

Independent Citizen Committee

Public Safety General Obligation (GO) Bond

Date:

May 11, 2016

PUBLIC SAFETY GENERAL OBLIGATION BOND INDEPENDENT CITIZEN COMMITTEE MEETING

**May 11, 2016
3:00PM - 5:00PM
City Hall Rose Room**

AGENDA

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

Previous Meeting Notes

Public Safety GO Bond Independent Citizen Committee

Meeting Notes for February 19, 2016

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

ICC members absent: Cobi Jackson

City staff present:, Karl Larson, Doug Stickler, Jeff Baer, Marco Benetti, Ethan Cirimo, Aaron Beck

Committee Business:

- Minutes from November, 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 (May 4, 2016) Agenda Items

Adjourn

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

PSGO Bond Fund
Financial 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 through June 2015	Life to date actuals	Balance	FY 2015-16 projection	FY 2016-17 projection	FY 2017-18 projection
Fire Station 21	\$7,900,000	\$10,524,377	\$10,476,902	\$47,475	\$0	\$0	\$0
Fire Apparatus	\$19,800,000	\$21,987,345	\$8,320,953	\$13,666,392	\$11,968,143	\$1,698,249	\$0
Emergency Coordinations Center	\$19,848,543	\$19,631,571	\$19,631,571	\$0	\$0	\$0	\$0
Public Safety Emergency Radio	\$52,096,007	\$50,187,134	\$34,691,675	\$15,495,459	\$8,658,078	\$1,875,488	\$0
Program Admin costs (General F	\$625,000	\$626,064	\$214,345	\$411,719	\$262,183	\$364,431	\$363,000
Fire project management	\$575,000	\$250,000	\$0	\$250,000	\$85,000	\$165,000	\$0
Bond issuance costs	\$560,000	\$560,000	\$471,392	\$88,608	\$16,775	\$0	\$0
Program contingency/ending fund	\$0	\$0	\$0	\$0	\$9,002,946	\$4,945,278	\$0
TOTALS	\$101,404,550	\$103,766,491	\$73,806,838	\$29,959,653	\$29,993,125	\$9,048,446	\$363,000

Resources

Other cash for Public Safety Eme	\$3,156,007	\$3,156,007	\$3,156,007	\$0	\$0	\$0	(\$3,156,007)
Public Safety Emergency Radio	\$10,000,000	\$10,000,000	\$10,000,000	\$0	\$0	\$0	(\$1,426,271)
GO bond proceeds (2010)	\$72,400,000	\$70,540,309	\$70,526,966	\$13,343	\$0	\$0	\$0
GO bond proceeds (1998)	\$0	\$701,672	\$701,672	\$0	\$0	\$0	\$0
Grants	\$0	\$2,356,758	\$2,356,758	\$0	\$0	\$0	\$0
Property sales	\$0	\$701,755	\$701,755	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$7,426	\$19,418	(\$11,992)	\$48,800	\$0	\$0
Water and Facilities Services res	\$15,848,543	\$15,631,571	\$15,631,571	\$0	\$0	\$0	\$0
Interest earnings	\$0	\$670,993	\$529,717	\$141,276	\$127,300	\$45,500	\$0
Total resources	\$101,404,550	\$103,766,491	\$103,623,863	\$142,628	\$176,100	\$45,500	(\$4,582,278)

Beginning Fund balance					\$29,817,025	\$9,002,946	\$4,945,278
Total resources	\$101,404,550	\$103,766,491	\$103,623,863		\$29,993,125	\$9,048,446	\$363,000
Check	\$0	\$0	\$0		\$0	\$0	\$0
Ending Fund balance	\$0	\$0	\$29,817,025		\$9,002,946	\$4,945,278	\$0

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

	Original budget	Current budget	Life to date actuals through March 2016	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	\$38,074,270	\$12,112,864
Program Admin costs (General Fund Overhead)	\$625,000	\$626,064	\$411,783	\$214,281
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	\$81,824,620	\$21,941,871
<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	\$36,623	(\$29,197)
Water and Facilities Services resources for ECC project	\$15,848,543	\$15,631,571	\$15,576,493	\$55,078
Interest earnings	\$0	\$670,993	\$684,349	(\$13,356)
Total resources	\$101,404,550	\$103,766,491	\$103,494,156	\$272,335

Fire Apparatus Replacement Project

Quarterly Summary and Finances

Fire Apparatus Replacement Project (As of March 31, 2016)

Project Status		
Overall		<ul style="list-style-type: none"> • Crews have completed training on the new fireboats and the boats are slated for in-service status mid-April 2016. • Nine new fire engines (pumpers) have been ordered and the pre-construction conference has occurred. • The two air/light/rehab units are scheduled for delivery by the end of April 2016. • Specifications are under development for the two new brush units, the 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 apparatus replacement project continues to progress with planned schedules and budget. The two new rehab/air/light units are scheduled for delivery by the end of April 2016. New Pierce fire engines have been ordered. A final pre-construction conference for the fire engines took place concurrently in March 2016 in Appleton, WI and are on track for delivery of the first units in the Fall of 2016.

The fireboat crews have completed training on the new boats. Training manuals and technical manuals have been completed. The fireboats are anticipated to be placed in-service by the end of April 2016.

Major timelines/milestones

- The air/light/rehab units are under construction with delivery slated for early April 2016.
- The pre-construction for the fire engines (pumpers) has been completed and are currently entering the final stage of engineering and design. Delivery of first units 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 have been addressed by the manufacturer. Some warranty issues will remain and will be taken care of after the boats are placed in-service.

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 Mar 2016)	Encumbrances & Advances (thru Mar 2016)	Remaining Balance
REQUIREMENTS						
Direct Costs						
9 Engines (increased to 9 units 7/2015)	9 on order	\$660,000	\$5,740,000	\$0	\$5,200,000	\$540,000
4 Ladder Trucks	4 received	\$1,028,750	\$4,115,000	\$4,098,846	\$0	\$16,154
2 Quints (added 3/2014)	2 received	\$776,516	\$1,556,112	\$1,556,112	\$0	\$0
2 Brush Vehicles (decreased by 1 unit 7/2015)	specifications in development	\$390,000	\$767,660	\$0	\$0	\$767,660
2 Air / Light / Rehab Units	2 on order	\$678,805	\$1,291,287	\$0	\$1,141,852	\$149,435
1 Water Tender	specifications in development	\$665,088	\$725,000	\$0	\$0	\$725,000
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	\$350,000	\$0	\$0	\$350,000
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	\$12,747,244	\$6,341,852	\$2,898,249
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	\$12,747,244	\$6,341,852	\$3,148,249
RESOURCES						
GO bonds (Original 2010)			\$20,680,878	\$11,190,777	\$6,341,852	\$3,148,249
Grants			\$1,556,467	\$1,556,467		\$0
TOTAL RESOURCES			\$22,237,345	\$12,747,244	\$6,341,852	\$3,148,249

Radio Replacement Project

Quarterly Summary and Finances

Radio Replacement Project Oversight Committee Report (As of March 31, 2016)

Project Status / Highlights / Accomplishments

In general, site work for installation purposes is nearly complete. All Motorola equipment has been installed and is ready for “power-up”. With the exception of Walter’s Hill, all site work is progressing as needed. A new building was obtained on the Biddle Butte site and equipment will be moved into this facility in 2nd quarter (note, radio equipment has been transferred into the newly acquired building as of Mid-April). A generator has also been purchased for that site and is being installed for emergency backup requirements. As mentioned in the last report, replacement generators have been installed at a few other sites during the build.

The last report addressed 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. The equipment for this change-out is being staged and will be shipped for installation near the end of June. Testing of the new circuits will commence over the summer. This work, and the upgrade to DSR and Geo Redundant equipment has moved the schedule to a cut over date at the beginning of October.

Additional information on project sites:

Walters Hill – The Walters Hill project is underway. (Note: at this time the foundation for the tower is in, and the building’s 4 walls and foundation are standing on the site.)

Mt. Scott – The work at the Mt Scott site was completed and the project is moving ahead with installations on the tower. TriMet and the City are in the process of determining the split of final costs associated with the work at this location.

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 and the negotiations are completed. While this cost is not being borne by the radio project, the overall benefits to this purchase are significant. The elimination of uncertainty at this site and the potential need of finding and building a replacement site is a very good outcome.
- Subscriber upgrades for non-City public safety radio users continues; the City has been working with the Port of Portland fleet as the next major challenge to complete radio subscriber upgrades and template changes.
- The project is still in 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 was completed in this quarter, with additional installations of equipment now scheduled for mid-August.

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 and BTS Communications are still evaluating with Motorola some additional pieces of equipment and maintenance issues.

A major Stakeholder briefing occurred during this quarter. Its attendance was light but accepted well by those that did come for the briefing. Another one of this type will be conducted in the summer.

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 has been identified throughout our region, and has been 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.

Major Timelines/Milestones

All engineering tasks with the exception of MW testing are on schedule. The schedule has been adjusted to include BTS work on sites. The timeline has been adjusted to accommodate the new IP change and additional testing.

Next Steps/Next Quarter Projections

During the 2nd quarter of 2016, the deployment of mobiles and portables will continue, the contracting work for Walters Hill will be completed and testing for coverage will have been completed. (Note: Coverage testing has begun as of April 26 and the results should be available for the next quarterly report).

- Other work that will continue (as examples)
- Microwave completion of install / IP transition – on-going
- FCC Licensing (Awaiting final FCC approvals – delay of this issue has been resolved)
- 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. Working with CAD vendor for interface issues that were created during logging recorder upgrade for digital purposes.

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 Dec 2015	S00002 Stabilization S00008 Replacement		LTD actuals (through Mar 2016) after closing	Remaining balance*
				Jan/Feb/Mar Expenses			
Requirements							
511100	Full-time Employees	\$1,233,466	\$1,142,123	\$0	\$52,827	\$1,194,950	\$38,516
511300	Part-time Employees	\$37,602	\$651	\$0	\$0	\$651	\$36,951
512000	Overtime	\$706	\$706	\$0	\$0	\$706	\$0
513000	Premium Pay	\$44	\$248	\$0	\$12	\$260	(\$216)
514000	Benefits	\$413,707	\$374,456	\$0	\$16,654	\$391,110	\$22,597
610010	Labor Allocation	\$2,471	\$2,471	\$0	\$0	\$2,471	\$0
Total	Personnel Services	\$1,687,996	\$1,520,655	\$0	\$69,493	\$1,590,148	\$97,848
521000	Professional Services	\$16,825,865	\$11,804,146	\$0	\$304,814	\$12,108,960	\$4,716,905
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	\$2,125,849	\$0	\$41,773	\$2,167,622	(\$186,391)
531000	Office Supplies	\$700	\$700	\$0	\$0	\$700	\$0
532000	Operating Supplies	\$17,848,055	\$18,001,626	\$0	\$526	\$18,002,152	(\$154,097)
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	\$1,450,820	\$0	\$11,223	\$1,462,043	(\$229,181)
535000	Clothing & Uniforms	\$0	\$0	\$0	\$0	\$0	\$0
539000	Other commodities (external)	\$308	\$309	\$0	\$0	\$309	(\$1)
541000	Education	\$5,000	\$20,000	\$0	\$0	\$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	\$450	\$12,284	(\$450)
Total	External Materials & Services	\$41,136,274	\$33,661,599	\$0	\$358,785	\$34,020,384	\$7,115,889
651100	Fleet Services	\$23,254	\$17,791	\$0	\$67,788	\$85,579	(\$62,325)
651200	Printing & Distribution	\$234	\$234	\$0	\$0	\$234	\$0
651300	Facilities Services	\$116,394	\$108,475	\$0	\$10,623	\$119,098	(\$2,704)
651400	EBS Services	\$0	\$0	\$0	\$0	\$0	\$0
651500	Technology Services	\$2,485,764	\$1,831,448	\$0	\$155,430	\$1,986,878	\$498,886
651600	Insurance	\$0	\$0	\$0	\$0	\$0	\$0
652000	Bureau to Bureau Interagencies	\$45,783	\$47,134	\$0	\$0	\$47,134	(\$1,351)
Total	Internal Materials & Services	\$2,671,429	\$2,005,082	\$0	\$233,841	\$2,238,923	\$432,506
563000 / 599630	Capital Equipment	\$516,435	\$163,884	\$0	\$60,931	\$224,815	\$291,620
Total	Capital Outlay	\$516,435	\$163,884	\$0	\$60,931	\$224,815	\$291,620
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	\$37,351,220	\$0	\$723,051	\$38,074,271	\$12,112,863
Resources							
GO bonds		\$37,028,719	\$29,913,445	\$0	\$707,912	\$30,621,356	\$6,407,363
Sale of Shelter					\$15,000	\$15,000	(\$15,000)
Project cash		\$13,158,415	\$7,437,775	\$0	\$139	\$7,437,914	\$5,720,501
Total		\$50,187,134	\$37,351,220	\$0	\$723,051	\$38,074,271	\$12,112,864