list-style-type: none"> Notice - Where to Report A Claim – ADF9013-0323 Schedule of Underlying Insurance - PEX1001-0323 Limitation of Coverage to Specified Coverage Section of Followed Policy - PEX2000-0622 Exclusion - Prior or Pending Litigation (7/1/2022) - PEX3000-0323 Exclusion - Pathogen and Related Hazards - EX3001-1021 Exclusion - Cyber-Attack - PEX3006-1021

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

Endorsement & Exclusions - Continued (including but not limited to)

Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
<ul style="list-style-type: none"> U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders - ADF9009-0110 	<ul style="list-style-type: none"> U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders - ADF9009-0110 Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) PEX3014-0324 Exclusion - Medical or Health Care Service PEX3013-0324 Policy Changes (Exclusion - Fire, Ambulance, or EMS dispatching services Exact Wording TBD) IL1201-1185 	<ul style="list-style-type: none"> U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders - ADF9009-0110 Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) PEX3014-0324 <p>Arch Specialty Insurance Company</p> <ul style="list-style-type: none"> Excess Third Party Liability Policy Schedule A – Schedule of Underlying Insurance (Excess) 06 EXT0022 00 03 07 Commercial Excess Third Party Liability Policy Schedule of Endorsements. - Arch Specialty 06 EXT0021 00 03 07 Claims Handling Procedures 06 ML0014 00 03 08 U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") 00 ML0065 00 06 07 Service of Suit 00 ML0003 00 04 12 Lead Hazard Exclusion 00 EXT0014 00 09 11 Fungi And Bacteria Hazard Exclusion 00 EXT0151 00 09 11 Excess/Umbrella Policy Underlying Insurance Notice 00 ML0243 00 07 13

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
<p>Endorsement & Exclusions - Continued (including but not limited to)</p>		<ul style="list-style-type: none"> • Silica Exclusion 00 EXT0128 00 09 11 • Amendment of Limits of Insurance (Public Entities) - \$5M Each Occurrence / \$5M General Aggregate / item (c): \$5M 00 EXT0254 00 06 16 • Anti-Stacking Endorsement 00 EXT0027 00 09 11 • California Important Notice 00 ML0213 05 01 20 • Communicable Disease Exclusion 00 EXT0092 00 09 11 • Automobile Liability Exclusion 00 EXT0146 00 07 04 • Advisory Notice to Policyholders Excess Follow Form Endorsements Addressing Cyber and Data Privacy 00 EXL0029 00 12 23 • Exclusion – Violation of Law Addressing Data Privacy 00 EXL0026 00 12 23 • Exclusion – Access or Disclosure of Confidential or Personal Material or Information 00 EXL0025 00 12 23 • Exclusion – Electronic Data 00 EXL0027 00 12 23 • Exclusion – Cyber Incident 00 EXL0030 00 12 23

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
<p>Endorsement & Exclusions - Continued (including but not limited to)</p>		<ul style="list-style-type: none"> • Designated Operations Exclusion - <i>any and all exposure to actual Law Enforcement and or Fire Department (including EMT and medical transportation) operations and activities, other than call center dispatching for Law Enforcement and or Fire Department services.</i> 00 EXT0073 00 07 04 • Designated Work Exclusion - <i>any and all exposure to actual Law Enforcement and or Fire Department (including EMT and medical transportation) work and activities, other than call center dispatching for Law Enforcement and or Fire Department services.</i> 00 EXT0109 00 09 11 • Abuse or Molestation Exclusion 00 EXT0001 00 09 11 • Electromagnetic Radiation Exclusion 00 EXT0010 00 09 11 • Radioactive Matter Exclusion 00 EXT0018 00 07 04 • Error or Omission Exclusion – <i>Designated Operations or Services any and all operations of the insured</i> 00 EXT0029 00 07 04 • Public Officials Errors and Omissions Exclusion 00 EXT0031 00 09 11

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

Endorsement & Exclusions - Continued

(including but not limited to)

	Present Coverage - Kinsale		Proposed Coverage - Kinsale		Proposed Coverage – Kinsale & Arch	
					<ul style="list-style-type: none"> • Employment-Related Practices Exclusion 00 EXT0036 00 09 11 • Assault and Battery Exclusion 00 EXT0059 00 09 11 • Personal and Advertising Injury Exclusion 00 EXT0065 00 07 04 • Employer's Liability Exclusion 00 EXT0077 00 09 11 • Discrimination Exclusion 00 EXT0124 00 07 04 • Eminent Domain/Condemnation Exclusion 00 EXT0152 00 10 09 • Terrorism Coverage Disclosure Notice 00 MLT0031 00 12 19 • Total Terrorism Exclusion - If TRIA is Rejected 00 EXT0184 00 01 06 • Exclusion of Terrorism Other Than A Certified Act of Terrorism - If TRIA is Elected 00 EXT0219 00 01 21 	
Total Cost Excluding TRIA	\$ 63,756.00	Policy Premium	\$ 67,761.00	Policy Premium	\$ 65,139.00	Policy Premium
	\$ 50.00	Company Fee	\$ 50.00	Company Fee	\$ 50.00	Company Fee
	\$ 1,914.18	CA Surplus Lines Tax (3%)	\$ 2,034.33	CA Surplus Lines Tax (3%)	\$ 1,955.67	CA Surplus Lines Tax (3%)
	\$ 114.85	CA Stamping Fee (0.18%)	\$ 122.06	CA Stamping Fee (0.18%)	\$ 117.34	CA Stamping Fee (0.18%)
	\$ 65,835.03	Total Cost	\$ 69,967.39	Total Cost	\$ 67,262.01	Total Cost

Excess Law Enforcement Liability Coverage - \$7M excess of \$3M - Continued

	Present Coverage - Kinsale	Proposed Coverage - Kinsale	Proposed Coverage – Kinsale & Arch
Total Cost Including TRIA	Not Applicable	\$ 67,761.00 Policy Premium \$ 0.00 TRIA Premium \$ 50.00 Company Fee \$ 2,034.33 CA Surplus Lines Tax (3%) \$ 122.06 CA Stamping Fee (0.18%) \$ 69,967.39 Total Cost	\$ 65,139.00 Policy Premium \$ 1,500.00 TRIA Premium \$ 50.00 Company Fee \$ 2,000.67 CA Surplus Lines Tax (3%) \$ 120.04 CA Stamping Fee (0.18%) \$ 68,809.71 Total Cost
Minimum Earned Premium	25%	25%	25%
Policy Auditable	Not Auditable	Not Auditable	Kinsale: Not Auditable Arch: Not Auditable
Conditions	No Flat Cancellations.	<ul style="list-style-type: none"> No Flat Cancellations. Premium is 100.00% minimum and deposit. Company Fees are fully earned. 	<ul style="list-style-type: none"> No Flat Cancellations. Premium is 100.00% minimum and deposit. Company Fees are fully earned.
Quote Valid Until	No Longer Applicable	July 1, 2024	July 1, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Excess Public Officials & EPL Coverage - \$5M excess of \$5M

	Present Coverage	Proposed Coverage
Insurance Company	Kinsale Insurance Company	Kinsale Insurance Company
A.M. Best Rating	A (Excellent), Financial Size Category: XI (\$750 Million to \$1 Billion) as of June 23, 2022	A (Excellent), Financial Size Category: XII (\$1 Billion to Less than 1.25 Billion) as of July 21, 2023
Standard & Poor's Rating	Not Rated	Not Rated
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024	July 1, 2024 to July 1, 2025
Policy #	0100197729-1	TBD

Coverage Form	Excess Follow Form Liability Insurance Policy - PEX0001-1021 – Claims Made	Excess Follow Form Liability Insurance Policy - PEX0001-1021 – Claims Made
Retroactive Date	July 1, 2014	July 1, 2014
Limits	\$ 5,000,000 Each Occurrence \$ 5,000,000 Annual Aggregate	\$ 5,000,000 Each Occurrence \$ 5,000,000 Annual Aggregate
Underlying Coverages & Limits	Carrier: Indian Harbor Insurance Company Policy Term: 7/1/2023 to 7/1/2024 Coverage Form: Claims Made (Retro Date: 07/01/2014) \$ 5,000,000 Each Claim \$ 5,000,000 Aggregate	Carrier: Indian Harbor Insurance Company Policy Term: 7/1/2024 to 7/1/2025 Coverage Form: Claims Made (Retro Date: 07/01/2014) \$ 5,000,000 Each Claim \$ 5,000,000 Aggregate

Excess Public Officials & EPL Coverage - \$5M excess of \$5M - Continued

	Present Coverage	Proposed Coverage
Defense Inside/Outside the Limit	Per Underlying	Per Underlying
Who has the Duty to Defend	Per Underlying	Per Underlying
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Notice - Where to Report A Claim – ADF9013-0323 • Schedule of Underlying Insurance – PEX1001-0323 • Limitation of Coverage to Specified Coverage Section of Followed Policy - PEX2000-0622 • Exclusion – Terrorism - ADF3002-0110 • Exclusion - Prior or Pending Litigation (7/1/2022) - PEX3000-0323 • Exclusion - Pathogen and Related Hazards - PEX3001-1021 • Exclusion – ERISA - PEX3004-1021 • Exclusion - Cyber-Attack - PEX3006-1021 • Notice-Offer of Terrorism Coverage and Disclosure of Premium - ADF9005 0321 • U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders - ADF9009-0110 	<ul style="list-style-type: none"> • Notice - Where to Report A Claim – ADF9013-0323 • Schedule of Underlying Insurance – PEX1001-0323 • Limitation of Coverage to Specified Coverage Section of Followed Policy - PEX2000-0622 • Exclusion – Terrorism - ADF3002-0110 • Exclusion - Prior or Pending Litigation (7/1/2022) - PEX3000-0323 • Exclusion - Pathogen and Related Hazards - PEX3001-1021 • Exclusion – ERISA - PEX3004-1021 • Exclusion - Cyber-Attack - PEX3006-1021 • Notice-Offer of Terrorism Coverage and Disclosure of Premium - ADF9005 0321 • U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders - ADF9009-0110 • Amendment - Extended Reporting Period - MLX4001-0720 • Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) - PEX3014-0324

Excess Public Officials & EPL Coverage - \$5M excess of \$5M - Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA	\$ 19,563.00 Policy Premium \$ 50.00 Carrier Fee \$ 588.39 CA Surplus Lines Tax (3%) \$ 35.30 CA Stamping Fee (0.18%) \$ 20,236.69 Total Cost	\$ 21,128.00 Policy Premium \$ 50.00 Carrier Fee \$ 635.34 CA Surplus Lines Tax (3%) \$ 38.12 CA Stamping Fee (0.18%) \$ 21,851.46 Total Cost
Total Cost Including TRIA	Not Applicable	\$ 21,128.00 Policy Premium \$ 1,056.00 TRIA Premium \$ 50.00 Carrier Fee \$ 667.02 CA Surplus Lines Tax (3%) \$ 40.02 CA Stamping Fee (0.18%) \$ 22,941.04 Total Cost
Minimum Earned Premium	25%	25%
Policy Auditable	Not Auditable	Not Auditable
Conditions	<ul style="list-style-type: none"> No Flat Cancellations. Premium is 100.00% minimum and deposit. Company Fees are fully earned. 	<ul style="list-style-type: none"> No Flat Cancellations. Premium is 100.00% minimum and deposit. Company Fees are fully earned.
Quote Valid Until	No Longer Applicable	July 1, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Difference In Conditions Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Arch Specialty Insurance Company	Arch Specialty Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of March 16, 2023	A+ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of March 11, 2024
Standard & Poor's Rating	A+ (Strong) as of June 23, 2022	A+ (Strong) as of January 29, 2024
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024	July 1, 2024 to July 1, 2025
Policy #	ESP1003006-03	TBD

Coverage Form

- | | |
|---|---|
| <ul style="list-style-type: none"> • Building and Personal Property Coverage Form – 00 EXP0092 00 04 16 • Business Income (And Extra Expense) Coverage Form - 00 EXP0094 00 08 14 | <ul style="list-style-type: none"> • Building and Personal Property Coverage Form – 00 EXP0092 00 04 16 • Business Income (and Extra Expense) Coverage Form - 00 EXP0094 00 08 14 |
|---|---|

Total Insurable Values

\$ 10,826,631	\$ 11,274,135
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Coverage Territory

The United States of America (Including its territories and possessions) and Puerto Rico	The United States of America (Including its territories and possessions) and Puerto Rico
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Location(s) Covered

As per schedule on file	As per schedule on file
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Covered Perils

Direct Physical Loss or Damage Caused by Earthquake Only Excluding Earthquake Sprinkler Leakage subject to policy terms, conditions, and exclusions	Direct Physical Loss or Damage Caused by Earthquake Only Excluding Earthquake Sprinkler Leakage subject to policy terms, conditions, and exclusions
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Difference In Conditions Coverage - Continued

	Present Coverage	Proposed Coverage
Covered Property	<ul style="list-style-type: none"> • Real Property • Business Personal Property • Business Income • Include Extra Expense • 365 Days Extended Period of Indemnity • Building Ordinance • Increased Period of Restoration • Rental Income • Vehicles 	<ul style="list-style-type: none"> • Real Property • Business Personal Property • Business Income • Include Extra Expense • 365 Days Extended Period of Indemnity • Building Ordinance • Increased Period of Restoration • Rental Income
Valuation	<ul style="list-style-type: none"> • Replacement Cost as respect to Real and Business Personal Property • Actual Loss Sustained as respects Time Element • Actual Cash Value as respect to Vehicles 	<ul style="list-style-type: none"> • Replacement Cost as respect to Real and Business Personal Property • Actual Loss Sustained as respects Time Element
Co-Insurance	Not Applicable	Not Applicable
Limits		
Policy Limit	\$ 5,000,000 Per Occurrence	\$ 5,000,000 Per Occurrence
Building Ordinance Coverage A	Included	Included
Building Ordinance Coverages B & C	\$ 598,703	\$ 598,703
Ingress / Egress	30 Days	30 Days
Civil Authority	30 Days	30 Days
Debris Removal	25% of Loss	25% of Loss

Difference In Conditions Coverage - Continued

	Present Coverage		Proposed Coverage	
Limits - Continued				
Outdoor Property	\$	25,000	Subject to \$1,000 per item for outdoor shrub, tree, and plant	\$ 25,000 Subject to \$1,000 per item for outdoor shrub, tree, and plant
Personal Property of Others	\$	50,000		\$ 50,000
Electronic Data Processing	\$	50,000		\$ 50,000
Deductible				
Earthquake	\$	5% Per Occurrence and subject to a 25,000 minimum per occurrence		\$ 5% Per Occurrence and subject to a 25,000 minimum per occurrence
Endorsement & Exclusions (including but not limited to)				
		<ul style="list-style-type: none"> California Important Notice – 00 ML0213 05 01 20 Minimum Earned Premium Clause – Percentage - 00 EXP0009 00 11 14 Common Policy Conditions – 00 EXP0091 00 11 03 Choice of Law, Consent to Jurisdiction, Limitation of Actions and Service of Suit – 00 ML0325 00 03 23 Claims Handling Procedures (Arch Specialty Ins. Co.) - 06 CP0002 00 03 08 Total Terrorism Exclusion – 00 EXP0125 00 06 06 U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – 00 ML0065 00 06 07 Occurrence Limit of Liability Endorsement (110% Margin Clause) - 00 EXP0002 00 01 16 		<ul style="list-style-type: none"> California Important Notice – 00 ML0213 05 01 20 Minimum Earned Premium Clause – Percentage - 00 EXP0009 00 11 14 Common Policy Conditions – 00 EXP0091 00 11 03 Choice of Law, Consent to Jurisdiction, Limitation of Actions and Service of Suit – 00 ML0325 00 03 23 Claims Handling Procedures (Arch Specialty Ins. Co.) - 06 CP0002 00 03 08 Total Terrorism Exclusion – 00 EXP0125 00 06 06 U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") – 00 ML0065 00 06 07 Occurrence Limit of Liability Endorsement (110% Margin Clause) – 00 EXP0002 00 03 24

Difference In Conditions Coverage - Continued

Endorsement & Exclusions - Continued (including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Single Occurrence Definition Amendment (168 Hours) - 00 EXP0182 00 08 14 	<ul style="list-style-type: none"> • Single Occurrence Definition Amendment (168 Hours) - 00 EXP0182 00 08 14
<ul style="list-style-type: none"> • Exclusion and Limited Additional Coverage for Fungus - 00 EXP0003 00 08 14 	<ul style="list-style-type: none"> • Exclusion and Limited Additional Coverage for Fungus - 00 EXP0003 00 08 14
<ul style="list-style-type: none"> • Exclusion of Loss Due to Virus or Bacteria – 00 EXP0192 00 03 15 	<ul style="list-style-type: none"> • Exclusion of Loss Due to Virus or Bacteria – 00 EXP0192 00 03 15
<ul style="list-style-type: none"> • Electronic Data Exclusion – 00 PRP0006 00 04 16 	<ul style="list-style-type: none"> • Electronic Data Exclusion – 00 PRP0006 00 04 16
<ul style="list-style-type: none"> • Asbestos Material Removal Limitation – 00 EXP0189 00 02 15 	<ul style="list-style-type: none"> • Asbestos Material Removal Limitation – 00 EXP0189 00 02 15
<ul style="list-style-type: none"> • Authorities Exclusion - 00 EXP0190 00 02 15 	<ul style="list-style-type: none"> • Authorities Exclusion - 00 EXP0190 00 02 15
<ul style="list-style-type: none"> • Appraisal - 00 EXP0225 00 03 21 	<ul style="list-style-type: none"> • Appraisal - 00 EXP0225 00 03 21
<ul style="list-style-type: none"> • Pollution and Contamination Exclusion Endorsement - 00 PRP0042 00 06 15 	<ul style="list-style-type: none"> • Pollution and Contamination Exclusion Endorsement - 00 PRP0042 00 06 15
<ul style="list-style-type: none"> • Schedule of Sub-Limits – 06 EXP0179 00 03 19 	<ul style="list-style-type: none"> • Schedule of Sub-Limits – 06 EXP0179 00 03 19
<ul style="list-style-type: none"> • Causes of Loss – Earthquake and Volcanic Eruption Form - 00 EXP0131 00 03 15 	<ul style="list-style-type: none"> • Causes of Loss – Earthquake and Volcanic Eruption Form - 00 EXP0131 00 03 15
<ul style="list-style-type: none"> • Ordinance or Law Coverage – 00 EXP0105 00 08 14 	<ul style="list-style-type: none"> • Ordinance or Law Coverage – 00 EXP0105 00 08 14
<ul style="list-style-type: none"> • Ordinance or Law – Increased Period of Restoration - 00 EXP0169 00 06 14 	<ul style="list-style-type: none"> • Ordinance or Law – Increased Period of Restoration - 00 EXP0169 00 06 14
<ul style="list-style-type: none"> • Civil Authority Endorsement – 00 EXP0147 00 10 14 	<ul style="list-style-type: none"> • Civil Authority Endorsement – 00 EXP0147 00 10 14
<ul style="list-style-type: none"> • Ingress/Egress Endorsement – 00 EXP0160 00 06 14 	<ul style="list-style-type: none"> • Ingress/Egress Endorsement – 00 EXP0160 00 06 14
<ul style="list-style-type: none"> • Electronic Data Processing Systems Coverage – 00 EXP0038 00 08 15 	<ul style="list-style-type: none"> • Electronic Data Processing Systems Coverage – 00 EXP0038 00 08 15
<ul style="list-style-type: none"> • Permission for Excess Insurance – 00 EXP0053 00 08 18 	<ul style="list-style-type: none"> • Permission for Excess Insurance – 00 EXP0053 00 08 18

Difference In Conditions Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions - Continued (including but not limited to)	<ul style="list-style-type: none"> • Pre-Existing Damage Exclusion – 00 EXP0132 00 11 14 • Amendatory Endorsement – 00 EXP0134 00 06 14 <ul style="list-style-type: none"> ○ Building definition extended to include Foundations, Underground Utilities, and Paved Surfaces ○ Remove Antennas from A.2.q (2) from 00 EXP0092 00 04 16. • Commercial Property Conditions – 00 EXP0101 00 08 14 	<ul style="list-style-type: none"> • Pre-Existing Damage Exclusion – 00 EXP0132 00 11 14 • Amendatory Endorsement – 00 EXP0134 00 06 14 <ul style="list-style-type: none"> ○ Building definition extended to include Foundations, Underground Utilities, and Paved Surfaces ○ Remove Antennas from A.2.q (2) from 00 EXP0092 00 04 16. • Commercial Property Conditions – 00 EXP0101 00 08 14 • Terrorism Coverage Disclosure Notice – 00 MLT0031 00 12 19 • Exclusion Of Terrorism Involving Nuclear, Biological, Or Chemical Terrorism – 00 EXP0127 00 06 06
Total Cost Excluding TRIA	\$ 35,876.00 Policy Premium \$ 1,076.28 CA Surplus Lines Tax (3%) \$ 64.58 CA Stamping Fee (0.18%) \$ 37,016.86 Total Cost	\$ 37,500.00 Policy Premium \$ 1,125.00 CA Surplus Lines Tax (3%) \$ 67.50 CA Stamping Fee (0.18%) \$ 38,692.50 Total Cost
Total Cost Including TRIA	Not Applicable	\$ 37,500.00 Policy Premium \$ 37,500.00 TRIA Premium \$ 2250.00 CA Surplus Lines Tax (3%) \$ 135.00 CA Stamping Fee (0.18%) \$ 77,385.00 Total Cost
Minimum Earned Premium	25%	25%

Difference In Conditions Coverage - Continued

	Present Coverage	Proposed Coverage
Policy Auditable	Not Auditable	Not Auditable
Conditions	<ul style="list-style-type: none"> • 60 Days except 10 days as respects Non-Payment of Premium • 168-Hour Earthquake Occurrence Definition 	<ul style="list-style-type: none"> • 60 Days except 10 days as respects Non-Payment of Premium • 168-Hour Earthquake Occurrence Definition
Quote Valid Until	No Longer Applicable	June 19, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Schedule of Locations – Difference In Conditions

Loc #	Bldg #	Address	City	State	Zip
		As per schedule on file – SPIP Property Schedule signed 4/10/2024			

Marketing Summary – Difference In Conditions Coverage

The results of our carrier negotiations are summarized below:

Carrier	Response
Arch	Quoted (Incumbent): Limit - \$5,000,000, Layer – Primary, Participation - 100%, Premium - \$37,500.00
Vikco	Pending Underwriter response as of 6/6
Kinsale	Pending Underwriter response as of 6/6
EQ One	Pending Underwriter response as of 6/6
Atlas General	Pending Underwriter response as of 6/6
Lexington Specialty	Pending Underwriter response as of 6/6
CoAction Specialty	Pending Underwriter response as of 6/6
Equinox	Pending Underwriter response as of 6/6
ICAT	Declined, not accepting TIVs over \$10,000,000
Golden Bear	Declined, closed zip code
Arrowhead	Declined due to antennas exposure
Catalytic Risk	Declined due to antennas exposure
SRU	Declined due to antennas exposure
RLI	Declined due to antennas exposure
Risk Insurance Brokers	Declined due to antennas exposure
Paragon	Declined due to minimum premium of \$50,000.00
Navigators	Declined due to minimum premium of \$50,000.00
Markel	Unable to compete with incumbent terms and pricing
Waypoint	Unable to compete with incumbent terms and pricing
General Star	Unable to compete with incumbent terms and pricing
Munich	Unable to compete with incumbent terms and pricing
North Shore	Unable to compete with incumbent terms and pricing
Richmond National	Unable to compete with incumbent terms and pricing

Workers Compensation and Employers Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Cypress Insurance Company	Cypress Insurance Company
A.M. Best Rating	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of February 1, 2023	A++ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of February 22, 2024
Standard & Poor's Rating	AA+ (Very Strong) as of September 29, 2022	AA+ (Very Strong) as of February 26, 2024
California Status	Admitted	Admitted
Policy/Coverage Term	July 11, 2023 to July 11, 2024	July 11, 2024 to July 11, 2025
Policy #	SOWC458176	TBD

Coverage Form	Workers Compensation and Employers Liability Insurance Policy - WC 00 00 00 C (Ed. 1-15)	Workers Compensation and Employers Liability Insurance Policy - WC 00 00 00 C (Ed. 1-15)
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Limits

Workers Compensation	Statutory	Statutory
Employers Liability Limit	\$ 1,000,000	\$ 1,000,000

Classification	Payroll	Base Rate	Premium	Payroll	Base Rate	Premium
8390 - Auto Van Conversion	\$511,070	5.92	\$ 30,255.00	\$525,907	5.88	\$ 30,923.00
8810 - Clerical Office Employees N.O.C.	\$6,605,960	.46	\$ 30,387.00	\$6,437,602	.40	\$ 25,750.00

Manual Premium	\$ 60,642.00	\$ 56,673.00
Experience Modification (.98)	\$ -2,426.00	(1.98) \$ 55,540.00
Risk Adjustment	\$ 29,905.00	\$ -4,997.00

Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage		Proposed Coverage	
Total Estimated Standard Premium	\$	88,121.00	\$	107,216.00
Premium Discount	\$	-2,199.00	\$	-2,939.00
Expense Constant	\$	100.00	\$	100.00
Tot Est Standard Premium for California	\$	86,022.00	\$	104,377.00
CA Workers Compensation Administration Revolving Fund	\$	2,168.00 (2.5208%)	\$	2,568.00 (2.4604%)
CA Workers Compensation Fraud Account Assessment	\$	402.00 (0.4679%)	\$	430.00 (0.4122%)
CA CIGA Surcharge	\$	0.00	\$	0.00
CA Subsequent Injuries Benefits Trust Fund Assessment	\$	1,179.00 (1.3703%)	\$	1,659.00 (1.5891%)
CA Uninsured Employers Benefits Trust Fund Assessment	\$	118.00 (0.1372%)	\$	157.00 (0.1505%)
CA Occupational Safety and Health Fund Assessment	\$	565.00 (0.6572%)	\$	758.00 (0.7266%)
CA Labor Enforcement and Compliance Fund	\$	603.00 (0.7011%)	\$	742.00 (0.7109%)
Total Estimated Cost	\$	91,057.00	\$	110,691.00

Workers Compensation and Employers Liability Coverage - Continued

Endorsement & Exclusions (including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Privacy Policy - INT0114 	<ul style="list-style-type: none"> • Privacy Policy - INT0114
<ul style="list-style-type: none"> • California Consumer Privacy Act Notice – M-5970-A (01 01 2023) 	<ul style="list-style-type: none"> • California Consumer Privacy Act Notice – M-5970-A (01 01 2023)
<ul style="list-style-type: none"> • Policyholder Registration Instructions 	<ul style="list-style-type: none"> • Policyholder Registration Instructions
<ul style="list-style-type: none"> • Loss Control Availability 	<ul style="list-style-type: none"> • Loss Control Availability
<ul style="list-style-type: none"> • L&R-Employee Insured by General Employer Excluded - WC040317B 	<ul style="list-style-type: none"> • L&R-Employee Insured by General Employer Excluded - WC040317B
<ul style="list-style-type: none"> • Electronic Claims Kit Notification 	<ul style="list-style-type: none"> • Electronic Claims Kit Notification
<ul style="list-style-type: none"> • Premium Charge for Subcontractors 	<ul style="list-style-type: none"> • Premium Charge for Subcontractors
<ul style="list-style-type: none"> • Catastrophe Premium Endorsement - WC000421F 	<ul style="list-style-type: none"> • Catastrophe Premium Endorsement - WC000421F
<ul style="list-style-type: none"> • Terrorism Risk Insurance Program Reauthorization Act - WC000422C 	<ul style="list-style-type: none"> • Terrorism Risk Insurance Program Reauthorization Act - WC000422C
<ul style="list-style-type: none"> • Employers' Liability Coverage Amendatory Endorsement - California – WC 04 03 60B (Ed 1-15) 	<ul style="list-style-type: none"> • Employers' Liability Coverage Amendatory Endorsement - California – WC 04 03 60B (Ed 1-15)
<ul style="list-style-type: none"> • Longshore & Harbor WC Act Exclusion Endorsement 	<ul style="list-style-type: none"> • Longshore & Harbor WC Act Exclusion Endorsement
<ul style="list-style-type: none"> • CA Optional Premium Endorsement - WC040421 (Ed. 1-08) 	<ul style="list-style-type: none"> • CA Optional Premium Endorsement - WC040421 (Ed. 1-08)
<ul style="list-style-type: none"> • Endorsement Limiting and Restricting - WC990307 (Ed. 09-22) 	<ul style="list-style-type: none"> • Endorsement Limiting and Restricting - WC990307 (Ed. 09-22)
<ul style="list-style-type: none"> • CA Policyholder Notice - WC Rating Laws - PN049902B (Ed. 1-07) 	<ul style="list-style-type: none"> • CA Policyholder Notice - WC Rating Laws - PN049902B (Ed. 1-07)
<ul style="list-style-type: none"> • CA Insurance Guarantee Association (CIGA) Surcharge - PN049904 (Ed. 1-07) 	<ul style="list-style-type: none"> • CA Insurance Guarantee Association (CIGA) Surcharge - PN049904 (Ed. 1-07)
<ul style="list-style-type: none"> • CA Extension of Info Page-Schedule of Named Insured - WC040002 (Ed 7-98) 	<ul style="list-style-type: none"> • CA Extension of Info Page-Schedule of Named Insured - WC040002 (Ed 7-98)
<ul style="list-style-type: none"> • CA Extension of Info Page-Schedule of Locations - WC040003 (Ed 1-07) 	<ul style="list-style-type: none"> • CA Extension of Info Page-Schedule of Locations - WC040003 (Ed 1-07)

Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions - Continued (including but not limited to)	<ul style="list-style-type: none"> • Policy Amendatory Endorsement-California - WC040301D (Ed. 02-18) • L&R- Jointly Conducted Operations Exclusion - WC040336A (Ed. 04-16) • CA COVID-19 Reporting Requirement Endorsement - WC040604 (Ed. 01-23) • Premium Discount Endorsement - WC990407A (Ed 01-07) • California Cancellation Endorsement - WC990607E (Ed. 01-22) • Premium Endorsement - WC990608 (Ed 1-07) • CA Your Right to Rating and Dividend Information - PN049901I (Ed. 02-22) 	<ul style="list-style-type: none"> • Policy Amendatory Endorsement-California - WC040301D (Ed. 02-18) • L&R- Jointly Conducted Operations Exclusion - WC040336A (Ed. 04-16) • CA COVID-19 Reporting Requirement Endorsement - WC040604 (Ed. 01-23) • Premium Discount Endorsement - WC990407A (Ed 01-07) • California Cancellation Endorsement - WC990607E (Ed. 01-22) • Premium Endorsement - WC990608 (Ed 1-07) • CA Your Right to Rating and Dividend Information - PN049901I (Ed. 02-22)
Minimum Premium	\$ 1,876.00	\$ 1,864.00
Condition	Coverage for volunteers is not included.	Coverage for volunteers is not included.
Policy Auditable	Yes	Yes
Quote Valid Until	No Longer Applicable	July 11, 2024
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

It is imperative that Alliant and/or the carrier be notified IMMEDIATELY when a policyholder hires employees and/or begins operations in any state not listed in PART 3. A on the INFORMATION PAGE of the policy. Failure to obtain a workers' compensation policy in some states may result in substantial fines levied on the policyholder dating back to the original date of hire. Coverage for other states under PART 3. C. (OTHER STATES INSURANCE) of the workers' compensation policy may not fulfill the coverage verification requirement imposed by some states.

California Officer Exclusion Rule as of January 1, 2017: Only officers/directors of a corporation who own at least 15% of the issued and outstanding stock of the corporation can be excluded from coverage. A written waiver requesting exclusion (carrier specific) is required to be on file. Officers/directors with less than 15% ownership must be included and subject to the officer minimum/maximum for the policy year. Please refer to AB 2883 and/or the carrier for full details.

See Disclaimer Page for Important Notices and Acknowledgment

Workers Compensation - California Short-Rate Cancellation Table (10-13)

If a different table is provided within your policy that table will prevail.

If you, the named insured, cancel the policy before its normal expiration date (including by non-payment of premium, failure to timely pay premium, failure to report payroll, etc.) the premium will be short-rated based on the table below. The Final premium will not be less than the minimum premium.

Extended Number of Days		Percent of Full Policy Premium	Extended Number of Days		Percent of Full Policy Premium	Extended Number of Days		Percent of Full Policy Premium
1		5%	95-98		37%	219-223		69%
2		6%	99-102		38%	224-228		70%
3-4		7%	103-105		39%	229-232		71%
5-6		8%	106-109		40%	233-237		72%
7-8		9%	110-113		41%	238-241		73%
9-10		10%	114-116		42%	242-246	(8 mos)	74%
11-12		11%	117-120		43%	247-250		75%
13-14		12%	121-124	(4 mos)	44%	251-255		76%
15-16		13%	125-127		45%	256-260		77%
17-18		14%	128-131		46%	261-264		78%
19-20		15%	132-135		47%	265-269		79%
21-22		16%	136-138		48%	270-273	(9 mos)	80%
23-25		17%	139-142		49%	274-278		81%
26-29		18%	143-146		50%	279-282		82%
30-32	(1 mo)	19%	147-149		51%	283-287		83%
33-36		20%	150-153	(5 mos)	52%	288-291		84%
37-40		21%	154-156		53%	292-296		85%
41-43		22%	157-160		54%	297-301		86%
44-47		23%	161-164		55%	302-305	(10 mos)	87%
48-51		24%	165-167		56%	306-310		88%
52-54		25%	168-171		57%	311-314		89%
55-58		26%	172-175		58%	315-319		90%
59-62	(2 mos)	27%	176-178		59%	320-323		91%
63-65		28%	179-182	(6 mos)	60%	324-328		92%
66-69		29%	183-187		61%	329-332		93%
70-73		30%	188-191		62%	333-337	(11 mos)	94%
74-76		31%	192-196		63%	338-342		95%
77-80		32%	197-200		64%	343-346		96%
81-83		33%	201-205		65%	347-351		97%
84-87		34%	206-209		66%	352-355		98%
88-91	(3 mos)	35%	210-214	(7 mos)	67%	356-360		99%
92-94		36%	215-218		68%	361-365	(12 mos)	100%

Garage Keepers Coverage - Continued

Endorsement & Exclusions

(including but not limited to)

Present Coverage	Proposed Coverage
<u>Garage Mandatory Forms</u>	<u>Garage Mandatory Forms</u>
<ul style="list-style-type: none"> • Additional Garage Limitations and Buy-Back Schedules - G1505-0114 • Exclusion of Terrorism - CA2384-0106 • Fungi or Bacteria Exclusion - Garage Operations - Other Than Covered Autos - CA2537-0306 • Common Policy Conditions - IL0017-1198 • Nuclear Energy Liability Exclusion Endorsement (Broad Form) - IL0021-0908 • Notice to Policyholder - G1562-0210 • Changes In the Garage Coverage Form - G1504-0420 • Exclusion – Communicable Disease, Virus or Bacteria - U018F-0520 • Exclusion - Unmanned Aircraft - G1742-0918 • Service of Suit - U094-0415 • Cancellation - U173-0702 • Cannabis Exclusion with Hemp and Lessor Risk Exception for Liability Coverages - UCA2714-1219 • Exclusion - Cyber Injury, Electronic Data, and Confidential or Personal Information – Advisory Notice to Policyholders PHN0015-1120 • Exclusion - Cyber Injury, Electronic Data, and Confidential or Personal Information – U1284-1120 • Exclusion - Abuse or Molestation – UCA2803-0922 	<ul style="list-style-type: none"> • Additional Garage Limitations and Buy-Back Schedules - G1505-0114 • Exclusion of Terrorism - CA2384-0106 • Fungi or Bacteria Exclusion - Garage Operations - Other Than Covered Autos - CA2537-0306 • Common Policy Conditions - IL0017-1198 • Nuclear Energy Liability Exclusion Endorsement (Broad Form) - IL0021-0908 • Notice to Policyholder - G1562-0210 • Changes In the Garage Coverage Form - G1504-0420 • Exclusion – Communicable Disease, Virus or Bacteria - U018F-0520 • Exclusion - Unmanned Aircraft - G1742-0918 • Service of Suit - U094-0415 • Cancellation - U173-0702 • Cannabis Exclusion with Hemp and Lessor Risk Exception for Liability Coverages - UCA2714-1219 • Exclusion - Cyber Injury, Electronic Data, and Confidential or Personal Information – Advisory Notice to Policyholders PHN0015-1120 • Exclusion - Cyber Injury, Electronic Data, and Confidential or Personal Information – U1284-1120 • Exclusion - Abuse or Molestation – UCA2803-0922

Garage Keepers Coverage - Continued

Endorsement & Exclusions - Continued (including but not limited to)

	Present Coverage	Proposed Coverage
	<ul style="list-style-type: none"> Abuse or Molestation Exclusion Advisory Notice to Policyholders– PHN0030-0922 	<ul style="list-style-type: none"> Abuse or Molestation Exclusion Advisory Notice to Policyholders– PHN0030-0922
	<u>Garage Optional Coverages</u>	<u>Garage Optional Coverages</u>
	<ul style="list-style-type: none"> Punitive or Exemplary Damages Exclusion - CT3003-0513 	<ul style="list-style-type: none"> Punitive or Exemplary Damages Exclusion - CT3003-0513
	<u>State Specific</u>	<u>State Specific</u>
	<ul style="list-style-type: none"> California Notice – Premium Refunds - CAPRNotice-0911 Important Notice (CA) - D2-0120 California Auto Body Repair Consumer Bill of Rights - ILN119-1015 California Changes - UCA0143-0517 	<ul style="list-style-type: none"> California Notice – Premium Refunds - CAPRNotice-0911 Important Notice (CA) - D2-0120 California Auto Body Repair Consumer Bill of Rights - ILN119-1015 California Changes - UCA0143-0517
	<u>Garage Common Forms</u>	<u>Garage Common Forms</u>
	<ul style="list-style-type: none"> Notice of Insurance Information Practices - PRIVACYNOTICE-0820 U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders - ILP001-0104 Policy-writing Minimum Premium Retention – PHN0026-0423 	<ul style="list-style-type: none"> Notice of Insurance Information Practices - PRIVACYNOTICE-0820 U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders - ILP001-0104 Policy-writing Minimum Premium Retention – PHN0026-0423
Total Cost Excluding TRIA	\$ 1,729.00 Policy Premium \$ 250.00 Policy Fee \$ 59.37 CA Surplus Tax (3%) \$ 3.56 CA Stamping Fee (0.18%) \$ 2,041.93 Total Cost	\$ 1,777.00 Policy Premium \$ 250.00 Policy Fee \$ 60.81 CA Surplus Tax (3%) \$ 3.65 CA Stamping Fee (0.18%) \$ 2,091.46 Total Cost

Garage Keepers Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost Including TRIA	Not Applicable	Not Applicable
Minimum Earned Premium	Not Applicable	\$ 500.00
Policy Auditable	Yes	Yes
Conditions	<ul style="list-style-type: none"> • Risk Inspection • No Flat Cancellations • Premium is minimum & Deposit 	<ul style="list-style-type: none"> • Risk Inspection • No Flat Cancellations • Premium is minimum & Deposit
Quote Valid Until	No Longer Applicable	
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Flood Disclosure

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provides information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- “a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area”...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

Additional Information

- Flood Zones
 - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
 - Increased limits over the maximum flood limit provided by NFIP

FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

Please indicate your selection:

- I would like to receive a flood quote
- I do NOT wish to purchased flood insurance

Signature: _____

Date: _____

Name Printed / Typed: _____

Company Name: _____

Optional Coverages

The following represents a list of insurance coverages that may not be included in this proposal but are optional and may be available with further underwriting information. This list is not inclusive of all coverages and if you have questions contact your Alliant representative. If you would like addition quotes please check Yes/No across from the coverage below, sign and return.

Target Coverages

	Yes	No
CRIME		
Employee Dishonesty	<input type="checkbox"/>	<input type="checkbox"/>
Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>
Social Engineering	<input type="checkbox"/>	<input type="checkbox"/>
Increased Limits	<input type="checkbox"/>	<input type="checkbox"/>
CYBER RISK	<input type="checkbox"/>	<input type="checkbox"/>
FLOOD INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>
MANAGEMENT LIABILITY		
Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>
Selecting the "Reject All or Accept All" option will override any selections you have made above	<input type="checkbox"/> Reject All <input type="checkbox"/> Accept All for Consideration	

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

South Bay Regional Public Communications Authority

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Law Enforcement Liability	<input type="checkbox"/>
Public Officials & Employment Practices Liability	<input type="checkbox"/>
Excess Law Enforcement Liability - \$7M excess of \$3M	
<ul style="list-style-type: none"> • Kinsale Insurance Company • Kinsale Insurance Company - \$2M x \$3M with Arch Specialty Insurance Company - \$5M x \$5M 	<input type="checkbox"/> <input type="checkbox"/>
Excess Public Officials & Employment Practices Liability - \$5M excess of \$5M	<input type="checkbox"/>
Difference In Conditions	<input type="checkbox"/>
Workers Compensation and Employers Liability	<input type="checkbox"/>
Commercial Auto	<input type="checkbox"/> Direct through Progressive Online
Garage Keepers	<input type="checkbox"/>

Did you know that Alliant works with premium financing companies? Are you interested in financing your annual premium?

Yes, please provide us with a financing quote.	No, we do not wish to finance our premium.
<input type="checkbox"/>	<input type="checkbox"/>

Request to Bind Coverage - Continued

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.

Binding Subjectivities Recap

ALL coverages require a written request to bind coverage.

Additional subjectivities are listed below by Coverage Line.

Coverage Line and Description of Subjectivity(ies)

Law Enforcement Liability

- All premiums and any fees are due within 20 days of binding

Public Officials & Employment Practices Liability

- All premiums and any fees are due within 20 days of binding

Excess Law Enforcement Liability - \$7M excess of \$3M

- **Kinsale Insurance Company**
 - Signed TRIA form
 - Currently signed and dated version of the submitted VFIS Law Enforcement renewal application (within 30 day period prior to effective date)
 - All premiums and any fees are due within 20 days of binding
- **Arch Specialty Insurance Company**
 - Signed TRIA form
 - In the event the Insured rejects coverage under US TRIA, they must sign and return the enclosed "TRIA Coverage Disclosure Notice" to us.
 - All premiums and any fees are due within 20 days of binding

Excess Public Officials & Employment Practices Liability - \$5M excess of \$5M

- Currently signed and dated version of the submitted PGU POL application (within 30 day period prior to effective date).
- Signed TRIA form
- All premiums and any fees are due within 20 days of binding

Coverage Line and Description of Subjectivity(ies) - Continued

Difference In Conditions

- Signed SOV
- Signed Terrorism Disclosure

Workers Compensation and Employers Liability

- Signed Acord application
- Receipt and review of an explanation for the anticipated increase in class code 8390 payrolls.

Commercial Auto

- Must bind directly with the carrier through Progressive Online portal. <https://www.progressive.com/>
- Commercial Auto Quote Number: CA109784000
Last Name – Krok
Email – cramirez@alliant.com
Zip Code – 90250
DOB – 03/07/1967

Garage Keepers

- Fully completed, signed, and dated Company Application
- Completed Emergency Vehicle Supplemental – Need Question #1 completed (Type of Vehicles)

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind coverage prior to our receipt and underwriting acceptance of the above information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated above may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer.

J-4



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J - 4

TO: Executive Committee

FROM: John Krok, Acting Executive Director

SUBJECT: APPROVE A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$45,000 TO CDW GOVERNMENT CORPORATION FOR SUPPLIES AND EQUIPMENT

ATTACHMENT: None

RECOMMENDATION

Staff recommends that the Executive Committee approve a change purchase order in the amount of \$45,000 to CDW for supplies and equipment.

BACKGROUND

The Executive Committee approved a blanket purchase order (“BPO”) to CDW Corporation (“CDW”) in the amount of \$75,000 on June 20, 2023. In February 2024, the Executive Director authorized a change order in the amount of \$15,000 as allowed under the Authority’s Purchasing Policy. Because year-end expenditures associated with purchases from this vendor are anticipated to total \$135,000, approval of the Executive Committee for this change purchase order is required, per Resolution 352 adopted on September 29, 2022.

DISCUSSION

CDW Corporation was founded in 1984 and remains a leader in providing technology products and services for business, government and education. The company has a secondary division known as CDW-G, devoted solely to United States government entities, including Local, State and the Federal government.

The Authority routinely orders computers, modems, cables and other related accessories from CDW-G for the installation work performed by the Technical Services Division. Due to an increase in vehicle outfitting services from member and contract cities, a change order is necessary to accommodate this work.

FISCAL IMPACT

Funds for the above requested change purchase order, which total \$45,000, are included in the Fiscal Year 2023/24 Adopted Budget. Additionally, all costs associated with the upfitting of vehicles are 100% reimbursable by the member or contract agencies requesting the service.

J-5



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J - 5

TO: Executive Committee

FROM: John Krok, Acting Executive Director

SUBJECT: APPROVE A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$1,200 TO XCEL MECHANICAL SYSTEMS INCORPORATED FOR SUPPLIES AND SERVICES

ATTACHMENT: None

RECOMMENDATION

Staff recommends that the Executive Committee approve a change purchase order in the amount of \$1,200 to Xcel Mechanical Systems Incorporated for supplies and services.

BACKGROUND

The Executive Committee approved a blanket purchase order (“BPO”) to Xcel Mechanical Systems Incorporated (“Xcel”) in the amount of \$33,350 on June 20, 2023. In February 2024, the Executive Director authorized a change order in the amount of \$15,000 as allowed under the Authority’s Purchasing Policy. Because year-end expenditures associated with purchases from this vendor are anticipated to total \$49,550, approval of the Executive Committee for this change purchase order is required, per Resolution 352 adopted on September 29, 2022.

DISCUSSION

Xcel is one of Southern California’s leading mechanical, construction and service firms. The Authority contracts with Xcel for the service and repair of the heating, ventilation, and air conditioning equipment at its headquarters facility.

FISCAL IMPACT

Funds for the above requested change purchase order, which total \$1,200, are available in the Fiscal Year 2023/24 Adopted Budget.

J-6



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J - 6

TO: Executive Committee

FROM: John Krok, Acting Executive Director

SUBJECT: APPROVE A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$32,000 TO COMMLINE INCORPORATED FOR SUPPLIES AND SERVICES

ATTACHMENT: None

RECOMMENDATION

Staff recommends that the Executive Committee approve a change purchase order in the amount of \$32,000 to Commline Incorporated for supplies and services.

BACKGROUND

The Executive Committee approved a blanket purchase order ("BPO") to Commline Incorporated ("Commline") in the amount of \$26,000 on June 20, 2023. Because FY23-24 year-end expenditures associated with purchases from this vendor are anticipated to total \$58,000, approval of the Executive Committee for this change purchase order is required, per Resolution 352 adopted on September 29, 2022.

DISCUSSION

Commline an authorized dealer for Motorola, Kenwood, Vertex Standard, Icom and many other leading manufacturers of communications equipment. As such, this vendor is used by the Technical Services Division to procure equipment and supplies used for upfitting the Authority's member and contract agencies' public safety vehicles.

FISCAL IMPACT

Funds for the above requested change purchase order, which total \$32,000, are available in the Fiscal Year 2023/24 Adopted Budget.

J-7



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J-7

TO: Executive Committee

FROM: John Krok, Acting Executive Director

SUBJECT: APPROVE A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$60,000 TO MOTOROLA SOLUTIONS INCORPORATED FOR SUPPLIES AND SERVICES

ATTACHMENT: None

RECOMMENDATION

Staff recommends that the Executive Committee approve a change purchase order in the amount of \$60,000 to Motorola Solutions Incorporated for supplies and services.

BACKGROUND

The Executive Committee approved a blanket purchase order (“BPO”) to Motorola Solutions Incorporated (“Motorola”) in the amount of \$30,000 on June 18, 2024. Due to a surge in vehicle outfitting requests, FY24-25 year-end expenditures associated with purchases from this vendor are anticipated to total closer to \$90,000 and approval of the Executive Committee for this change purchase order is required, per Resolution 352 adopted on September 29, 2022.

DISCUSSION

The Authority routinely orders mobile and portable radios, microphones, chargers and other related accessories from Motorola for the installation work performed by the Technical Services Division. The proposed BPO provides staff with the ability to order supplies and equipment in a timely and efficient manner, cutting down on both lead and build time. Motorola provides the Authority a 10%-20% discount depending on the item. These discounts are passed along to member and contract cities alike.

FISCAL IMPACT

Funds for the above requested change purchase order, which total \$60,000, are available in the Fiscal Year 2024/25 Adopted Budget.

J-8



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: August 13, 2024

ITEM NUMBER: J-8

TO: Executive Committee

COPY TO: Tim Lilligren, Treasurer

FROM: Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Cash & Investments Report/June 30, 2024

ATTACHMENTS:

1. Cash & Investments Report for June 30, 2024
2. LAIF Month End Statement for June 30, 2024
3. PMIA Performance Report as of June 30, 2024

RECOMMENDATION

Staff recommends that the Executive Committee receive and file the Cash & Investments Report for June 30, 2024.

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 June 30, 2024. 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 an increase from the monthly average yields in 2023.

FISCAL IMPACT

None.

J-8

Attachment 1



Cash and Investments Report As of June 30, 2024

Funding Source	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
<u>Active Accounts</u>				
Bank of the West/BMO Bank (General/Payroll)	\$ 535,481.29	\$ 173,183.23	\$ 156,778.60	\$ 551,885.92
<u>Investments</u>				
LAIF	<u>\$ 8,640,381.49</u>		<u>\$ -</u>	<u>\$ 8,640,381.49</u>
Total Investments	<u>\$ 8,640,381.49</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,640,381.49</u>
<u>Other Cash on Hand</u>				
Petty Cash	\$ -	\$ -	\$ -	\$ 500.00
				<u>\$ 500.00</u>
Total Cash & Investments				<u><u>\$ 9,192,767.41</u></u>
<u>Breakdown of cash by fund:</u>				
Fund 10 (Enterprise Fund)				\$ 9,073,897.06
Fund 30 (Enterprise Fund)				-
Fund 20 (COVID-19 Reimb Grant Fund)				118,870.35
Total				<u><u>\$ 9,192,767.41</u></u>

J-8

Attachment 2

California State Treasurer
Fiona Ma, CPA



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

August 01, 2024

[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

June 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
6/13/2024	6/12/2024	RW	1754086	1714517	VANESSA ALFARO	-450,000.00
6/21/2024	6/20/2024	RW	1754309	1714758	VANESSA ALFARO	-200,000.00
6/28/2024	6/27/2024	RW	1754565	1715009	VANESSA ALFARO	-300,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,590,381.49
Total Withdrawal:	-950,000.00	Ending Balance:	8,640,381.49

J-8

Attachment 3



PMIA/LAIF Performance Report as of 7/24/24



Quarterly Performance Quarter Ended 06/30/24

LAIF Apportionment Rate ⁽²⁾ :	4.55
LAIF Earnings Ratio ⁽²⁾ :	0.00012419067099490
LAIF Administrative Cost ^{(1)*} :	0.16
LAIF Fair Value Factor ⁽¹⁾ :	0.996316042
PMIA Daily ⁽¹⁾ :	4.52
PMIA Quarter to Date ⁽¹⁾ :	4.36
PMIA Average Life ⁽¹⁾ :	217

PMIA Average Monthly Effective Yields⁽¹⁾

June	4.480
May	4.332
April	4.272
March	4.232
February	4.122
January	4.012

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 6/30/24 \$178.0 billion

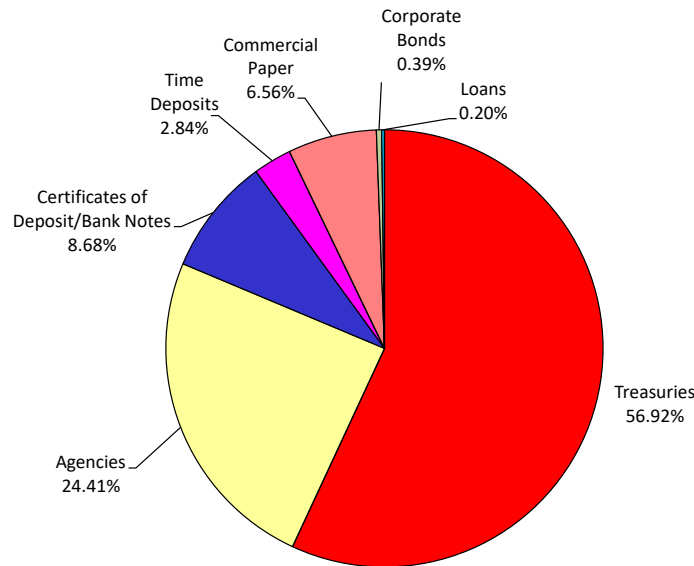


Chart does not include \$1,567,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller