



Regional Wireless Cooperative

Board of Directors

Agenda

October 28, 2010

	ITEM	PRESENTER
1)	Call to Order	Chair Mr. Meyer – Tempe
2)	Approval of Meeting Minutes from September 23, 2010 This item is for Information, Discussion, and Action	Chair Mr. Meyer – Tempe Est. 1 min
3)	City of Glendale Update on RWC Membership The purpose of this item is to provide an update on the status of Glendale’s process for formal membership. This item is for Information and Discussion	Mr. Chris Dechant, Assistant Fire Chief – Glendale Est. 10 min
4)	Glendale Fire – Executive Committee Approval of October 4, 2010 Transition The purpose of this item is to provide a background of Glendale’s Fire transition and to request the Board to approve Executive Committee action. This item is for Information, Discussion, and Action	Mr. David Felix, RWC Executive Director Est. 10 min
5)	RWC Financial Update The purpose of this item is to review and discuss the RWC Budget for Fiscal Year 09/10, and approve the Executive Committee recommendation for fund balances. This item is for Information, Discussion, and Action	Mr. Tahir Alhassan, RWC Accountant III Est. 15 min
6)	Joint RWC/TRWC Meeting The purpose of this item is to provide an overview of the meeting with TRWC Chairman, Vice-Chairman, and Executive Director held on October 11, 2010, and possible approval of the action items delineated in the Chairman’s letter. This item is for Information, Discussion, and Action	Chair Mr. Meyer - Tempe / Mr. David Felix, RWC Executive Director Est. 20 min
7)	Call to the Public	Chair Mr. Meyer – Tempe Est. 1 – 5 min

8)	Next Meeting: December 16, 2010; 10:00 – 11:30 a.m. The purpose of this item is to discuss and approve cancellation of the November 18, 2010 Board Meeting. This item is for Information, Discussion, and Action	Chair Mr. Meyer – Tempe Est. 2 min
9)	Adjourn	Chair Mr. Meyer - Tempe



**Board of Directors
MINUTES
October 28, 2010**

Arizona Department of Transportation
Human Resources Department
1130 North 22nd Avenue
Phoenix, Arizona 85009

Board Members Present

Mark Brown	Jim Haner	Brian Tobin*
Bob Costello	Jim Heger	Shannon Tolle*
Carol Campbell*	Patrick Melvin	Marc Walker
David Fitzhugh	Charlie Meyer	Paul Wilson
Mike Frazier	Susan Thorpe	Ed Zuercher

Board Members Absent

Chad Dragos
Brad Hartig
Alfred Medina
Mark Schott

*Board Alternate

Staff Present

Tahir Alhassan	David Felix	Bill Phillips
Leif Anderson	Celicia Fiedler	Rob Sweeney
Dave Clarke	Rick Kolker	
Theresa Faull	Steve Kreis	

Public Present

Karen Allen	Dave Collett	Mark Mann	Jim Tortora
David Andrews	Bill Fleming	Chris Nadeau	Timothy Ulery
Denny Bennett	Dave Heck	Cy Otsuka	Tim Van Scoter
Steve Campbell	Dave Hubalik	Dale Shaw	
Jim Case	Jim Imig	Audrey Skidmore	

1. Call to Order

Chair Meyer called the meeting to order at 10:01 a.m. and announced the following alternate representatives:

- Board Alternate Mr. Brian Tobin for Mr. Dragos – Daisy Mountain Fire District
- Board Alternate Mr. Shannon Tolle for Mr. Hartig – City of Scottsdale
- Board Alternate Ms. Carol Campbell for Mr. Schott – City of Surprise

2. Approval of the Meeting Minutes from September 23, 2010

A **MOTION** was made by Mr. Wilson and **SECONDED** by Vice-Chair Thorpe to approve the September 23, 2010 minutes. **MOTION CARRIED UNANIMOUSLY.**

3. **City of Glendale Update on RWC Membership**

Commander Denny Bennett of the Glendale Police Department Technical Services Division provide an overview of Glendale's process for requesting formal RWC membership. He stated that a letter, requesting cost details, from the Glendale City Manager to Mr. Felix would be forthcoming. Commander Bennett informed that after review of the financial information, assuming Glendale could financially afford to join the RWC, Council approval would be required to proceed with membership. He anticipated the process would take one to two months. He commented that upon City Council approval, he anticipated formal membership would occur in the first quarter of 2011.

4. **Glendale Fire – Executive Committee Approval of October 4, 2010 Transition**

Mr. Felix relayed that in September 2010, he was contacted by Phoenix Assistant Fire Chief Kreis regarding the steps necessary to allow Glendale Fire to transition onto the RWC network in concert with Peoria's October 4, 2010 transition. Mr. Felix shared that Glendale currently had 75 radios for interoperable use and invested approximately \$3 million dollars in the early infrastructure build out of the network. Mr. Felix stated that he obtained a written request from Glendale Fire Chief Mark Burdick for use of the RWC for non-hazard zone management. Mr. Felix stressed the importance, operationally, of the life safety issue to maintain seamless communications between Peoria, Glendale, and Phoenix.

In response to a comment by Chair Meyer, Mr. Felix confirmed that a precedent was set when Buckeye transitioned to the network prior to formal membership, due to a delay in its administrative process. He noted that Glendale intends to become an RWC member once approval is granted by the Glendale City Council.

Mr. Felix explained that the Executive Committee met, discussed the issue, and approved Glendale's transition request, until the Board could act on the matter. He requested that the Board uphold the decision of the Executive Committee.

A **MOTION** was made by Mr. Zuercher and **SECONDED** by Mr. Brown to approve Glendale Fire's request to transition onto the RWC network on a temporary basis with the premise that Glendale is moving forward with formal membership. **MOTION CARRIED UNANIMOUSLY.**

5. **RWC Financial Update**

Mr. Alhassan delivered a presentation of the RWC budget for Fiscal Year 09/10. He reviewed three main categories: Operations and Maintenance (O&M) Billings, Required Minimum Balance, and Special Assessment-RWC Staffing. He stated that he met with the Executive Committee to review the financial balances of

each category and obtained the Executive Committee's recommendation for handling of the fund balances.

Mr. Alhassan explained that O&M was based on the number of radios on the system and the radio rate established in April 2010. He stated that billings were \$1.2 million dollars more than actual costs; and several factors may have been the reason for the difference:

- A preventative maintenance cycle was skipped due to the 7.7 upgrade
- Facility charges were projected higher than actual expenditures
- Other possible reasons exist, but there was not enough history to determine

Mr. Alhassan stated that the Executive Committee's recommendation was to apply each member's credit toward this fiscal year's billing.

In response to a question from Mr. Zuercher, Mr. Alhassan replied that per the governance, members were to be billed quarterly. He noted that billing for this fiscal year has not yet occurred, as he was awaiting the Board's decision on the handling of the fiscal year 09/10 credit balance. He clarified that credits to members would be applied one time on the first bill for this fiscal year; although if the credit was more than the billing, then the credit may need to be applied over more than one quarterly billing.

Mr. Alhassan explained that the Required Minimum Balance category was created to establish cash flow for operations. He stated that the fund balance was originally estimated at 12.5% of O&M and later reduced to 8% of O&M. He presented that the current balance of the fund was \$513,917.12. He stated that the recommendation was to leave the balance at the current level and not to bill members for this fiscal year. Mr. Alhassan noted that any new members joining the RWC would be billed for their portion.

In response to a question from Chair Meyer, Mr. Alhassan clarified that the Required Minimum Balance was a one time billing based upon the \$6.4 million dollar O&M billing. He expressed that there was no reason to lower the minimum balance. Mr. Alhassan confirmed that the Required Minimum Balance, a separate fund from the O&M, was a reserve account for emergencies, and if any downward adjustments to the balance needed to occur, the excess balance would be credited to the members.

Mr. Alhassan explained that projected costs for the Special Assessment for RWC staffing were based on six months of staffing, January through June 2010, and allocated to each member based upon the number of radios. He stated that the Executive Committee's recommendation in this category was to apply each member's credit toward this fiscal year's billing.

In response to a question from Mr. Wilson, Mr. Alhassan replied that the credit memos for fiscal year 09/10 would be clearly delineated, as they would be sent separately from fiscal year 10/11 billings.

In response to a question from Chair Meyer, Mr. Felix explained that the City of Phoenix was going through its 3+9 budget process for fiscal year 11/12. He stated that staff would be analyzing the numbers to closer align projected costs to expenditures. He stated that the December budget proposal to the Board may include an adjustment for this fiscal year. Mr. Felix commended Mr. Alhassan for his initiative in bringing the RWC budget up to date. Chair Meyer commended Mr. Alhassan for his presentation and answers to the Board's questions.

Mr. Alhassan requested Board approval to maintain the Required Minimum Balance at its current level and to apply each member's credits in O&M and Special Assessment for RWC staffing towards fiscal year 10/11 billings.

A **MOTION** was made by Vice-Chair Thorpe and **SECONDED** by Mr. Heger to approve the recommendations of the Executive Committee on the financial report. **MOTION CARRIED UNANIMOUSLY.**

6. **Joint RWC / TRWC Meeting**

Chair Meyer provided an overview of the meeting held between the Board Chairs, Vice-Chairs, and Executive Directors from the RWC and TRWC. He highlighted that although the two cooperatives have not agreed that one regional cooperative should exist, the parties recognize the need for a general sense of cooperation. He explained that a good working relationship between the two cooperatives would contribute to better decision making. He stated that a need exists for the RWC and TRWC to work together in making operational and capital decisions with regards to other regional cooperatives and agencies in the state. Chair Meyer presented a letter signed by both Board Chairs that outlined key areas in which the two cooperatives would work together:

- Develop a solution for ongoing operational roaming across the region
- Develop a common regional, system-of-systems governance model
- Implement a Joint Operational Users Working Group
- Share capital improvement and roadmaps plans to ensure ongoing compatibility of the systems
- Continue the regular participation with each other's Boards, with potential ex officio status
- Continuation of regular fact to fact working sessions between the Executive Directors
- Continued regular meetings of the RWC and TRWC Chairs, Vice-Chairs, and Executive Directors

Mr. Felix clarified that the system-of-systems governance was not intended to be a governance over the RWC and TRWC, but rather a process for how other

regional systems, such as Yuma and Pima County Wireless Integrated Network, could integrate onto the RWC and TRWC. He explained that by sharing roadmaps, the two cooperatives would stay technically parallel thus contributing to compatible systems.

Mr. Tolle commented that the letter did not address furthering discussions of the possibility of one regional system. He expressed that this type of discussion be included in the working relationship with the TRWC.

Chair Meyer responded that, at present, the TRWC was content with the way the system worked. He explained that there had been language in the letter that allowed for the two cooperatives to operate separately, for the long term. He stated that he asked for the language to be removed, not because there was an agreement to work towards merging the two cooperatives, but rather because the intent was not to set up the system to continue working separately permanently. He explained that there were areas that can be improved upon and within the system-of-systems there may be elements that, at least, do not cause the two cooperatives to move further apart. He stated that there was not an agreement to take steps to move the two cooperatives into one.

Mr. Felix shared that philosophically he believes that the two cooperatives could be one; however, he stated the importance of not being overly focused on that ideal so that it negatively impacts the users. He expressed that the two Executive Directors were resolved in moving forward to make progress in other areas that would assist users. Chair Meyer conveyed that, at present, the issue of merging the two cooperatives into one would not be the focus of discussions with the TRWC.

7. **Call to the Public**

None.

8. **Next Meeting: December 16, 2010; 10:00 – 11:30 a.m.**

Chair Meyer proposed cancellation of the November 18, 2010 Board Meeting.

A **MOTION** was made by Mr. Heger and **SECONDED** by Ms. Campbell to cancel the November 18, 2010 Board Meeting. **MOTION CARRIED UNANIMOUSLY.**

9. **Adjournment**

Chair Meyer adjourned the meeting at 10:46 a.m.