



Regional Wireless Cooperative

Board of Directors

Agenda

February 28, 2019

10:00 a.m. – 11:30 a.m.

	ITEM	PRESENTER
1)	Call to Order, Roll Call, Opening Comments	Vice Chair Danny Johnson
2)	Call to the Public A member of the public may request to address the Board by submitting a blue card that is available at the entry of the room. Speakers will be considered at the sole discretion of the Board Chairman, and will be allotted no more than three (3) minutes to speak.	Vice Chair Danny Johnson
3)	Approval of RWC Board Meeting Minutes from November 15, 2018 Meeting This item is for information discussion, and action.	Vice Chair Danny Johnson Est. 2 min.
4)	RWC Board Chair and Vice Chair Nomination The purpose of this item is to elect a new RWC Board Chair and Vice Chair. This item is for information, discussion, and action.	John Imig – RWC Executive Director Est. 5 min.
5)	RWC Annual Audit for Fiscal Year 2017/2018 The purpose of this item is to update the Board on the findings of the RWC's Annual Audit. This item is for information, discussion, and action.	Mr. Ronald Stearns, CPA – CliftonLarsonAllen, LLP Est. 15 min.
6)	RWC Audit Committee Vacancies The purpose of this item is to elect a nominating committee to elect replacements for two Audit Committee vacancies. This item is for information, discussion, and action.	John Imig – RWC Executive Director Est. 5 min.



Regional Wireless Cooperative

Board of Directors

Agenda

February 28, 2019

10:00 a.m. – 11:30 a.m.

<p>7)</p>	<p>RWC Fiscal Year 2019/20 Subscriber Unit Rate The purpose of this item is to present the proposed O&M Subscriber Unit Rate for 2019/2020 and request approval from the Board. This item is for information, discussion, and action.</p>	<p>John Imig – RWC Executive Director Almira Santos - RWC Accountant III Est. 5 min.</p>
<p>8)</p>	<p>RWC Conventional Network Fiscal Year 2019/20 Subscriber Unit Rate The purpose of this report is to present the revised FY2019/20 subscriber unit rate. This item is for information, discussion, and action.</p>	<p>John Imig – RWC Executive Director Almira Santos - RWC Accountant III Est. 10 min.</p>
<p>9)</p>	<p>RWC 5-Year Plan Budget Update The purpose of this report is to present the updated 5-Year Plan budget allocation, which was originally presented on the November 15, 2018 Board meeting. This item is for information and discussion.</p>	<p>John Imig – RWC Executive Director Almira Santos RWC Accountant III Est. 5 min.</p>
<p>10)</p>	<p>Executive Director’s Report</p> <ul style="list-style-type: none"> A. Outreach Meetings (with Member Agencies) B. Board Member suggestions (on meeting topics) C. Moving documents to RWC SharePoint (secure website) D. New user inquires <p>This item is for information and discussion.</p>	<p>John Imig RWC Executive Director Est. 10 min.</p>



Regional Wireless Cooperative

Board of Directors

Agenda

February 28, 2019

10:00 a.m. – 11:30 a.m.

11)	<p>Announcements, Public Comment, Future Agenda Items</p> <p>The purpose of this item is to communicate any Board announcements, additional public comment, or future agenda items.</p> <p>This item is for information only.</p>	Vice Chair Danny Johnson
12)	Adjourn	Vice Chair Danny Johnson



Regional Wireless Cooperative

Board of Directors

Agenda

February 28, 2019

10:00 a.m. – 11:30 a.m.

**Board of Directors
2019 Meeting Schedule**

<u>Date</u>	<u>Location</u>
Thursday, May 23 10:00 – 11:30	Maricopa Association of Governments (MAG) 302 North 1st Avenue, 2nd Floor Phoenix, AZ 85003 Ironwood Room
Thursday, August 22 10:00 – 11:30	Maricopa Association of Governments (MAG) 302 North 1st Avenue, 2nd Floor Phoenix, AZ 85003 Saguaro Room
Thursday, November 21 10:00 – 11:30	Maricopa Association of Governments (MAG) 302 North 1st Avenue, 2nd Floor Phoenix, AZ 85003 Ironwood Room



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	John Imig, RWC Executive Director		Item 4
SUBJECT:	RWC BOARD CHAIR AND VICE CHAIR NOMINATION		

BACKGROUND

The RWC Governance, Section 2.2.2., Chair and Vice-Chair states in part, “The Board must elect one of its Members as Chair.” “The Chair shall serve a two-year term. No Member shall serve two consecutive terms as Chair.” It further states “...the Board of Directors shall elect one of its Members as Vice-Chair.”

There is no term limit cited for the Vice-Chair.

THE ISSUE

RWC Chair John Imig has resigned his position as RWC Chair and Vice Chair Danny Johnson will resign his position as Vice Chair in March 2019. At the November 15, 2018 Board Meeting Vice Chair Johnson appointed a three-person committee to review potential candidates and to place names into nomination for Chair and Vice-chair to the full Board of Directors for election at today’s Board meeting.

RECOMMENDATION

The RWC Executive Committee has reviewed the nomination process and recommends approval of the Nomination Committee’s nominees; and recommends that the Board proceed with the election. The following Board Members are nominated for election:

- Bob Costello, City of Buckeye, as Vice-Chair
- Paul Luizzi, City of Goodyear, for Board Chair

This agenda item is for information, discussion, and action.



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	Almira Santos, RWC Accountant III		Item 5
SUBJECT:	RWC ANNUAL AUDIT FOR FISCAL YEAR 2017/2018		

BACKGROUND

The RWC financial audit has been completed by the audit firm of CliftonLarsonAllen, LLP. The RWC Audit Committee met with the auditors and RWC staff to review the audit findings and will present their findings to the RWC Board of Directors.

THE ISSUE

On December 14, 2018, the Audit Committee met with representatives from CliftonLarsonAllen, LLP to review the draft Comprehensive Annual Financial Report (CAFR), relevant documents, and recommendations. The following are key highlights from the meeting and the Fiscal Year 2017/2018 RWC financial statements audit:

- On December 14, 2018, CliftonLarsonAllen, LLP issued an unmodified or “clean” opinion.
- The appointed RWC Audit Committee, acting on behalf of the Board of Directors, reviewed the audited financial statements and agreed with the audit opinion.
- The RWC audited financial statements include \$75.2 million in net position and approximately \$10.8 million in annual operating revenues.
- The significance of the “clean” audit is that all financial responsibilities were properly managed and accounted for by RWC staff.
- There was one minor administrative recommendation to management for this audit period.
- CliftonLarsonAllen, LLP will formally brief the RWC Board of Directors on the audit process and its findings at the February 28, 2019 RWC Board meeting.

RECOMMENDATION

The Audit Committee and Executive Committee recommend Board approval of the audit findings and the 2018 CAFR.



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	John Imig, RWC Executive Director		Item 6
SUBJECT:	RWC AUDIT COMMITTEE VACANCIES		

BACKGROUND

In 2011, at the recommendation of the auditing firm of CliftonLarsonAllen LLP, the RWC Board of Directors appointed three Board members to serve on an RWC Audit Committee to represent the RWC in reviewing the findings and recommendations of the audit firm. Throughout the years every member appointed has been elected to a full three-year term.

THE ISSUE

City of Avondale Representative Kevin Artz resigned from the RWC Board and his term has expired. City of Tempe Assistant Police Chief Brenda Buren's term on the Audit Committee has also expired. Two new members will be needed to fill the upcoming Audit Committee vacancies. The other member of the committee is City of Glendale Police Chief Rick St. John.

RECOMMENDATION

The Executive Committee recommends the Board of Directors seek two volunteers or to select two members of the Board of Directors to serve on the three-person RWC Audit Committee to replace the positions held by Kevin Artz and Brenda Buren. The new members will both serve three-year terms.



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	John Imig, RWC Executive Director Almira Santos, Accountant III	Item 7	
SUBJECT:	RWC FISCAL YEAR 2019/20 SUBSCRIBER UNIT RATE		

BACKGROUND

On November 15, 2018, the RWC Board of Directors approved the budget for fiscal year (FY) 2019/20, with the understanding that the subscriber unit rate would be set in the Spring of 2019. The purpose of this report is to present the FY2019/20 subscriber unit rate.

THE ISSUE

The subscriber unit rate is determined by dividing the staffing, operations, and maintenance budget by the estimated number of subscriber units to be on the network in FY2019/20. The rate for FY2019/20 if approved will be \$31.71, which represents a \$0.74 increase from the current rate of \$30.97. The reasons for the rate increase are as follows:

- ◆ A cost increase in the Phoenix ITS portion of the RWC budget
- ◆ A cost increase in the Lake Pleasant land lease contract with Central Arizona Project (CAP)
- ◆ A cost increase in the Motorola SUA II contract
- ◆ New Key Management Facility (KMF) service agreement contract added

Annual Staffing, O&M	\$ 7,282,680
Subscriber Units	19,139
Monthly Subscriber Rate	\$ 31.71

For planning purposes, the summary of the RWC's 2019/20 budget by member is reflected on the following page.

RECOMMENDATION

The RWC Executive Committee recommends the Board approve the FY 2019/20 subscriber unit rate of \$31.71 and authorize the RWC staff to assess the members quarterly.

RWC 19/20 Budget Detail

Member	Jan 2019 Radio Count	FY20 O&M/ Staffing	SUA II	TDMA Phase II-C	FY 2019/20 TOTAL
Arizona Fire & Medical Authority	90	34,246	13,043.93	14,396	61,686
Avondale	409	155,631	59,277.40	56,162	271,070
Buckeye	391	148,781	56,668.62	55,984	261,434
Chandler	1,037	394,594	150,295.03	177,017	721,906
Daisy Mountain	77	29,300	11,159.80	3,732	44,192
El Mirage	121	46,042	17,536.84	18,661	82,241
Glendale	1,154	439,115	167,252.14	226,603	832,969
Goodyear	295	112,252	42,755.10	71,091	226,098
Guadalupe	11	4,186	1,594.26	1,777	7,557
Maricopa	221	84,094	32,030.09	32,169	148,293
Maricopa County Community College District	226	85,996	32,754.75	41,944	160,695
Paradise Valley	84	31,963	12,174.33	14,751	58,889
Peoria	946	359,967	137,106.17	152,135	649,208
Phoenix	10,455	3,978,286	1,515,269.56	1,700,676	7,194,232
Scottsdale	1,524	579,905	220,877.17	277,433	1,078,215
Sun City Fire	64	24,353	9,275.68	8,531	42,160
Surprise	527	200,531	76,379.44	73,579	350,490
Tempe	1,212	461,184	175,658.22	269,613	906,455
Tolleson Fire & PD	146	55,555	21,160.15	5,687	82,403
Members Subtotal	18,990	7,225,983.24	2,752,268.68	3,201,941.11	13,180,193.03
Associates					
Rural Metro	123	46,803		-	46,803
Maricopa Ambulance	26	9,893		-	9,893
Associates Subtotal	149	56,696.76	-	-	56,696.76
ESTIMATED TOTALS	19,139	7,282,680.00	2,752,268.68	3,201,941.11	13,236,889.79



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	John Imig, RWC Executive Director Almira Santos, RWC Accountant III		Item 8
SUBJECT:	RWC CONVENTIONAL NETWORK FISCAL YEAR 2019/20 SUBSCRIBER UNIT RATE		

BACKGROUND

On November 15, 2018, the RWC Board of Directors approved the adoption of the Fire Conventional (VHF) Transition Resolution and 5-year Budget and Implementation Plan for Fiscal Year (FY) 2019/20. The purpose of this report is to present the revised FY2019/20 subscriber unit rate.

THE ISSUE

The subscriber unit rate is determined by dividing the staffing, operations, and maintenance budget by the estimated number of subscriber units to be on the network in FY2019/20. The rate for FY2019/20 if approved will be \$10.71, which represents an increase of \$0.81 from the initial rate of \$9.90 that was presented in the last Board meeting on November 15, 2018. This revised rate is based on the February 2019 Radio count that had a significant decrease in the count, thus increasing the cost per member.

Annual Staffing, O&M	\$ 447,960.56
Subscriber Units	3,486
Monthly Subscriber Rate	\$ 10.71

For planning purposes, the summary of the RWC Conventional Network FY2019/20 budget by member is reflected on the following page.

RECOMMENDATION

The RWC Executive Committee recommends the Board approve the FY2019/20 subscriber unit rate of \$10.71 and authorize the RWC staff to assess the members quarterly.

RWC - Conventional Network FY19/20 Budget Detail					
Member	Radio Count as of Feb 2019	Staffing / O&M	Special Assessments	Minimum Balance	Total Budget
AFMA	47	\$ 6,040	\$ -	\$ 755	\$ 6,795
Avondale	69	8,867	-	1,108	9,975
Buckeye	95	12,208	-	1,526	13,734
Chandler	160	20,560	-	2,570	23,130
Daisy Mountain	64	8,224	-	1,028	9,252
El Mirage	25	3,213	-	402	3,614
Glendale	192	24,673	-	3,084	27,757
Goodyear	90	11,565	-	1,446	13,011
Guadalupe	8	1,028	-	129	1,157
Maricopa	47	6,040	-	755	6,795
Peoria	155	19,918	-	2,490	22,408
Phoenix	1,785	229,377	-	28,672	258,050
Scottsdale	237	30,455	-	3,807	34,262
Sun City Fire	56	7,196	-	900	8,096
Surprise	108	13,878	-	1,735	15,613
Tempe	222	28,528	-	3,566	32,094
Tolleson	34	4,369	-	546	4,915
<i>Members Subtotal</i>	3,394	\$ 436,138	\$ -	\$ 54,517	\$ 490,656
BUCKEYE VALLEY	41	\$ 5,269	\$ -	\$ 659	\$ 5,927
HARQUAHALA	33	4,241	-	530	4,771
TONOPAH	18	2,313	-	289	2,602
<i>Conditional Participant Subtotal</i>	92	\$ 11,822	\$ -	\$ 1,478	\$ 13,300
TOTAL	3,486	\$ 447,961	\$ -	\$ 55,995	\$ 503,956



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	Almira Santos, RWC Accountant III	Item 9	
SUBJECT:	RWC 5-YEAR PLAN REVISED		

BACKGROUND

The purpose of this report is to present the updated 5-Year Plan budget allocation for each member, which was originally presented on the November 15, 2018 Board meeting. The later years (FY2021/22 to FY2023/24) of the 5-year plan did not include the SUA II cost.

The revised 5-year plan budget allocation for each Member is presented below.

Member	Oct 2018 Radio Count	FY 2019/20 TOTAL	FY 2020/21 TOTAL	FY 2021/22 TOTAL	FY 2022/23 TOTAL	FY 2023/24 TOTAL
Arizona Fire & Medical Authority	90	61,700	54,351	49,318	50,257	51,224
Avondale	409	271,133	243,168	224,123	228,391	232,784
Buckeye	346	237,842	209,213	189,600	193,211	196,927
Chandler	1,014	709,977	618,476	555,649	566,231	577,121
Daisy Mountain	73	42,101	40,802	40,002	40,764	41,548
El Mirage	109	75,952	66,332	59,730	60,867	62,038
Glendale	1,211	863,107	744,912	663,601	676,239	689,244
Goodyear	295	226,144	188,026	161,653	164,732	167,900
Guadalupe	11	7,559	6,650	6,028	6,143	6,261
Maricopa	220	147,801	131,609	120,555	122,851	125,214
Maricopa County Community College District	225	160,204	138,337	123,295	125,643	128,059
Paradise Valley	84	58,902	51,271	46,030	46,907	47,809
Peoria	945	648,829	571,087	517,839	527,701	537,849
Phoenix	10,530	7,235,264	6,365,797	5,770,202	5,880,096	5,993,180
Scottsdale	1,517	1,074,771	930,483	831,282	847,114	863,405
Sun City Fire	64	42,169	37,944	35,071	35,738	36,426
Surprise	514	343,739	306,835	281,660	287,025	292,545
Tempe	1,204	902,438	758,918	659,765	672,330	685,260
Tolleson Fire & PD	122	69,811	67,962	66,853	68,126	69,437
Members Subtotal	18,983	13,179,442.01	11,532,174.58	10,402,254.94	10,600,367.21	10,804,229.49
Associates						
Rural Metro	123	46,816	48,138	49,204	50,297	51,421
Maricopa Ambulance	26	9,896	10,176	10,401	10,632	10,870
Associates Subtotal	149	56,711.77	58,313.92	59,605.28	60,929.18	62,290.63
TOTAL	19,132	13,236,153.78	11,590,488.50	10,461,860.22	10,661,296.38	10,866,520.13

RECOMMENDATION

This issue is for information and discussion only.



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	February 28, 2019
FROM:	John Imig, RWC Executive Director		Item 10
SUBJECT:	EXECUTIVE DIRECTOR'S REPORT		

BACKGROUND

The Executive Director will brief the Board of Directors on the following items:

- Outreach Meetings (with Member Agencies)
- Board Member suggestions (on meeting topics)
- Moving documents to RWC SharePoint (secure website)
- New user inquires

RECOMMENDATION

This agenda item is for information and discussion.