

Independent Citizen Committee

Public Safety General Obligation (GO) Bond

Date:

February 19, 2016

PUBLIC SAFETY GENERAL OBLIGATION BOND INDEPENDENT CITIZEN COMMITTEE MEETING

**February 19, 2016
2:00PM - 4:00PM
City Hall Rose Room**

AGENDA

- | | | |
|-----------|--|----------------|
| 1. | Welcome | 2:00 PM |
| 2. | Committee Business | 2:10 PM |
| | a. Approve Meeting Summary from November | |
| 3. | Overall Program Financial Reporting | 2:15 PM |
| | a. Program's financial status report | |
| 4. | Review Project Status Reports | 2:35 PM |
| | a. Apparatus | |
| | b. Emergency Radio System | |
| 5. | Questions/Next Steps | 3:25 PM |
| 6. | Adjourn | 4:00 PM |

Previous Meeting Notes

Public Safety GO Bond Independent Citizen Committee

Meeting Notes for November 4, 2015

ICC members present: Kirk Hall, Nicolette Johnson, Mick Seidl

ICC members absent: Cobi Jackson

City staff present:, Karl Larson, Ralph Smith, Jeff Baer, Marco Benetti, Ethan Cirimo, Aaron Beck

Committee Business:

- Minutes from August, 2015 meeting were discussed and approved.
- City staff presented financial spreadsheets on GO Bond Fund expenses to date.
- City staff presented updates on the two projects still in progress.
- City staff discussed its annual presentation to Council.

Follow Up Items:

City staff – None

ICC – None

Next Quarterly Meeting (February 19, 2016) Agenda Items

Adjourn

Program, Budget, Actual Life-to-Date Expenses and Revenues

**Public Safety GO Bond Program
 Program budget and actual life-to-date expenses and revenues
 For ICC February 2016 meeting**

	Original budget	Current budget	Life to date actuals through December 2015	Balance
<u>Requirements</u>				
Fire Station 21	\$7,900,000	\$10,524,377	\$10,471,585	\$52,792
Fire Apparatus	\$19,800,000	\$21,987,345	\$12,747,244	\$9,240,101
Emergency Coordinations Center	\$19,848,543	\$19,631,571	\$19,631,571	\$0
Public Safety Emergency Radio System	\$52,096,007	\$50,187,134	\$37,351,220	\$12,835,914
Program Admin costs (General Fund Overhead)	\$625,000	\$626,064	\$345,894	\$280,170
Fire project management	\$575,000	\$250,000	\$0	\$250,000
Bond issuance costs	\$560,000	\$560,000	\$488,167	\$71,833
Program contingency	\$0	\$0	\$0	\$0
TOTALS	\$101,404,550	\$103,766,491	\$81,035,680	\$22,730,811
<u>Resources</u>				
Other cash for Public Safety Emergency Radio System	\$3,156,007	\$3,156,007	\$3,156,007	\$0
Public Safety Emergency Radio System replacement monies	\$10,000,000	\$10,000,000	\$10,000,000	\$0
GO bond proceeds (2010)	\$72,400,000	\$70,540,309	\$70,526,966	\$13,343
GO bond proceeds (1998)	\$0	\$701,672	\$701,672	\$0
Grants	\$0	\$2,356,758	\$2,110,291	\$246,467
Property sales	\$0	\$701,755	\$701,755	\$0
Miscellaneous	\$0	\$7,426	\$21,623	(\$14,197)
Water and Facilities Services resources for ECC project	\$15,848,543	\$15,631,571	\$15,576,493	\$55,078
Interest earnings	\$0	\$670,993	\$651,538	\$19,455
Total resources	\$101,404,550	\$103,766,491	\$103,446,344	\$320,147

PSGO Bond Fund

Program projection

Assumes Radio Project needs the \$5.3M of cash they said they could give up when we prepared for 3rd debt sale

With Fire advances not expensed in FY 2014-15 (budget basis)

<u>Requirements</u>	Original program budget	Revised Program Budget	Life to date actuals through June 2015	FY 2015-16 projection	FY 2016-17 projection	FY 2017-18 projection
Fire Station 21	\$7,900,000	\$10,524,377	\$10,476,902	\$0	\$0	\$0
Fire Apparatus	\$19,800,000	\$21,987,345	\$8,320,953	\$11,968,143	\$1,698,249	\$0
Emergency Coordinatio	\$19,848,543	\$19,631,571	\$19,631,571	\$0	\$0	\$0
Public Safety Emergenc	\$52,096,007	\$50,187,134	\$34,691,675	\$9,262,434	\$1,237,332	\$0
Program Admin costs (C	\$625,000	\$626,064	\$214,345	\$262,183	\$364,431	\$363,000
Fire project managemen	\$575,000	\$250,000	\$0	\$85,000	\$165,000	\$0
Bond issuance costs	\$560,000	\$560,000	\$471,392	\$16,775	\$0	\$0
Program contingency/ei	\$0	\$0	\$0	\$8,349,790	\$4,930,278	\$0
TOTALS	\$101,404,550	\$103,766,491	\$73,806,838	\$29,944,325	\$8,395,290	\$363,000

Resources

Other cash for Public S	\$3,156,007	\$3,156,007	\$3,156,007	\$0	\$0	(\$4,567,278)
Public Safety Emergenc	\$10,000,000	\$10,000,000	\$10,000,000	\$0	\$0	\$0
GO bond proceeds (20'	\$72,400,000	\$70,540,309	\$70,526,966	\$0	\$0	\$0
GO bond proceeds (19'	\$0	\$701,672	\$701,672	\$0	\$0	\$0
Grants	\$0	\$2,356,758	\$2,356,758	\$0	\$0	\$0
Property sales	\$0	\$701,755	\$701,755	\$0	\$0	\$0
Miscellaneous	\$0	\$7,426	\$19,418	\$0	\$0	\$0
Water and Facilities Ser	\$15,848,543	\$15,631,571	\$15,631,571	\$0	\$0	\$0
Interest earnings	\$0	\$670,993	\$529,717	\$127,300	\$45,500	\$0
Total resources	\$101,404,550	\$103,766,491	\$103,623,863	\$127,300	\$45,500	(\$4,567,278)

Beginning Fund balance				\$29,817,025	\$8,349,790	\$4,930,278
Total resources	\$101,404,550	\$103,766,491	\$103,623,863	\$29,944,325	\$8,395,290	\$363,000
Check	\$0	\$0	\$0	\$0	\$0	\$0
Ending Fund balance	\$0	\$0	\$29,817,025	\$8,349,790	\$4,930,278	\$0

Fire Apparatus Replacement Project

Quarterly Summary and Finances

Fire Apparatus Replacement Project (As of December 31, 2015)

Project Status		
Overall		<ul style="list-style-type: none"> The two fireboats were delivered. Crews have completed their training and the boats are slated for in-service status early March 2016 The quint is in service as of early November. The three tiller aerial trucks were delivered. All three units are now in-service. Nine new fire pumpers were ordered and the pre-construction conference has occurred. The two air/light/rehab units are currently under construction with a final inspection the week of March 14, 2016. Specifications are being developed for the two new brush units, water tender, foam unit and dive van.
Schedule		The project timeline is on schedule.
Cost		The project remains within budget.
Scope		The project remains within its scope.
Quality		The project's quality remains on-track.
Key		Green: on target – Yellow: objectives threatened – Red: corrective action needed

Executive Summary

The new quint was delivered and is in-service at Station 8 in north Portland. The three tiller trucks are now in-service. The two new rehab/air/light units are under construction are on time for delivery anticipated for early Spring 2016. The new Pierce fire engines were ordered. PF&R is currently awaiting final design drawings that should be provided by the end of February 2016.

The two new fireboats were delivered and all of the boat crews have completed training on both boats. We are working through some final equipment adjustments and alterations that are essentially warranty items, however, the warranty period, per contract, does not begin until the boats are officially in service on a daily basis. Some modifications as to the function of internal processes are still being worked on but are on track for completion soon.

Major timelines/milestones

- The new Quint truck is in-service at Station 8.
- The aerial ladder trucks are now in-service.
- The air/light/rehab units are under construction with delivery slated for early Spring 2016.
- The pre-construction for the fire engines (pumpers) was completed and PF&R is awaiting final approval drawings. Delivery is slated through Fall of 2016.

Project risks/issues

Delays in construction of apparatus are a potential problem due to the high volume of apparatus being built by manufacturers. PF&R is working with the vendor to ensure delays are minimized.

Issues identified at the factory inspections that do not meet PF&R's specifications are always a potential risk and do usually arise. These can sometimes create delays and potential additional costs depending upon whether it is an error in PF&R's specification or an error during construction.

Problems encountered/how they were dealt with

Some mechanical issues on one of the new fireboats were identified and are currently being addressed with the manufacturer, Oregon Iron Works.

These issues are being addressed by the manufacturer as they are identified. This has not affecting on-going training.

Next steps/next quarter projections

- Continue to monitor construction of the apparatus on order.
- Continue to work on the specifications of the water tender, brush vehicles, foam unit and dive van by evaluating apparatus needs. These specifications are currently being written and potential manufacturers are being identified.

Estimated completion in Fall 2016*

Fire & Rescue Apparatus Replacement
 Financial Status Report for Independent Citizen Committees

		Acquisition Status	Revised Unit Price Estimates	Revised Allocations	Actual Expenditures (thru Dec 2015)	Encumbrances (thru Dec 2015)	Remaining Balance
REQUIREMENTS							
Direct Costs							
9 Engines	(increased to 9 units 7/2015)	9 on order	\$660,000	\$5,740,000	\$4,500,000	\$700,000	\$540,000
4 Ladder Trucks		4 received	\$1,012,332	\$4,115,660	\$4,098,846	\$0	\$16,814
2 Quints	(added 3/2014)	2 received	\$776,516	\$1,556,270	\$1,556,112	\$0	\$158
2 Brush Vehicles	(decreased by 1 unit 7/2015)	specifications in development	\$390,000	\$780,000	\$0	\$0	\$780,000
2 Air / Light / Rehab Units		2 on order	\$678,805	\$1,400,000	\$1,141,852	\$258,148	\$0
1 Water Tender		specifications in development	\$665,088	\$622,699	\$0	\$0	\$622,699
1 Dive Apparatus	(restored 7/2015)	specifications in development	\$250,000	\$350,000	\$0	\$0	\$350,000
1 Foam Unit	(added 7/2015)	specifications in development	\$300,000	\$330,430	\$0	\$0	\$330,430
1 Heavy Rescue Squad		1 received	\$1,127,178	\$1,127,178	\$1,127,178	\$0	\$0
2 Fire Boats		2 received	\$2,680,000	\$5,743,277	\$5,743,277	\$0	\$0
4 Rapid Response Vehicles		4 received	\$55,457	\$221,831	\$221,831	\$0	\$0
Total direct costs				\$21,987,345	\$18,389,096	\$958,148	\$2,640,101
Indirect Costs							
Project Management Costs				\$250,000	\$0	\$0	\$250,000
Total indirect costs				\$250,000	\$0	\$0	\$250,000
TOTAL REQUIREMENTS				\$22,237,345	\$18,389,096	\$958,148	\$2,890,101
RESOURCES							
GO bonds (Original 2010)				\$20,680,878	\$16,832,629		\$3,848,249
Grants				\$1,556,467	\$1,556,467		\$0
TOTAL RESOURCES				\$22,237,345	\$18,389,096	\$0	\$3,848,249

Radio Replacement Project

Quarterly Summary and Finances

Radio Replacement Project Oversight Committee Report (As of December 31, 2015)

Project Status / Highlights / Accomplishments

In general, all site work is moving ahead with good progress. All Motorola equipment was installed and is ready for “power-up”. With the exception of Walter’s Hill and Mt Scott, all site work is progressing as needed. A new building was obtained on the Biddle Butte site and the process of land leasing with BPA is approximately 90% complete. A new generator will be installed at this site as well. It has not had backup power with the exception of emergency battery until this time. New replacement generators are being installed at Arrowwood and Council Crest as well.

The project has made a decision to not proceed with the Site on Wheels (SOW) purchase, largely due to higher priority items. The project has embarked on a necessary change-out of T-1 circuits at all sites to IP technology. While not required presently, the IP technology for backhaul communications at the sites will be required in the next two years due to upgrades and changes in technologies on the radio infrastructure. It was determined to make this change now during the primary radio project build.

Additional information on project sites:

Walters Hill – The Walters Hill project is currently awaiting final approvals. Contractors are in place and the project is scheduled to “begin to move dirt” on the second week of February (Note: this activity has begun with a timeline of 4-6 months).

Mt. Scott – The Tower at Mt. Scott, owned by TriMet but utilized by a number of communication networks, is severely overloaded. A study commissioned by the City showed the tower overloaded by approximately 30%. This site is critical to the overall radio system, and the delay in being able to install new antennae and microwave equipment has had impacts on the timing of testing the infrastructure of the radio system. Motorola has subcontracted to Mastec, and permits were released for work to begin on this remediation. The tower work was completed and the work of “de-tuning” for TriMet is being completed and should be done by the end of February.

Other highlights:

- Microwave upgrades and changes in equipment are continuing. All MW equipment is either on-site or awaiting installation pending the completion of sites listed above, with the exception of Mt. Scott and the second loop at Walters Hill.
- The City has made an offer of purchase on the Forest Heights Site. The status of that offer is pending. This cost is not being borne by the radio project.
- Subscriber upgrades for non-City public safety radio users continues; the City of Gresham Police is approximately 90% complete and work on Gresham Fire will commence shortly.
- The Port of Portland fleet will follow in the late winter of 2016, with on-going efforts to complete the rest of the non-public safety City radios.
- The project is heading into a critical timeframe and BTS Communications staff is working hard to complete the needed City portion of the radio project in order to meet Motorola’s timeframe for scheduled work. The upgrade to the Master controller is scheduled for Mid February, with additional installations of equipment on track for installation in Mid July.

The Project still remains within expected budget norms. Budget reviews have indicated that the Radio project will likely result in some savings. The Radio project managers have recommended some add-on projects that are being considered by the City.

Stakeholder briefings continue. Our purchase also provided “flash” upgrades for all XTS (portable) and XTL (mobile) radios at no cost, and a plan is in place to provide upgrades to internal and external users. The transition for those radios has not yet begun.

Project Risks/Issues/Problems

Risk: Radio system failures can still occur prior to full system cutover. System component failure could have dramatic effect on Police/Fire to carry out their mission. This risk is considered Medium in our internal rating.

Mitigation: We continue to monitor the current radio environment. The system is considered “stable” at this time but catastrophic failure can occur. Site sharing and system sharing with other radio providers are options in the event this occurs.

Risk: Noise from interference is intermittent and on-going. This was identified throughout our region, and was noted by other radio providers (WCCCA, CRESA, C-Comm) This is considered as Medium in our internal rating.

Mitigation: Equipment is on hand to research this type of interference. However, intermittent interference is difficult to diagnose and determine who is at fault. The FCC is aware of this issue, and has recently asked Public Safety Radio users that have experienced interference, particularly from BDA’s or DAS, to fill out additional survey information. BTS is continuing to research and work with other agencies on this problem.

Risk: TriMet transition may disrupt law enforcement communications with Transit. This is considered as Low in our internal rating.

Mitigation: PPB and BTS communications are working on this issue and this should be resolved prior to any cutover of TriMet or our radio system.

Major Timelines/Milestones

All engineering tasks – with the exception of MW testing - are on schedule. The schedule was adjusted to include BTS work on sites.

Next Steps/Next Quarter Projections

During the 1st quarter of 2016, the deployment of mobiles and portables will continue, the contracting work for Walters Hill will begin and Mt Scott tower mitigation work should be completed. The project will be re-baselining the remaining schedule of work.

Other work that will continue (as examples)

- Microwave completion of install – on-going
- Battery Systems update – on-going
- FCC Licensing (Awaiting final FCC approvals)
- Generator installs (Nearing completion)
- Lease revisions (Minor issues are being addressed)
- In-building coverage planning – BDA replacements in City facilities are all identified. The BDA/DAS at PDX is being discussed with PDX staff.
- Logging recorder changes needed upgrades due to changes in the master controller.

Estimated completion in Summer 2016

Public safety emergency radio system								
Financial status report for independent citizen committees								
MFCP/S00002 and S00008								
Account	Description	Current budget	LTD actuals Sep 2015	S00002 Stabilization	S00008 Replacement	LTD actuals (through Dec 2015) after closing	Remaining balance*	
				Oct/Nov/Dec Expenses				
Requirements								
511100	Full-time Employees	\$1,233,466	\$1,095,857	\$0	\$46,266	\$1,142,123	\$91,343	
511300	Part-time Employees	\$37,602	\$651	\$0	\$0	\$651	\$36,951	
512000	Overtime	\$706	\$706	\$0	\$0	\$706	\$0	
513000	Premium Pay	\$44	\$238	\$0	\$10	\$248	(\$204)	
514000	Benefits	\$413,707	\$359,654	\$0	\$14,802	\$374,456	\$39,251	
610010	Labor Allocation	\$2,471	\$2,471	\$0	\$0	\$2,471	\$0	
Total	Personnel Services	\$1,687,996	\$1,459,577	\$0	\$61,078	\$1,520,655	\$167,341	
521000	Professional Services	\$16,825,865	\$10,133,381	\$0	\$1,670,765	\$11,804,146	\$5,021,719	
522000	Utilities	\$0	\$0	\$0	\$0	\$0	\$0	
523000	Equipment Rental	\$46,448	\$2,498	\$0	\$0	\$2,498	\$43,950	
524000	Repair & Maintenance Services	\$24,559	\$24,558	\$0	\$0	\$24,558	\$1	
529000	Miscellaneous Services	\$1,981,231	\$2,120,574	\$0	\$5,275	\$2,125,849	(\$144,618)	
531000	Office Supplies	\$700	\$700	\$0	\$0	\$700	\$0	
532000	Operating Supplies	\$17,848,055	\$18,001,626	\$0	\$0	\$18,001,626	(\$153,571)	
532350	Computer Supplies - software	\$1,350,920	\$10,918	\$0	\$0	\$10,918	\$1,340,002	
532355	Computer Supplies - hardware	\$1,476,669	\$171,519	\$0	\$0	\$171,519	\$1,305,150	
533000	Repair & Maintenance Supplies	\$290,036	\$36	\$0	\$0	\$36	\$290,000	
534000	Minor Equipment & Tools	\$1,232,862	\$987,851	\$0	\$462,969	\$1,450,820	(\$217,958)	
535000	Clothing & Uniforms	\$0	\$0	\$0	\$0	\$0	\$0	
539000	Other commodities (external)	\$308	\$309	\$0	\$0	\$309	(\$1)	
541000	Education	\$5,000	\$0	\$0	\$20,000	\$20,000	(\$15,000)	
542000	Travel (In-town/Out-of-town)	\$41,787	\$36,786	\$0	\$0	\$36,786	\$5,001	
544000	Space Rental	\$0	\$0	\$0	\$0	\$0	\$0	
548000	Operating Lease	\$0	\$0	\$0	\$0	\$0	\$0	
549000	Miscellaneous	\$11,834	\$11,834	\$0	\$0	\$11,834	\$0	
Total	External Materials & Services	\$41,136,274	\$31,502,590	\$0	\$2,159,009	\$33,661,599	\$7,474,675	
651100	Fleet Services	\$23,254	\$15,052	\$0	\$2,739	\$17,791	\$5,463	
651200	Printing & Distribution	\$234	\$234	\$0	\$0	\$234	\$0	
651300	Facilities Services	\$116,394	\$99,315	\$0	\$9,160	\$108,475	\$7,919	
651400	EBS Services	\$0	\$0	\$0	\$0	\$0	\$0	
651500	Technology Services	\$2,485,764	\$1,670,547	\$0	\$160,901	\$1,831,448	\$654,316	
651600	Insurance	\$0	\$0	\$0	\$0	\$0	\$0	
652000	Bureau to Bureau Interagencies	\$45,783	\$46,639	\$0	\$495	\$47,134	(\$1,351)	
Total	Internal Materials & Services	\$2,671,429	\$1,831,787	\$0	\$173,296	\$2,005,083	\$666,347	
563000 / 599630	Capital Equipment	\$516,435	\$163,884	\$0	\$0	\$163,884	\$352,551	
Total	Capital Outlay	\$516,435	\$163,884	\$0	\$0	\$163,884	\$352,551	
551000	Debt Retirement	\$0	\$0	\$0	\$0	\$0	\$0	
555000	Debt Interest	\$0	\$0	\$0	\$0	\$0	\$0	
557000	Debt Issuance	\$0	\$0	\$0	\$0	\$0	\$0	
571100	General Operating Contingency	\$4,175,000	\$0	\$0	\$0	\$0	\$4,175,000	
573000	Equipment Cash Transfers	\$0	\$0	\$0	\$0	\$0	\$0	
650010 / 589961	General Fund Overhead	\$0	\$0	\$0	\$0	\$0	\$0	
650020 / 589964	Other Cash Transfers	\$0	\$0	\$0	\$0	\$0	\$0	
Total	Other	\$4,175,000	\$0	\$0	\$0	\$0	\$4,175,000	
Grand Total		\$50,187,134	\$34,957,838	\$0	\$2,393,382	\$37,351,220	\$12,835,914	
Resources								
GO bonds		\$37,028,719	\$27,540,063	\$0	\$2,373,382	\$29,913,445	\$7,115,274	
Project cash		\$13,158,415	\$7,417,775	\$0	\$20,000	\$7,437,775	\$5,720,640	
Total		\$50,187,134	\$34,957,838	\$0	\$2,393,382	\$37,351,220	\$12,835,914	