

Agenda Item C

MARIN EMERGENCY RADIO AUTHORITY

c/o Novato Fire Protection District
95 Rowland Way, Novato, CA 94945
PHONE: (415) 878-2690 FAX: (415) 878-2660
WWW.MERAONLINE.ORG

MEMORANDUM

DATE: February 27, 2013
TO: MERA Finance Committee
FROM: Maureen Cassingham, Executive Officer
SUBJECT: AGENDA ITEM **C**: REQUEST FOR RECALCULATION OF MERA MEMBER DEBT SERVICE PAYMENTS BASED ON CURRENT RADIO TOTALS

Recommended Action: Provide input and direction to staff regarding recalculation of member debt service payments based on current radio totals.

Background: At the January 16, 2013, MERA Executive Board Meeting, Chief Berg, Executive Board Member from City of Novato, raised the issue of reviewing member debt service payments (i.e., bonds) given the increased number of radios being allocated. Executive Board Chair Hymel asked for this matter to be referred to the Finance Committee, followed by initiation of discussion on member cost allocation for the Next Gen System.

Since that meeting, Chief Berg has formally requested “that a recalculation be completed using the old formula, using the new radio totals to determine if there is any change in each agency’s payment schedule”.

Attached is Section 9.2 – Funding of the Authority, from the MERA JPA Agreement that sets forth the Lando Formula which determines member contributions. Those factors include user type, a coefficient tying user type to approximate radio utilization, percentage of member population to total County population, percentage of member area to total County area, member’s determinant and apportioning formula. The allocable percentages of the bond payments were developed based on this formula and have been in use since 1998. No adjustments have been made since this date for changes in any of the formula factors (e.g.. population, etc).

Agenda Item C: Request for Recalculation of MERA Member Debt Service Payments Based On
Current Radio Totals

February 27, 2013

Page 2

Also attached is a comparison of each member's current percentage of debt service and current percentage of radios per agency issued to date. As can be seen, these percentages are very comparable.

The MERA Governing Board Policy on Additional Radios, which was adopted December 14, 2011, is also presented for your information. The DPW Operations Work Group has vetted every request for additional radios before Executive Board action. As has been discussed, no member request for more radios has been denied to date. In 2010, MERA expended \$1.5M from Reserves to acquire and install five additional frequencies to enhance system capacity. The system was designed to accommodate 2,500 radios. The current number of radios on the system is 2,897, which includes member mobile and portable radios, public and private "mutual aid" radios, Skywalker Ranch, Fire Station alerting and training units.

The usage of these radios varies as some are in continuous use, some are used infrequently and others are in member caches. Therefore, the impact of these radios on the MERA System varies as well.

Lastly, it is noteworthy to add that the actual orders by members were "educated guesstimates" based on current and foreseeable needs, which in some cases over time may have proved to be insufficient. This may be a contributing factor to requests for additional radios.

ATTACHMENTS:

- C-1) Section 9.2 – MERA JPA Agreement
- C-2) Current Member Agency Debt Service and Radio Allocation Comparison
- C-3) MERA Additional Radios Policy and Procedure