

MARIN EMERGENCY RADIO AUTHORITY

c/o Novato Fire Protection District
95 Rowland Way, Novato, CA 94945
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Agenda Item A-1

EXECUTIVE COMMITTEE

MINUTES OF MARCH 10, 2010 REGULAR MEETING

Call to Order

The meeting was called to order by Acting Chair Hymel at 3:38 p.m. at the Novato Fire Protection District Administration Office, Heritage Conference Room, 95 Rowland Way, Novato, CA.

Committee Members (or Alternates) Present:

County of Marin	Matthew Hymel (Alternate)
County of Marin Sheriff	Robert Doyle
City of San Rafael	Matthew Odetto (Alternate)
City of Novato	Joe Kreins
Fire Districts: At-Large	Jim Irving
Ross Valley Agencies	Michael Rock

Committee Members Absent:

Novato Fire Protection District	Eric Nickel (Alternate)
Southern Marin Cities/Towns	Adam Politzer

Non-voting Members Present:

Marin County Fire Chiefs' Association	Richard Pearce
Marin County Police Chiefs' Association	John Rohrbacher
Marin County Transit District	David Rzepinski

Non-voting Members Absent:

Marin County Police Chiefs' Association	John Rohrbacher
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Staff Present:

MERA Executive Officer	Maureen Cassingham
Recording Secretary	Denise Wade

A. Consent Calendar

All matters on the Consent Calendar are to be approved with one motion unless a member of the Committee or the public requests that separate action be taken on a specific item.

1. Minutes from the December 9, 2009 Executive Committee Special Meeting
2. January 14, 2010 Executive Committee Special Meeting – Cancelled due to lack of quorum
3. Report on Electronic Distribution of Board and Executive Committee Agenda Packets

M/S/P Doyle/Kreins to approve Consent Calendar items 1-3 as presented.

AYES: ALL
NAYS: NONE
Motion carried

B. Executive Officer's Report (Cassingham)

1. Final Report on Refunding of MERA's 1999 Revenue Bonds.

Cassingham announced the successful completion of the refunding of MERA's 1999 Revenue Bonds with the closing on February 4, 2010. Net present value savings were \$1.6M versus the estimated \$1.3M. She congratulated the member agencies on their tremendous and timely efforts to make this happen. During closing due diligence, the Financing Team discovered that the first pre-paid debt service required by the Project Operating Agreement had not been collected from member agencies. Therefore, the schedule for collection had not been implemented to effect the property tax intercept as security. Instead of collecting debt service on an overlapping fiscal year basis, member agencies were billed on a pay-as-you-go fiscal year basis. Instead of \$1.6M refunding savings being available for capital projects, interest savings had to be used to address the debt-service pre-payment requirement, synchronize the payment schedule going forward with the Operating Agreement; prevent Authority default and avoid supplemental collection from MERA members. In July 2010, when members are billed by the Trustee, MERA will have an estimated \$167,000 available for system improvements.

Cassingham said it is not uncommon to have administrative issues with such complex financings, especially in small organizations where focus tends to be on the day-to-day operations. While she is disappointed for all the members, the interest savings have cured all the compliance issues going forward. She briefed both President Kinsey and Vice President Nordhoff, and they discussed

how to inform the Members and other interested parties. Given the communications plan for MERA set forth in her work plan, she is proposing to communicate an update on MERA operations in general, including this refunding outcome, at upcoming meetings of the County City Managers' Group and Police and Fire Chiefs' Associations. She also proposed inviting Operations Officer Mansourian to attend with her to address any MERA operations questions. Rock reconfirmed that MERA had hoped to use the \$1.6M interest savings for capital projects and asked if it was due to the refunding process that pre-payment shortfall was discovered. Cassingham acknowledged that was the case. Kreins said if we hadn't refunded, MERA Members would have had to contribute to cure the situation. He also suggested that Cassingham meet with the County Mayors and City Councilmembers group and the City Managers' Association before scheduling meetings with the Police and Fire Chiefs. Rock said Peggy Curran, Tiburon's Manager, is the Chair of the CMs Group this year and her mayor is the Chair of MCCMC. Kreins suggested that the groups be given a quick overview on where MERA is, including the strategic planning process, capacity and coverage projects, the refunding and MERA's possible participation in the new County EOF. He suggested that more details could be provided later about capital needs when the strategic plan is completed this summer. Pearce asked if MERA had any insurance to recoup the interest savings for capital projects. Cassingham said no. Cassingham will work with Irving and Pearce to get contact information for the Police and Fire Chiefs' Associations to get on their future meeting agendas.

M/S/P Doyle/Kreins to recommend to the Board to receive and file the Final Report on the Refunding of MERA's 1999 Revenue Bonds and approve the MERA communications plan including the refunding outcome to affected groups as discussed.

AYES: ALL
NAYS: NONE
Motion carried

2. Final Report on Investment of 2010 Refunding Bonds Reserve

Cassingham announced that with the concurrence of the MERA Finance Committee, the 2010 Refunding Bonds Reserve was invested, through the Bank of New York Mellon, in the Federal National Mortgage Association at a yield of 2% and maturity date of December 31, 2013. This shorter term investment, which is permitted under the Indenture and is in accordance with the County's Investment Policy, will permit the opportunity for reinvestment when interest rates are hopefully higher.

M/S/P Irving/Kreins to recommend to the Board to receive and file the Final Report on Investment of the 2010 Refunding Bonds Reserve as presented.

AYES: ALL

NAYS: NONE
Motion carried

3. Proposed Mid-year Revision of FY09-10 Operating Budget

Cassingham reported that the Finance Committee had reviewed the Proposed Mid-year Revision of the FY09-10 Operating Budget and recommends Executive Committee approval of the resolution adopting the line-item revisions within the Board-approved total budget. She summarized the line-item variances, some of which were approved by prior Board actions like the website project and increase in the Executive Officer's hours through June 30, 2010. Other unanticipated expenses include an increase in site maintenance, due to Bay Area Air Quality Management District and County Hazardous Waste site permits, and Business Interruption insurance required by the 2010 bonds. She also reviewed the Reserve Funds Chart outlining the Replacement and Emergency Funds.

M/S/P Rock/Kreins to approve the resolution adopting the proposed mid-year revisions to MERA's FY09-10 Operating Budget within the Board approved total as presented.

AYES: ALL
NAYS: NONE
Motion carried

4. Proposed MERA Operating Budget Policy and Procedures

Cassingham said the Finance Committee has reviewed the proposed Operating Budget Policy and Procedures and recommends Executive Committee and Board approval of same. She noted that the development of the policy and procedures is part of staff's continuing efforts to document and memorialize the body of MERA's operating policies. This, along with other policies, will be posted to MERA's updated website for future reference.

M/S/P Kreins/Doyle to recommend Board approval of the proposed MERA Operating Budget Policy and procedures as presented.

AYES: ALL
NAYS: NONE
Motion carried

5. Other Information Items

Cassingham reported receipt of County Administrator Hymel's letter in response to MERA's questions about our participation in the new County Emergency Operations Facility. The letter was shared with the MERA EOF Subcommittee and the Strategic Planning Facilitator. She noted that the cost of relocation of

NERA's prime site is \$5M+ and the cost of remaining at the Civic Center is estimated at \$500,000. She has requested County DPW to estimate the cost of their study to fully identify MERA's relocation expense and the timeline for expenditure for presentation with MERA's FY10-11 budgets to the Executive Committee and Board in May, 2010. The Strategic Planning Committee will include discussion of this possible project along with other current capital needs at their March 31, 2010, meeting.

Cassingham said she had shared MERA's current DPW Maintenance Agreement with volunteers Chief Gray and Lt. Jeffries, who will be assisting her with the review of the proposed DPW new maintenance agreement commencing July 1, 2010. At least one meeting will be convened with DPW staff on the proposed agreement before it is presented to the Executive Committee and Board at their May budget meetings.

Cassingham revisited the MERA meetings RSVP process. While the stated member preference is for using Outlook to confirm attendance, not all Committee and Board members or alternates are on Outlook. It was agreed that MERA staff would use email to confirm member attendance, with additional reminders if needed, to assure quorums.

Cassingham noted that the website enhancement project was underway again now that the bonds refunding was completed. She expects Committee access to the beta site for review and comment, on the look and feel of it, sometime in the next month.

The next Executive Committee and Board meeting dates are May 12 and May 19, 2010, respectively.

C. Operations Reports (Mansourian)

1. Request to add MERA radios to Reserve Ambulance–Southern Marin Emergency Medical Paramedic System

In the absence of Mansourian and Chuck, Irving presented the request for four additional radios for an additional reserve ambulance for the Southern Marin Emergency Medical Paramedic System. There will be no impact on MERA since the ambulance is for reserve purposes only.

M/S/P Doyle/Kreins to approve the request to add four MERA radios for the reserve ambulance in the Southern Marin Emergency Medical Paramedic System.

AYES: ALL
NAYS: NONE

Motion carried

All other Operations Reports were postponed to the next meeting.

D. Open Time for Items Not on Agenda (*limited to two minutes per speaker*)

None to report

E. Adjournment

Meeting adjourned at 4:10 p.m.

NEXT: MERA Executive Committee Regular Meeting
Wednesday – May 12, 2010 – 3:30pm

Maureen Cassingham, Executive Officer