



**Board of Directors
MINUTES
March 28, 2013**

Maricopa Association of Governments
302 N. 1st Avenue
Phoenix, Arizona 85003

Board Members Present

Board Members Absent

Wade Brannon	Mike Frazier	Tim Van Scoter	John Bennett
Brenda Buren	Mark Gaillard	Marc Walker	Wayne Clement
Steve Campbell	Mark Gorla	Paul Wilson	Chris DeChant
Bob Costello	Jim Haner**	Ed Zuercher	Bob Hansen
Susan Daluddung	Brad Hartig		Danny Johnson
*Board Alternate	**Telephone Participant		

Staff and Public Present

Kelli Butz	John Gardner	Doug Mummert	Randy Thompson**
Jim Case	Thomas Grebner	Chris Nadeau	Shannon Tolle
Dave Clarke	Jennifer Hagen	Cy Otsuka	Jim Tortora
Dave Collett	Dave Heck	Ron Parks	Timothy Ulery
Jesse Cooper	Kacie Howard	Bill Phillips	
David Felix	John Imig	Dale Shaw**	
Domela Finnessey	Rick Kolker	Mike Sumnicht	
**Telephone Participant			

1. Call to Order, Roll Call and Opening Comments

Vice Chair Campbell called the meeting to order at 10:02 a.m. Roll call was taken and a quorum reached.

Vice Chair Campbell introduced the three new Board Members to the group: Mr. Mark Gorla from the City of Avondale, Ms. Susan Daluddung from the City of Peoria, and Ms. Brenda Buren from the City of Tempe.

2. Approval of RWC Board Meeting Minutes from January 24, 2013

A **MOTION** was made by Mr. Zuercher and **SECONDED** by Mr. Frazier to approve the minutes as presented. **MOTION CARRIED UNANIMOUSLY (14-0).**

3. **RWC Board of Directors Nominating Committee**

Vice Chair Campbell briefed the Board on the need to create a nominating committee since former Chair Thorpe can no longer serve due to moving out of State. The Regional Wireless Cooperative Governance does state that the Vice Chair shall step into the Chair role temporarily in the Chair's absence.

In the past, when a vacancy had arisen, a nominating committee was formed and selected nominations for the Chair and/or Vice Chair positions. Vice Chair Campbell asked if there were any volunteers to serve on the nominating committee. It was also suggested by Mr. Zuercher that the nominating committee continue to serve as needed in the future.

Mr. Hartig expressed that he thought there needed to be some continuity in the positions of Chair and Vice Chair, and that in this instance it would make sense for the Vice Chair to step into the Chair roll. Then a new Vice Chair could be nominated.

Mr. Frazier asked if Vice Chair Campbell would be interested in serving as the Chair of the Board of Directors. Vice Chair Campbell responded that, if he was the Board's choice, he would be glad to serve as Chair. Vice Chair Campbell also wanted to make sure that the nomination went through the process to ensure that was what the Board agreed to.

A nomination was made by Mr. Hartig to have Vice Chair Campbell move into the Chairperson role for the Board of Directors. Mr. Fraizer seconded this motion, and it will appear on the agenda for the **May 23rd** meeting.

Mr. Zuercher suggested the nominating committee should serve on an annual basis to assist with any future vacancies to the Chair or Vice Chair positions.

A **MOTION** was made by Mr. Zuercher and **SECONDED** by Ms. Buren to create a yearly nominating committee as presented. **MOTION CARRIED UNANIMOUSLY (14-0).**

The nominating committee will consist of Mr. Paul Wilson, Ms. Brenda Buren, and Mr. Brad Hartig.

Vice Chair Campbell and Mr. Hartig stressed to the group that the next year or two in the RWC will have many challenges in progressing with interoperability and partnerships, upgrades, and future projects.

Mr. Felix reminded the Board that the staff assists the Chair and Vice Chair with meeting preparation and updates to help minimize the impact of their service in one of these positions.

4. RWC Auditor Selection

Ms. Kelli Butz made a presentation to the Board showing the RFP process for selecting an auditor company for the RWC. There were a total of 7 responses and 3 non-responsive companies. Each company's proposal was reviewed to make sure they were qualified, and what hours and costs would be.

Ms. Butz reminded the Board that it is common practice to retain the same audit company for 5 years and then switch to a new firm for a fresh perspective. Clifton Larson Allen has already done the RWC audit for the past two years. The RWC budget for the annual audit is \$21,000 for FY 2013/2014 and \$22,050 for FY 2014/2015.

Ms. Butz requested the Board approve the selection of Clifton Larson Allen as the RWC auditing firm; this was also the recommendation of the Executive Committee.

A **MOTION** was made by Mr. Zuercher and **SECONDED** by Mr. Gaillard to approved Clifton Larson Allen as the RWC auditing firm. **MOTION CARRIED UNANIMOUSLY (14-0)**.

5. RWC Subscriber Unit (Radio) Rate for FY 2013/2014

Ms. Kelli Butz presented the proposed Subscriber Rate to the Board. The rate is based on the numbers of subscribers on the system at the time, plus any known increases to subscribers due to new members. The estimated rate given at the November meeting was \$36.54, but due to changes in the subscriber count, the revised rate is now \$39.75.

Ms. Butz presented a budget summary which shows an Operating Budget of \$8,237,764 and Special Assessments budget of \$11,112,196. Ms. Butz also presented to the Board a FY '13/'14 spreadsheet which shows the totals owed for each Member.

The RWC Executive Committee recommends the Board approve the proposed Subscriber Rate of \$39.75.

Mr. Fraizer wanted to clarify that the increased subscriber rate would mean an increase to all members from the November budget estimate. This rate only changes the Operations & Maintenance and the SUAll special assessment billed to each Member.

A **MOTION** was made by Mr. Gaillard and **SECONDED** by Mr. Hartig to approve the Subscriber Rate for FY 2013/2014. **MOTION CARRIED UNANIMOUSLY (14-0)**.

6. RWC 700 MHz Narrow-Banding, TDMA Conversion and Lifecycle Upgrades and Special Assessment

Mr. Bill Phillips presented the project to the Board, asking for approval for the project, its estimate cost, and to authorize the special assessment for FY 13/14 to be billed in July 2013.

This project is to comply with the federal mandate to narrow-band all 700 MHz frequencies by January 1, 2017. There are also lifecycle infrastructure upgrades that need to be performed. The project has been divided into two parts; hardware upgrade and the TDMA conversion (narrow-banding).

Hardware upgrades must be completed by November 2015 because they must coincide with the 800 MHz Re-Banding in order to obtain the “cash-out” option, which is estimated at \$4,300,000. The hardware upgrade portion of the project totals \$29,700,000 less the credits of \$4,300,000; equals a total of \$25,400,000.

The second phase of the project is the TDMA conversion, scheduled for January 2017, but we are hoping to receive a waiver by the FCC pushing out the deadline, possibly to 2024. The FCC may not choose to move the deadline and therefore the RWC would have to complete the project by 2017 in order to avoid incurring significant penalties. The estimated cost of this second phase of the project is \$17,700,000. If the deadline is extended, then additional capacity will need to be added to the system at a cost of \$6,900,000. Overall project cost is \$43,102,600, which includes the credits.

The radio counts have changed significantly recently, which does affect the cost of the project for different members. Capital budgets need to be predictable; therefore a snapshot is being proposed to help set the distribution and special assessments for the following fiscal year. The follow-on years will include any predicted changes in radio counts at the time of the snapshot.

Chief Wilson mentioned that it is problematic to their budgets because they usually use a 5 year prediction for CIP programs. Chief Wilson proposes a way to set a 5 year cap and then address new members as they come on. The other members would receive a credit back as the project costs were spread to new members. Chief Wilson suggested we need to find a way to make sure that it's consistent and fair for all members.

Future planning is also important for each city in order to obtain financing for future projects. The set budget must be maintained or go lower, as credits are easier than increases when dealing with financing. Since radio counts go up and down, taking a snapshot to bill project costs seems like a way to smooth out the costs for each member.

Mr. Zuercher suggests forming a CIP working group to help figure out the best way to plan for future projects. The working group will consist of Mr. Zuercher, Mr. Hartig, and Chief Wilson and will come up with suggestions for the Executive

Committee to consider on how to move forward with CIP program funding.

The Board asked that in the future if there are changes to project costs and timelines, the staff use side-by-side comparisons to show the Board where the previous amounts change and what financial impact there would be for each agency.

A **MOTION** was made by Mr. Hartig and **SECONDED** by Ms. Daluddung to approve the RWC 700 MHz Narrow-Banding, TDMA Conversion and Lifecycle Upgrades and Special Assessment in the amount of \$25,365,000. **MOTION CARRIED UNANIMOUSLY (14-0).**

7. **Executive Director's Report**

a. **Strategic Communications Plan**

Mr. Felix addressed the Board on the work of the Governance Working Group and the progress that they have made. Mr. Hartig let the board know that the group meets every two weeks and has been looking at all the potential governance options. The group has used a decision making matrix to work out all the options and scored each criteria based on how well that governance option met the criteria.

At this time, the group has settled on two options: single governance and a Communication Authority. These two options are being worked through and attorneys from Mesa and Phoenix have been consulted. The group will come up with a recommendation and then present to the Strategic Planning committee as well as the RWC & TRWC Boards.

Mr. Felix informed the Board that we are working on a Law Enforcement User Forum to help spread information on how to use the radio system in the field. The forum will also solicit information from the user if they have questions or comments about the radio system and how it could be improved. We hope to hold the forum on Monday, April 29th, and will be soliciting attendees from each of the member police agencies.

b. **RWC Inventory & Value Report**

Mr. Felix informed the Board that a comprehensive RWC Inventory and Value Report has been composed by the Phoenix ITS Radio Service group which shows a total equipment value of \$113,340,957 (does not include Scottsdale's equipment).

c. **Media Request**

Mr. Felix informed the Board that there has been a media request from the Arizona Republic regarding information on the RWC and TRWC networks. Mr. Felix has not been contacted yet, but thinks that this may be coming

soon.

8. Call to the Public

None

9. Announcements and Future Agenda Items

Mr. Hartig announced that the RWC will be doing a presentation at the LEIM Conference in Scottsdale at the end of May. Mr. Felix has asked Jesse Cooper (Phoenix PD) and Tom Melton (Scottsdale PD) to present an RWC overview at the conference.

Vice Chair Campbell thanked the staff for all of their hard work. Vice Chair Campbell also mentioned the challenges of creating a seamless system with interoperability statewide.

10. Adjournment

Vice Chair Campbell adjourned the meeting at 11:24 a.m.

Respectfully submitted,
Kacie Howard, Management Assistant I