



Regional Wireless Cooperative

**Board of Directors**

**Agenda**

**February 27, 2020**

**10:00 a.m. – 11:30 a.m.**

|    | <b>ITEM</b>   | <b>PRESENTER</b>   |
|----|---|--|
| 1) | <b>Call to Order, Roll Call, Opening Comments</b>   | Chair<br>Paul Luizzi   |
| 2) | <b>Call to the Public</b><br>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 Chair and will be allotted no more than three (3) minutes to speak.                                    | Chair<br>Paul Luizzi   |
| 3) | <b>Approval of RWC Board Meeting Minutes from the November 21, 2019 Meeting</b><br><b>This item is for information discussion, and action.</b>  | Chair<br>Paul Luizzi<br><br>Est. 2 min.  |
| 4) | <b>RWC Annual Audit for Fiscal Year 2018/2019</b><br>The purpose of this item is to provide an update to the Board on the findings of the RWC's Annual Audit.<br><b>This item is for information, discussion, and action.</b>   | Jean Dietrich<br>CPA<br>CliftonLarsonAllen, LLP<br><br>Est. 15 min.  |
| 5) | <b>New RWC Staff Position for Emergency Radio Responder Communications System Specialist</b><br>The purpose of this item is for the Board to consider a proposed additional RWC staff position for an Emergency Radio Responder Communications System Specialist.<br><b>This item is for information, discussion, and action.</b> | John Imig<br>RWC Executive Director<br><br>Tom Grebner<br>Wireless Communications<br>Manager<br><br>Est. 10 min. |



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**10:00 a.m. – 11:30 a.m.**

|                  |   |  |
|------------------|---|--|
| <p><b>6)</b></p> | <p><b>RWC Fiscal Year 2020/2021 Subscriber Unit Rate</b><br/>         The purpose of this item is to present the proposed Operations and Maintenance (O&amp;M) Subscriber Unit Rate for 2020/2021 and request approval from the Board.<br/> <b>This item is for information, discussion, and action.</b></p>              | <p>John Imig<br/>         RWC Executive Director</p> <p>Almira Santos<br/>         RWC Accountant III</p> <p>Est. 5 min.</p> |
| <p><b>7)</b></p> | <p><b>RWC Conventional Network Fiscal Year 2020/2021 Subscriber Unit Rate</b><br/>         The purpose of this item is to present the proposed Conventional Network O&amp;M Subscriber Unit Rate for 2020/2021 and request approval from the Board.<br/> <b>This item is for information, discussion, and action.</b></p> | <p>John Imig<br/>         RWC Executive Director</p> <p>Almira Santos<br/>         RWC Accountant III</p> <p>Est. 5 min.</p> |
| <p><b>8)</b></p> | <p><b>Executive Director's Report</b></p> <ul style="list-style-type: none"> <li>A. Membership Request</li> <li>B. Staff Update</li> <li>C. RWC Office Location Move</li> <li>D. Next RWC Board Meeting moved to Thursday, June 4</li> </ul> <p><b>This item is for information and discussion.</b></p>                   | <p>John Imig<br/>         RWC Executive Director</p> <p>Est. 5 min.</p>  |
| <p><b>9)</b></p> | <p><b>Announcements, Public Comment, Future Agenda Items</b><br/>         The purpose of this item is to communicate any Board announcements, additional public comment, or future agenda items.<br/> <b>This item is for information only.</b></p>   | <p>Chair<br/>         Paul Luizzi</p>  |



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**Board of Directors**

**Agenda**

**February 27, 2020**

**10:00 a.m. – 11:30 a.m.**

|            |                |                      |
|------------|----------------|----------------------|
| <b>10)</b> | <b>Adjourn</b> | Chair<br>Paul Luizzi |
|------------|----------------|----------------------|



Regional Wireless Cooperative

**Board of Directors**

**Agenda**

**February 27, 2020**

**10:00 a.m. – 11:30 a.m.**

**2020 RWC Board of Directors Meetings**

| <u>Date</u>  | <u>Location</u>  |
|--|--|
| <b>Thursday, February 27</b><br><b>10:00 – 11:30</b> | Maricopa Association of Governments (MAG)<br>302 North 1st Avenue, 2nd Floor<br>Phoenix, AZ 85003<br>Ironwood Room |
| <b>Thursday, June 4</b><br><b>10:00 – 11:30</b>      | Phoenix City Hall<br>200 West Washington Street, 1st Floor<br>Phoenix, AZ 85003<br>Assembly Rooms A/B              |
| <b>Thursday, August 27</b><br><b>10:00 – 11:30</b>   | Maricopa Association of Governments (MAG)<br>302 North 1st Avenue, 2nd Floor<br>Phoenix, AZ 85003<br>Ironwood Room |
| <b>Thursday, November 19</b><br><b>10:00 – 11:30</b> | Maricopa Association of Governments (MAG)<br>302 North 1st Avenue, 2nd Floor<br>Phoenix, AZ 85003<br>Ironwood Room |



## BOARD OF DIRECTORS REPORT

|          |  |              |                   |
|----------|--|--------------|-------------------|
| TO:      | Regional Wireless Cooperative<br>(RWC) Board Members | Agenda Date: | February 27, 2020 |
| FROM:    | Almira Santos, RWC Accountant III                    | Item 4       |                   |
| SUBJECT: | <b>RWC ANNUAL AUDIT FOR FISCAL YEAR 2018/2019</b>    |              |                   |

### 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 9, 2019, 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 2018/2019 RWC financial statements audit:

- On December 9, 2019, 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 \$70.9 million in net position and approximately \$13.5 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 27, 2020 RWC Board meeting.

### RECOMMENDATION

The Executive Director, after review and approval by the Audit Committee and Executive Committee, recommends Board approval of the audit findings and the 2019 CAFR.



## BOARD OF DIRECTORS REPORT

|          |  |              |                   |
|----------|--|--------------|-------------------|
| TO:      | Regional Wireless Cooperative (RWC) Board Members                          | Agenda Date: | February 27, 2020 |
| FROM:    | Thomas Grebner, Wireless Communications Manager                            | Item 5       |                   |
| SUBJECT: | <b>Emergency Responder Radio Communications System Specialist (ERRCSS)</b> |              |                   |

### BACKGROUND

The City of Phoenix along with a majority of RWC members have adopted the NFPA fire code. Within this code is section 510 that is for enforcement of public safety radio communications in structures, buildings, parking garages etc.

The Authority Having Jurisdiction (AHJ) can determine if a building needs RF enhancements and force the building owner to have a Distributed Antenna System (DAS) or Bi-Directional Amplifier (BDA) system installed in their building. Currently there is no control over the guidelines for any vendor to install these in-building treatment systems and we have seen several poorly installed systems that have had catastrophic impact to the RWC network. Since a majority of the RWC members are also following the fire code, more and more DAS/BDA's are being installed. This puts our police officers and firefighters at risk of having their radio communications severely impacted if a DAS/BDA is not installed properly.

### ISSUE

A DAS/BDA system that is not installed properly can have a major impact to the RWC network. Here are a few recent examples:

- A large industrial building was treated with a DAS/BDA and was initially signed off by the radio shop team. A vendor technician was performing work on the BDA and switched two cables causing oscillations out of the BDA which caused interference to several Simulcast C subsites. This caused reduced radio coverage for some member officers and firefighters.
- A vendor installed a DAS/BDA inside a hospital building and their technician turned the unit on without testing or notifying the RWC. This BDA caused disruption to the Simulcast A radio network which forced network operations to move officers to Simulcast B. This event could have resulted in officer safety issues.
- An interfering signal was being generated that caused a significant system impact for both Simulcast A and B, necessitating radio traffic move to the interop "O" deck. The cause of

this interference was tracked down to an unauthorized electronic device located at a business near an RWC subsite.

### RECOMMENDATION

The RWC Executive Director, after review and approval by the Executive Committee, recommends Board approval of the creation of a new RWC staff position for an Emergency Radio Responder Communications System Specialist (ERRCSS). This position will be utilized by all RWC members as many do not have technical staff to manage in-building treatments or track down interfering signals.

The responsibilities of this position are to:

- Work with AHJ's to determine if a building needs RF treatment
- Provide documents to the installation vendor outlining the RWC requirements for any in-building treatment.
- Coordinate testing of DAS/BDA systems with the RWC operations team to verify no degradation to the receive noise floor of RWC sites or impact on the Network.
- Verify closeout documentation and acquire final approval signatures
- Perform interference tracking
- Perform FirstNet interference testing
- Provide reports to the Fire Code Working Group and RWC.



**BOARD OF DIRECTORS REPORT**

|          |  |              |                   |
|----------|--|--------------|-------------------|
| TO:      | Regional Wireless Cooperative<br>(RWC) Board Members               | Agenda Date: | February 27, 2020 |
| FROM:    | John Imig, RWC Executive Director<br>Almira Santos, Accountant III |              | Item 6            |
| SUBJECT: | <b>RWC FISCAL YEAR 2020/21 SUBSCRIBER UNIT RATE</b>                |              |                   |

**BACKGROUND**

On November 21, 2019, the RWC Board of Directors approved the budget for fiscal year (FY) 2020/21, with the understanding that the subscriber unit rate would be set in the Spring of 2020. The purpose of this report is to present the FY2020/21 subscriber unit rate for the RWC Trunked Network.

**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 FY2020/21. The rate for FY2020/21, if approved, will be \$32.78, which represents a \$1.07 increase from the current rate of \$31.71. The reasons for the rate increase are as follows:

- ◆ A cost increase in the Phoenix ITS portion of the RWC budget
- ◆ A 1.4% decrease in radio count
- ◆ New position added, Emergency Radio Responder Communications System Specialists (ERRCSS)

|                                 |                     |
|---------------------------------|---------------------|
| <b>Annual Staffing, O&amp;M</b> | <b>\$ 7,424,937</b> |
| <b>Subscriber Units</b>         | <b>18,873</b>       |
| <b>Monthly Subscriber Rate</b>  | <b>\$ 32.78</b>     |

For planning purposes, the summary of the RWC’s 2020/21 budget by member is reflected on the following page.



RECOMMENDATION

The Executive Director, after review and approval by the RWC Executive Committee, recommends the Board approve the FY 2020/21 subscriber unit rate of \$32.78 and authorize the RWC staff to assess the members quarterly.

**RWC 20/21 Budget Detail**

| Member  | Oct 2019<br>Radio<br>Count | FY21 O&M/<br>Staffing | SUA II              | TDMA<br>Phase II-D  | FY 2020/21<br>TOTAL  |
|---|----------------------------|-----------------------|---------------------|---------------------|----------------------|
| Arizona Fire & Medical Authority              | 109                        | 42,882.33             | 16,106.01           | 5,948               | 64,936               |
| Avondale                                      | 392                        | 154,219.01            | 57,922.55           | 23,205              | 235,346              |
| Buckeye                                       | 364                        | 143,203.36            | 53,785.22           | 23,131              | 220,120              |
| Chandler                                      | 1,037                      | 407,972.22            | 153,228.78          | 73,138              | 634,339              |
| Daisy Mountain                                | 98                         | 38,554.75             | 14,480.64           | 1,542               | 54,577               |
| El Mirage                                     | 132                        | 51,930.89             | 19,504.53           | 7,710               | 79,146               |
| Glendale                                      | 1,048                      | 412,299.79            | 154,854.16          | 93,626              | 660,780              |
| Goodyear                                      | 291                        | 114,484.01            | 42,998.63           | 29,373              | 186,855              |
| Guadalupe                                     | 11                         | 4,327.57              | 1,625.38            | 734                 | 6,687                |
| Maricopa                                      | 224                        | 88,125.15             | 33,098.60           | 13,291              | 134,515              |
| Maricopa County Community<br>College District | 227                        | 89,305.39             | 33,541.88           | 17,330              | 140,177              |
| Paradise Valley                               | 83                         | 32,653.51             | 12,264.21           | 6,095               | 51,013               |
| Peoria  | 923                        | 363,122.81            | 136,383.96          | 62,858              | 562,365              |
| Phoenix                                       | 10,270                     | 4,040,380.60          | 1,517,511.68        | 702,671             | 6,260,563            |
| Scottsdale                                    | 1,534                      | 603,499.89            | 226,666.30          | 114,627             | 944,794              |
| Sun City Fire                                 | 66                         | 25,965.44             | 9,752.27            | 3,525               | 39,242               |
| Surprise                                      | 538                        | 211,657.72            | 79,495.74           | 30,401              | 321,554              |
| Tempe   | 1,225                      | 481,934.39            | 181,007.97          | 111,396             | 774,339              |
| Tolleson Fire & PD                            | 128                        | 50,357.23             | 18,913.49           | 2,350               | 71,621               |
| <b>Members Subtotal</b>                       | <b>18,700</b>              | <b>7,356,876.06</b>   | <b>2,763,142.00</b> | <b>1,322,951.37</b> | <b>11,442,969.43</b> |
| <b>Associates</b>                             |                            |                       |                     |                     |                      |
| Rural Metro                                   | 121                        | 47,603.32             |                     | -                   | 47,603               |
| Maricopa Ambulance                            | 52                         | 20,457.62             |                     | -                   | 20,458               |
| <b>Associates Subtotal</b>                    | <b>173</b>                 | <b>68,060.94</b>      | <b>-</b>            | <b>-</b>            | <b>68,060.94</b>     |
| <b>ESTIMATED TOTALS</b>                       | <b>18,873</b>              | <b>7,424,937.00</b>   | <b>2,763,142.00</b> | <b>1,322,951.37</b> | <b>11,511,030.37</b> |

| RWC ANNUAL BUDGET          | FY2020/21               | FY2021/22               | FY2022/23               | FY2023/24               | FY2024/25               |
|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Subscriber Rate            | \$ 32.78                | \$ 33.45                | \$ 34.18                | \$ 34.92                | \$ 35.04                |
| Estimated Subscriber Count | 18,873                  | 18,873                  | 18,873                  | 18,873                  | 18,873                  |
| O&M, Staffing              | \$ 7,424,937.00         | \$ 7,576,625.52         | \$ 7,740,125.94         | \$ 7,908,280.24         | \$ 7,936,551.75         |
| Required Minimum Balance   | \$ -                    | \$ -                    | \$ -                    | \$ -                    | \$ -                    |
| System Upgrade Agreement   | \$ 2,763,142.00         | \$ 2,791,148.00         | \$ 2,820,075.00         | \$ 2,849,951.00         | \$ 2,880,811.00         |
| TDMA Phase D               | \$ 1,322,951.37         | \$ -                    | \$ -                    | \$ -                    | \$ -                    |
| <b>Total Budget</b>        | <b>\$ 11,511,030.37</b> | <b>\$ 10,367,773.52</b> | <b>\$ 10,560,200.94</b> | <b>\$ 10,758,231.24</b> | <b>\$ 10,817,362.75</b> |



**BOARD OF DIRECTORS REPORT**

|          |  |              |                   |
|----------|--|--------------|-------------------|
| TO:      | Regional Wireless Cooperative<br>(RWC) Board Members                     | Agenda Date: | February 27, 2020 |
| FROM:    | John Imig, RWC Executive Director<br>Almira Santos, RWC Accountant III   |              | Item 7            |
| SUBJECT: | <b>RWC CONVENTIONAL NETWORK FISCAL YEAR 2020/21 SUBSCRIBER UNIT RATE</b> |              |                   |

**BACKGROUND**

On November 21, 2019, the RWC Board of Directors approved the budget for fiscal year (FY) 2020/21, with the understanding that the subscriber unit rate would be set in the Spring of 2020. The purpose of this report is to present the FY2020/21 subscriber unit rate for the RWC Conventional Network.

**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 FY2020/21. The rate for FY2020/21 if approved will be \$11.39, which represents an increase of \$0.68 from the previous rate of \$10.71 that was presented in the last Board meeting on February 28, 2019. This revised rate is based on the October 2019 Radio count.

The reasons for the rate increase are as follows:

- A 10% Contingency was added
- A slight increase in the Phoenix ITS portion of the VHF budget

|                                 |                      |
|---------------------------------|----------------------|
| <b>Annual Staffing, O&amp;M</b> | <b>\$ 504,855.00</b> |
| <b>Subscriber Units</b>         | <b>3,695</b>         |
| <b>Monthly Subscriber Rate</b>  | <b>\$ 11.39</b>      |

For planning purposes, the summary of the RWC Conventional Network FY2020/21 budget by member is reflected on the following page.

**RECOMMENDATION**

The Executive Director, after review and approval by the RWC Executive Committee, recommends the Board approve the FY2020/21 subscriber unit rate of \$11.39 and authorize the RWC staff to assess the members quarterly.

| <b>RWC - Conventional Network FY21 Budget Detail</b> |                                   |                           |                            |                        |                     |
|--|-----------------------------------|---------------------------|----------------------------|------------------------|---------------------|
| <b>Member</b>  | <b>Radio Count as of Oct 2019</b> | <b>Staffing / O&amp;M</b> | <b>Special Assessments</b> | <b>Minimum Balance</b> | <b>Total Budget</b> |
| AFMA   | 57                                | \$ 7,788                  | \$ 9,017                   | \$ -                   | \$ 16,805           |
| Avondale   | 69                                | 9,428                     | 10,915                     | -                      | 20,343              |
| Buckeye  | 95                                | 12,980                    | 15,028                     | -                      | 28,008              |
| Chandler   | 160                               | 21,861                    | 25,310                     | -                      | 47,172              |
| Daisy Mountain                                       | 71                                | 9,701                     | 11,232                     | -                      | 20,932              |
| El Mirage  | 29                                | 3,962                     | 4,588                      | -                      | 8,550               |
| Glendale   | 156                               | 21,315                    | 24,678                     | -                      | 45,992              |
| Goodyear   | 72                                | 9,838                     | 11,390                     | -                      | 21,227              |
| Guadalupe  | 7                                 | 956                       | 1,107                      | -                      | 2,064               |
| Maricopa   | 47                                | 6,422                     | 7,435                      | -                      | 13,857              |
| Peoria   | 128                               | 17,489                    | 20,248                     | -                      | 37,737              |
| Phoenix  | 2,064                             | 282,008                   | 326,505                    | -                      | 608,513             |
| Scottsdale   | 230                               | 31,425                    | 36,384                     | -                      | 67,809              |
| Sun City Fire  | 58                                | 7,925                     | 9,175                      | -                      | 17,100              |
| Surprise   | 90                                | 12,297                    | 14,237                     | -                      | 26,534              |
| Tempe  | 240                               | 32,792                    | 37,966                     | -                      | 70,757              |
| Tolleson   | 23                                | 3,143                     | 3,638                      | -                      | 6,781               |
| <b>Members Subtotal</b>                              | <b>3,596</b>                      | <b>\$ 491,328</b>         | <b>\$ 568,852</b>          | <b>\$ -</b>            | <b>\$ 1,060,181</b> |
| Buckeye Valley                                       | 88                                | \$ 12,024                 | \$ 13,921                  | \$ -                   | \$ 25,944           |
| Harquahala   | 11                                | 1,503                     | 1,740                      | -                      | 3,243               |
| <b>Conditional Participant Subtotal</b>              | <b>99</b>                         | <b>\$ 13,527</b>          | <b>\$ 15,661</b>           | <b>\$ -</b>            | <b>\$ 29,187</b>    |
| <b>TOTAL</b>   | <b>3,695</b>                      | <b>\$ 504,855</b>         | <b>\$ 584,513</b>          | <b>\$ -</b>            | <b>\$ 1,089,368</b> |

| <b>RWC Conventional Network ANNUAL BUDGET</b> | <b>FY 2020/21</b>      | <b>FY 2021/22</b>    | <b>FY 2022/23</b>    | <b>FY 2023/24</b>    | <b>FY 2024/25</b>    |
|---|------------------------|----------------------|----------------------|----------------------|----------------------|
| Subscriber Rate                               | \$ 11.39               | \$ 11.49             | \$ 11.61             | \$ 11.71             | \$ 11.84             |
| Estimated Subscriber Count                    | 3,695                  | 3,695                | 3,695                | 3,695                | 3,695                |
| O & M and Staffing                            | \$ 504,855.00          | \$ 509,338.21        | \$ 514,866.25        | \$ 519,439.57        | \$ 525,058.63        |
| Special Assessment                            | \$ 584,513.00          | \$ 351,180.00        | \$ 351,180.00        | \$ 351,180.00        | \$ 351,180.00        |
| Required Minimum Balance                      | -                      | -                    | -                    | -                    | -                    |
| <b>Total Budget</b>                           | <b>\$ 1,089,368.00</b> | <b>\$ 860,518.21</b> | <b>\$ 866,046.25</b> | <b>\$ 870,619.57</b> | <b>\$ 876,238.63</b> |



## BOARD OF DIRECTORS REPORT

|          |  |              |                   |
|----------|--|--------------|-------------------|
| TO:      | Regional Wireless Cooperative<br>(RWC) Board Members | Agenda Date: | February 27, 2020 |
| FROM:    | John Imig, RWC Executive Director                    |              | Item 8            |
| SUBJECT: | <b>Executive Director's Report</b>                   |              |                   |

### BACKGROUND

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

- A. Membership Request
- B. Staff Update
- C. RWC Office Location Move
- D. Next RWC Board Meeting Moved to Thursday, June 4

### RECOMMENDATION

This item is for information and discussion.