



**Regional Wireless Cooperative**  
**Board of Directors**  
**MINUTES**  
**March 22, 2012**

Phoenix City Council Chambers  
200 West Jefferson Street  
Phoenix, Arizona 85003

**Board Members Present**

Wade Brannon	Mike Frazier
Steve Campbell	Jim Haner
Wayne Clement	Bob Hansen
Bob Costello	Brad Hartig
Chris DeChant	Jim Heger
David Fitzhugh	Danny Johnson

**Board Members Absent**

Mark Gaillard  
Paul Wilson  
Ed Zuercher

\*Board Alternate

**Staff and Public Present**

Tahir Alhassan	Dave Collett	Doug Mummert	Dale Shaw
Karen Allen	Theresa Faull	Mark Nichols	Wayne Smith
Adam Baker	David Felix	Cy Otsuka	Nick Spino
Scott Benhow	Jen Hagen	Ron Parks	Mike Sterling
Brenda Buren	Dave Heck	David Perdichizzi	Mike Sumnicht
Mirela Butler	Lonnie Inskeep	Bill Phillips	Shannon Tolle
Jim Case	Rick Kolker	Michelle Potts	Tim Ulery
Dave Clarke	Steve Kreis	Geoff Price	
Rick Clore	Domela McHenry	Vicky Scott	

**1. Call to Order, Roll Call and Opening Comments**

Chair Meyer called the meeting to order at 10:00 a.m. He stated that Glendale Board Member Steve Conrad had taken a new position as Police Chief of Louisville, Kentucky; and therefore, Assistant Fire Chief Chris DeChant would be serving as Glendale's Board representative.

Roll call was taken and a quorum reached.

**2. Approval of RWC Board Meeting Minutes from January 26, 2012**

A **MOTION** was made by Vice-Chair Thorpe and **SECONDED** by Mr. Frazier to approve the minutes as presented. **MOTION CARRIED UNANIMOUSLY (17-0).**

**3. Approval of Joint RWC-TRWC Board Meeting Minutes from January 26, 2012**

A **MOTION** was made by Mr. Frazier and **SECONDED** by Mr. Heger to approve the minutes as presented. **MOTION CARRIED UNANIMOUSLY (17-0).**

**4. RWC Subscriber Unit (Radio) Rate for 2012/2013**

Tahir Alhassan, RWC Accountant III, explained that the subscriber unit rate was based on the approved budget presented in November 2011. He reviewed that in January 2012, the proposed rate included all RWC costs; however, some Members indicated that it was problematic for the rate to include the System Upgrade Agreement II (SUA II) costs. He presented the revised billing methodology, which reflected a rate of \$39.35. He explained that the rate now included staff costs but not the SUA II costs, which would be billed by special assessment. He added that the budget presented in November 2011 underwent a technical review by the Phoenix Budget and Research Department in February 2012, and the result was a \$342,000 reduction. He reviewed each Member's proportionate share of costs for Fiscal Year (FY) 2012/2013.

In response to a question by Chair Meyer, Mr. Alhassan responded that the \$342,000 reduction was due to the reassignment of Information Technology staff.

Chair Meyer recapped for clarification that the Board's directive was to separate out the SUA II costs as a special assessment as opposed to incorporating it into the rate, which was now reflected in this revised billing methodology. Mr. Alhassan replied in the affirmative.

A **MOTION** was made by Mr. Walker and **SECONDED** by Vice-Chair Thorpe to approve for FY 2012/2013 the subscriber unit rate of \$39.35, a special assessment for allocation of the SUA II, and authorization to bill Members. **MOTION CARRIED UNANIMOUSLY (17-0).**

**5. RWC 700 MHz Narrow-Banding, TDMA Conversion, and Lifecycle Update**

David Felix, RWC Executive Director, explained that a revised proposal was received from Motorola which would be discussed by Bill Phillips, Phoenix Enterprise Technology Manager. He added that his expectation was that the Board might want to spend sufficient time on this item so that all questions and concerns could be discussed.

Mr. Phillips reviewed that the purpose of this report was to present and request approval of the revised budget for the project and the concept of long-term financing. He reminded that the reason for the project was to meet the federal mandate to narrow-band all 700 MHz frequencies by January 1, 2017. He added that converting the system to a new protocol, Time Division Multiple Access (TDMA) would be used to accomplish the narrow-banding project. He explained that in order to preserve the ability to maintain wide-area roaming, the 800 MHz frequencies on the system would also need to convert to TDMA. He stated that the Board-approved SUA II, which Mr. Alhassan spoke about, was already included in the RWC budget and it included normal hardware and software upgrades every two years; however, base stations, consoles and subscriber equipment were not included and would not be a part of this presentation. He

explained that the original project estimate was \$51 M for the infrastructure portion and the Board requested staff to investigate financing options. He stated that discussions with Motorola resulted in a revised proposal \$38.5 M. He explained the main reasons for the reduction included no additional capacity would be needed during the transition to maintain Grade of Service; a simplified approach to implementation; and using a small subsystem, Simulcast J, as a test bed which would not affect operational capability.

Mr. Phillips reviewed the revised project budget, which included an additional \$240,000 year contingency for the first four years for RWC costs during the rough implementation period; the long term financing options provided by Motorola (not including the contingency amount); and each Member's proportionate share of the cost for the project. He explained that the attachments in the Board report provided a more detailed breakdown of the total RWC budget to include Operational and Maintenance costs, SUA II costs, and 700 MHz project costs.

Mr. Phillips reminded the Board that a possible "buy-out" option of the 800 MHz rebanding costs potentially could be applied toward reducing the 700 MHz narrow-banding costs. He explained that long term financing provided a methodology to ensure that network upgrades occur by the federal deadline, lifecycle upgrades are accomplished, and buy-out requirements for funds expenditure are met if the project were extended. He expressed that other options continue to be explored such as delaying the federal deadline, which would allow more time to purchase subscribers and looking at other financing options. He stated that a critical reminder was that the current project estimate of \$42 M, which included finance charges, was for network infrastructure, and that end users were still responsible for replacing subscribers and consoles. He added that Motorola was meeting with Members to develop those costs and timeframes so that they would coincide with the overall project.

Mr. Phillips stated that the Executive Committee recommended long term financing as the best option for the RWC and suggested that the six (6) year term with one (1) year in arrears was the favored choice to minimize the cost of financing. He added there would not be a commitment to sign anything at this point but rather this option would form a platform on which to start planning.

Mr. Campbell requested confirmation that the SUA II cost assessed in the upcoming fiscal year was for the upgrade in 2013/14, and that the proposed six-year lease costs (shown on slide 11) was in addition to the SUA II cost. Mr. Phillips replied in the affirmative.

In response to a question by Mr. Fitzhugh, Mr. Phillips responded that as the project was laid out, the initial thought was that Grade of Service could be affected because for a period of time some of the subsystems would only be operating with 15 channels. He added that after viewing the simulations, it was determined that additional channels would not be needed, and once the system converted to TDMA, the 15 channels would become 30.

In response to a question by Vice-Chair Thorpe, Mr. Philips deferred to Motorola's Mike Sumnicht in the audience. Mr. Sumnicht responded that the 800 MHz rebanding proposal would be ready mid- to end of May.

In response to a question by Mr. Heger as to whether the project or costs could be delayed if the deadline was pushed out, Mr. Phillips responded that network upgrades would still need to occur in order to apply any rebanding funds to the overall project, although subscriber costs could be delayed.

Vice-Chair Thorpe requested clarification that the funding amount was the worst-case scenario and whether it could get better if either more favorable financing terms or rebanding funds were obtained. Mr. Phillips replied in the affirmative.

Chair Meyer expressed that the request was for the Board to approve the budget for the project and the intent of a long-term financing plan.

Mr. Felix commented that depending on how everything moved forward, the possibility existed that long-term financing would not be needed.

Chair Meyer requested clarification whether that meant structuring the acquisition in the same manner by spreading out the payments minus the financing costs. Mr. Felix replied in the affirmative, if all the facets came together such as the deadline extended and the buy-out of 800 MHz rebanding costs.

A **MOTION** was made by Mr. Heger and **SECONDED** by Mr. Frazier to approve the revised budget of \$42.5 M and the concept of long-term financing for the infrastructure portion of the project. **MOTION CARRIED UNANIMOUSLY (17-0).**

## **6. Town of Buckeye Special Assessment**

Mr. Felix explained that the remote location of the two new Buckeye sites raised concern of the need to install security equipment (video surveillance and access control) that was not in the original project costs. He stated that discussions with Chief Costello and Chief Mann resulted in Buckeye securing the additional needed funds. He explained that the desire was to move quickly because the project was nearing completion; therefore, the Executive Committee approved the special assessment, which had already been paid, and the equipment ordered. He added that per the Governance, procedurally, the Board must approve special assessments, thus he was requesting retroactive Board approval of the special assessment to Buckeye.

In response to question by Mr. Hartig, Mr. Felix responded that every site had some form security and alarms; however, he was not sure all the sites had video surveillance.

A **MOTION** was made by Mr. Campbell and **SECONDED** by Mr. Fitzhugh to retroactively approve a special assessment for \$46,394.72 to the Town of Buckeye. **MOTION CARRIED UNANIMOUSLY (17-0).**

## **7. RWC Policy for Approval**

Mr. Felix explained that through a federal Public Safety Interoperable Communications grant, seven high sites were built that were to serve primarily as a backup system; however, per the grant and Federal Communication Commission requirements there needed to be some activity on the sites. He reviewed the Overlay Sites Policy and explained that it defined a set of rules for operable and interoperable use of the sites by RWC and non-RWC Members.

In response to a question by Vice-Chair Thorpe, Mr. Felix responded that Section 6.4 of the policy stated that operational use of the sites by a non-RWC Member would incur charges.

A **MOTION** was made by Vice-Chair Thorpe and **SECONDED** by Mr. Frazier to approve the Overlay Sites Policy. **MOTION CARRIED UNANIMOUSLY (17-0).**

Mr. Felix added that per the Governance, RWC policies needed to undergo an ongoing review process; therefore, if policies had only minor, non-substantive word changes they would be reviewed by the Executive Committee and not brought to the Board. He stated that policies with substantive changes would go before the Board for approval.

## **8. Executive Director's Report**

### **a. Strategic Communications Plan**

Mr. Felix stated that a meeting with the Westside Chiefs prompted a need for a strategic plan. He explained that the RWC, in concert with the TRWC and Urban Area Security Initiative (UASI), was awarded a non-monetary Technical Assistance grant from the Office of Emergency Communications for staff assistance for the development of the plan. He expressed that two full-day workshops would be scheduled and he desired to have participation by two or three Board members. He added that he envisioned having a mix of Board members, Executive Committee members, technical experts, and users. He explained that the Joint Objectives would provide the foundation for the plan.

In response to a question by Vice-Chair Thorpe, Mr. Felix responded that the dates were Thursday, May 3, 2012 and Tuesday, June 5, 2012 and the location was the Maricopa Association of Governments (MAG) Office.

### **b. Awards Submittals**

Mr. Felix explained that he was submitting the RWC for three awards: the International City/County Management Association (ICMA) Award, the MAG Desert Peaks Award, and the Law Enforcement Coordinating Committee

(LECC) Award. He thanked Vice-Chair Thorpe for her work on reviewing the ICMA submittal. He added that the MAG Desert Peaks and LECC submittals were joint submissions with the TRWC for partnership categories.

**c. Federal Communications Commission (FCC) Petition**

Mr. Felix updated that both petitions were filed with the FCC. He stated that the federal mandates would be the subject of an interview he and Mr. Phillips provided for the April issue of Mission Critical. He added that the interview would also appear as the feature article in the Radio Resource weekly newsletter. He explained that he had received emails from other jurisdictions all over the country and, in particular, the State of Idaho intended to submit a public comment to the FCC. He added that he would be staying in contact with FCC staff.

**9. Call to the Public**

None.

**10. Announcements**

Sun City West Fire District Deputy Fire Chief Jim Heger announced that he was retiring in June and thus resigning his position on the Board. He stated that Operations Chief Tim Van Scoter would serve as his replacement. Mr. Heger expressed his appreciation to the Board and RWC staff. Chair Meyer thanked Mr. Heger for his contributions and service on the Board.

Chair Meyer announced that his two-year term as Board Chair had ended and a new Chair needed to be selected. Vice-Chair Thorpe suggested that a subcommittee from the Board serve as a nominating committee. She added that although her seat did not have a term limit, if anyone was interested in the Vice-Chair position, she would be agreeable to vacating her seat. Mr. Hartig expressed his interest to serve on a nominating committee. Chair Meyer suggested that RWC staff communicate to the Board to solicit interest of other Members desiring to serve on the nominating committee.

Chair Meyer announced that the Phoenix City Council Chambers would be the location for next Board meeting.

**13. Adjournment**

Chair Meyer adjourned the meeting at 11:00 a.m.

Respectfully submitted,  
Theresa Faull, Management Assistant I