

Emergency Communication System and Facilities Program Advisory Board

Meeting Minutes

March 10, 2022, at 10:00 am via Teams

Members Present:

Adam Fortney – Chair
Dan Templeman

Jon Nehring
George Hurst

Roy Waugh

Others:

Kurt Mills
James Martin

Terry Peterson
Jill Iversen

Howard Tucker
Nathan Kennedy

Sheriff Fortney Call to Order 10:00 am

Meeting Attendance (Iversen)

Meeting Minutes Approval

September 2, 2021, Meeting Minutes

Motion for Approval – George Hurst

2nd the Motion – Dan Templeman

All Approved

Review of 30 Year ECSF Forecast (Peterson)

SNO911 is bringing forward the Future Facility Financing Inter-local Agreement that authorizes SNO911 to borrow from the County to the SNO911 Board for potential action this month.

There are two significant updates since the ECSFPA Board has last seen it.

- Total Project Budget has been increased to 60 M
 - Construction costs have gone up since original estimate in 2019
 - Land Acquisition cost have gone up since 2019
- Updated the Project to start this year and go through 2025 with a potential additional year

If the Board authorizes and the County approves the loan to SNO911, the debt service back to the County each year will be about 4.3 M.

With the cost of 60 M to buy property and build with three years of dept service, then the total project expenditure through 2025 is 73 M.

ECSF Long-Term Projection (Peterson)

The SNO911 Board and this board (ECSFPA) had asked SNO911 to develop a thirty-year projection. The projection has been updated now that the 2022 budget has been adopted.

- The original projection of sales tax revenue is coming in stronger than originally forecasted. However, there has not been any changes made to future forecast.

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- The SNO911 Board, this board (ECSFPA) and Council adopted a project scope increase back in September 2021. We increased the radio project scope by 4.7 M to recoup contingency that was already spent on encryption, additional radios, Hazloc for Fire, etc. That is the difference between what was projected and what was adopted in terms of radio system fees.
- Last year the SNO911 Board took action and created a special fund to deal with damaged, lost, damaged beyond repair, stolen and fleet expansion radios. The original approved estimated was 150 K per year with a cap of 600 K. Now that we have a year of experience, we know that 150 K per year is not sufficient. We're planning for the upcoming budget cycle for 2023 to increase the funding to be sufficient.
- In 2024 we know that the Radio Project will continue, so we're doing a deep dive radio project review including budget and timeline next month. There will need to be some additional funding set aside for project management, professional services to keep the project going through 2024.

These are things we will be asking a modification for beginning in 2023 and later on through the forecast.

Mills – These projections with revenue and this original budget were developed back in 2018. We are maintaining the philosophy that the sales tax is intended to focus on the radio system. There could be arguments that some of this, that is set aside, is more than is needed, but we don't want to take any action today. We want to make adjustments and tweaks over time as we gain more experience as we have with the lost/broken radios.

Update on Future Facility Financing ILA (Peterson)

SNO911 has been having a series of meetings with the County finalizing all the terms and conditions of the ILA. The big terms and conditions are a fifteen-year repayment strategy, SNO911 user fees. At the end of the day, we are planning on paying back the debt through this tax revenue. If for whatever reason there is a shortfall in the revenue, we would still have this debt that we'd need to pay to the County and the only thing SNO911 has to leverage is our user fees.

Discussion of Change of Radio Ownership (Mills)

Originally the plan and what we executed was, we purchased the radios to make sure we receive the right radios and receive the benefit of bulk purchases and then we transferred the assets to the agencies. As we started to gain experience on lost damaged radios, we realized that every entity approaches those losses differently, some of them have coverage through WCIA and some are self-insured. We are struggling to have equity on how each agency is treated when there's a lost radio. We are working with our attorney and SNO911 Board to change the nature of the relationships to where we would take back those assets from the agencies and we'd cover through WCIA. So that if there are losses, we could fund them or be reimbursed by our insurance. We believe the agencies will support this due to more security in making sure that if they lose a radio, it will be replaced.

However, per the State Auditor, there is still the obligation to inventory the assets. The State Auditor doesn't care if, for example, EPD audits their own radios or if we (SNO911) do as long as it gets done. So,

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we would structure in the agreement a clause that stipulates what the legal requirements are and that the agency would then share with us the results of their inventory.

The mechanism to transfer the radios to the agencies is through a lease agreement. At the end of the lease, the agency would return that radio under the terms of that lease back to SNO911 and then we would enter into a new lease agreement for the new radio that just got life cycled replaced.

Roundtable

Fortney - Fire Chief Chris Alexander retired. Do we need to look for a replacement for his position on this Board?

Mills – SNO911 Board will fill that position. We will report the replacement back to Sheriff Fortney as the Chair of this committee.

Fortney – Now that the Covid restrictions are being lifted would we like to move forward and meet in person or continue with virtual meetings?

Dan Templeman, Roy Waugh, George Hurst, Nathan Kennedy, Kurt Mills and Terry Peterson all agree to move forward with in person meetings.

Meeting adjourned at 10:51 am

Meeting minutes by:

Jill Iversen

Sheriff's Administrative Assistant