

MARIN EMERGENCY RADIO AUTHORITY

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DRAFT: 7/16/18

Measure A Citizens Oversight Committee

Minutes of June 20, 2018 Regular Meeting

Call to Order

The meeting was called to order by Chair Pro Tem Levinson at 4:02 p.m. on June 20, 2018 at the Marin Civic Center CAO Conference Room 315, San Rafael, California 94903.

Committee Members Present:

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|-------------|---------------------|
| District #1 | Elizabeth Greenberg |
| District #2 | Bill Levinson |
| District #3 | Chuck Reite |
| District #4 | Larry Luckham |
| District #5 | Paul Herrerias |

Staff Present:

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| MERA Executive Officer | Maureen Cassingham |
| MERA Deputy Executive Officer – Next Gen Project | Dave Jeffries |

A. Minutes of March 21, 2018 Citizens Oversight Committee Regular Meeting

M/S/P Luckham/Levinson to approve the minutes as presented.

AYES: All
NAYS: None
ABSTENTIONS: None
Motion carried.

B. Review of Funds 70038 and 70039-Next Gen Project Revenues and Expenditures – FY17/18: March 8, 2018 to June 11, 2018

Cassingham presented the Balance Sheet, P&L Summary, and Detail for Funds 70038 and 70039 and revenues and expenditures that occurred since March 8, 2018, through

June 14, 2018, based on reissued P&L date. She also provided hard copies of the invoices paid during this period for Committee review. In response to Herrerias' review of the March 21 presentation of hard copy invoices, Cassingham presented to the Committee the Maher Accountancy November 2017 invoice for the Fund 38 and 39 portion of the MERA Annual Audit in the amount of \$4,500 and the December 2017 invoice for the Independent Compliance Audit in the amount of \$12,250. She also presented the NFPD office staff support hours and costs as it applies to its Measure A activities.

Cassingham asked if there were any questions about the P&L detail. Reite inquired about the staff titles providing support to MERA. Cassingham said the breakdown of NFPD staff hours reflects general operating support and a breakout of hours in support of Measure A. District positions providing these services include the Finance Director, Accounting Specialist, Administrative Services Manager and Administrative Assistant. Measure A support costs are not new and are revisited annually. Herrerias noted that annual NFPD Measure A support cost is \$13,452. He asked why there was no allocation for the Administrative Services Manager. Cassingham said this position does not provide any Measure A services.

Luckham said, especially over the last two Committee meetings, he has felt like the Committee is drifting into an auditing role versus an oversight role. Measure A revenues and expenses are reviewed in detail by auditing professionals to determine appropriateness and proper categorization. The Committee's charge confirms that the auditing function is not its responsibility. They are, however, responsible to assure expenditures are Project-related and appropriate to the progress of it.

Luckham asked for Committee input over the drift in the Committee's review into the realm of professional auditors. He personally is more interested in seeing a representation of Project progress in relationship to expenditures of funds. His view is that the Committee shouldn't be focused on invoice review.

Cassingham said Project expenses are reviewed at multiple levels by the Executive Officer, NFPD Finance staff and via the Annual MERA Audit, Independent Compliance Audit and the NBS Annual Measure A Report. Herrerias confirmed with her that Maher performs both audits under separate contracts with MERA. The Compliance Audit is undertaken under different parameters than the Annual Audit.

Herrerias said Luckham has made some good points, noting that the Committee has gotten more comfortable with MERA processes and has a much better understanding of them after several years of their oversight. He feels members now have a better foundation for their work and knowledge of financial report details. He is happy to step back from much of the detail based on this. He added the Committee's role is also to represent the public and protect the use of Measure A tax proceeds for the benefit of the Next Gen Project.

Luckham concurred with Herrerias about the fiduciary responsibility of the Committee to the public over the use of Measure A Funds. He noted his experience with housing construction projects and is familiar with how to be accountable for their financing, including cost breakdowns and project programs, to satisfy lender requirements. This includes tracking percentage of completion against expenditures. He is uncertain about such measurement with a Project of this nature. He is, however, comfortable with the accounting and auditing of expenditures. He is more interested in monitoring budget categories relative to the expenditure of funds allocated to them. Project progress is tied to expenditure of funds.

Levinson said it is helpful to revisit the Committee's charge, which includes reviewing all Measure A related expenses for consistency with voter approved Measure A. Further, the charge includes reviewing the Measure A Annual Reports and findings of the Compliance Audits relative to Measure A requirements. He agreed that the Committee may be over-focusing on the accounting aspects, which is not needed.

Greenberg said there will be times that it will be important for the Committee to get into the details, while at other times, a higher level of review is appropriate. Each member's expertise permits them the ability to differentiate those times. Those with an accounting or finance background may wish to drill down in those areas as needed. The entire Committee benefits from these individual skillsets.

Reite agreed with Levinson that the Committee's charge is narrow and restated the earlier inquiry about Committee member liability in relation to their duties. It has been his experience with other similar committees that the focus is on project progress in relationship to expenditures, not on invoices. The Committee should be in the position to question if that becomes problematic for the Project. It would be helpful to see reports structured in that fashion even if it is beyond the Committee's charge.

Herrerias said Fund balance sheets are helpful in capturing the flow of income and expenses. He said a Project budget summary and timeline will inform the percentage of completion. Jeffries said he will, under his report, distribute copies of the Next Gen Project description developed for the CEQA Supplemental Environmental Impact Report process as requested by Herrerias. He added that the Project schedule and expenditures assigned thereto cannot be finalized until CEQA is completed. Greenberg asked for a presentation of the correlation of Project expenses to the budget categories associated with Project phases at a future meeting.

Herrerias stressed the importance of this exchange. Greenberg confirmed Committee agreement on the approach to its charge going forward. Cassingham said she will continue to agendize the Review of Funds 38 and 39 detail and provide answers to any questions regarding Project-related invoices. Luckham said the Funds Balance Sheet and detail summary is sufficient for his review going forward. Herrerias said he would still like expenditure details. Levinson said this information can still be part of the agenda and can be referenced by members to the extent desired. Luckham said if more detailed

research is required, it can be provided at the following meeting. Herrerias added that bringing the invoice hard copies should also not be necessary but could be provided at a future meeting.

Levinson said representing the taxpayer is the most important, along with evaluating the reports presented and asking questions to assure Project performance in keeping with voter approval.

C. Proposed Resolution of the Marin Emergency Radio Authority
Citizens Oversight Committee Amending Resolution No. 2016-12
Establishing the Time and Place for Holding Regular Meetings

Cassingham presented the Proposed Resolution as previously discussed by the Committee in response to the level of activity with Next Gen Project revenues and expenditures. Monthly meetings would be replaced with quarterly meetings on the third Wednesdays of the last month of each quarter at MCC at 4:00pm. Levinson requested a list of those dates for each fiscal year going forward be provided to the Committee.

M/S/P Luckham/Greenberg to approve Resolution No. 2018-05 of the Marin Emergency Radio Authority Citizens Oversight Committee Amending Resolution No. 2016-12 Establishing the Time and Place for Holding Regular Meetings as presented.

AYES: All
NAYS: None
ABSTENTIONS: None
Motion carried.

D. Update on Status of Next Gen System Project – (Jeffries)

Jeffries presented his report, noting a Project staff transition with the retirement of DPW Communications Engineer Chuck in August. Chuck assisted with the implementation of the current MERA System. The County has not announced his replacement. On the Project schedule, customer design review is continuing and some issues remain that may result in change orders. The progress of Project Design has slowed due to the CEQA process.

Jeffries recapped where we are with CEQA and the Governing Board's recent action to accept the Notice of Preparation and Project Summary. Both were published in the IJ and Press Democrat and disseminated to a mailing list of over 300. A public scoping meeting was conducted in May with one member of the public in attendance. An article on Next Gen was featured in the IJ along with a supportive editorial.

The scoping period concluded on June 18 with comments received from Cal Trans and Graton Rancheria. A consultation process will follow with the Tribe.

Jeffries said the scoping process is intended to identify issues to be addressed in the Subsequent Environmental Impact Report (SEIR), which builds on the original EIR for the current System. Issues to be addressed include visual, RF and noise impacts of the Next Gen Project. Impacts on existing sites should be minimal, given the tower improvements already there. New sites will require more analysis. MERA has met with City of Mill Valley staff twice and provided an informational presentation to the City Council. There were no public comments.

Jeffries noted an NGP informational meeting was scheduled for tonight with the Tomales Design Review Board for the new Tomales site. A meeting is pending with Muir Beach to go over new siting issues there at an existing water tank and a co-located new Firehouse. Also pending is a presentation to the Marinwood Community Services District about a microwave hop on Skyview Terrace to the prime site at the Sheriff's Office. This will involve a 30- to 40-foot pole with two microwave dishes.

Jeffries explained that all these meetings are informational only and outside the CEQA process. It is important to emphasize participation with the CEQA process by commenting in writing or at CEQA hearings. He referenced commencement of the preparation of the draft SEIR that will be available for public comment in a public hearing. Based on this, a final SEIR will be presented for public comment followed by MERA Governing Board consideration at another public hearing later this year. He noted MERA is not required to apply for development permits from jurisdictions with sites.

Greenberg asked why the Graton Rancheria was concerned. Jeffries said Next Gen affects their historic tribal area, not the Rancheria itself, and they want to preserve their right to consult. He said no issues are expected with them when we meet to present the Project. However, it is possible that construction could unearth tribal artifacts. Jeffries said completing this consultation as soon as possible will help to conclude CEQA in late 2018.

Jeffries distributed copies of the Preliminary Project Description in advance of the CEQA SEIR, noting it is posted on the County and MERA websites. He summarized its contents, which include the role of MERA as lead agency, the MERA members, Project purpose, site locations, existing sites to be reused, proposed sites and proposed System configuration. Current design eliminates any RF sites in Sonoma County. The prime site is the server and not an RF site. Several new sites already have existing structures. Some sites will be decommissioned. Also, several of the sites listed for CEQA evaluation were dropped from the original System.

Jeffries noted the 6-9-18 IJ article attached to his report had several misstatements, one of which was that Next Gen would be part of a public alert network interface, which it is not. He also cited the June 18 I.J. Editorial on the Next Gen Project. He added that staff is looking to present recommended change orders to the Governing Board in September if finalized with Motorola. A brief discussion followed about the ordering of tri-band radios with VHF as member paid upgrades, if requested.

Cassingham reported that site leasing negotiations will be conducted during CEQA with a goal of completing Lessor signoff by the end of the process. She and Jeffries will be scheduling meetings with Lessors to present the Next Gen Project and site-specific impact statements and drawings. Herrerias inquired about the CEQA lawsuit that delayed the completion of the Gen I system. Jeffries said that was over the Mt. Tiburon site, which the Appellate Court ruled in MERA's favor. This decision resulted in a determination that MERA was not required, going forward, to obtain local agency development permits for its tower sites.

In response to Herrerias' question regarding Project staffing, Jeffries confirmed that all Next Gen assignments were performed by part-time contractors with the exception of the full-time Project Manager from Federal Engineering. Herrerias also inquired about the status of the expedited cutover option, which could shorten the schedule by up to 10 months. Jeffries said this option will be presented to the Governing Board as a change order later this year. The Committee accepted Jeffries' report as informational only.

E. Other Informational Items

None.

F. Open Time for Items Not on Agenda

Herrerias congratulated Luckham on the Marin IJ article, date June 18, about his San Rafael fire services over the years and recognition of his photographic fire investigation support of the Department.

G. Adjournment

The meeting was adjourned at 5:07 p.m.

Respectfully submitted by:

Maureen Cassingham
MERA Executive Officer
and Secretary