

Policy Board Meeting Minutes

Meeting Date: April 24, 2019
Meeting Time: 9:00am
Meeting Place: Lakewood City Hall, Council Chambers

I. Chair Doug Richardson called the meeting to order at 9:05am.

II. Roll Call -

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| 1. Michael Brandstetter, City of Lakewood Councilmember | excused |
| 2. Tim Curtis, City of Fife Councilmember | present |
| 3. Bruce Dammeier, Pierce County Executive | present |
| 4. Julie Door, City of Puyallup Councilmember | present |
| 5. Lillian Hunter, City of Tacoma Councilmember | present |
| 6. Nick Hausner for Paul Pastor, Pierce County Sheriff | present |
| 7. Vice Chair Bill Pugh, City of Sumner Mayor | present |
| 8. Dan Rankin, West Pierce Fire & Rescue Commissioner | present |
| 9. Robert Thoms, City of Tacoma Councilmember | present |
| 10. Chair Doug Richardson, Pierce County Councilmember | present |

III. Public Comment - None

IV. Consent Agenda

1. A motion was made to approve the consent agenda as presented (Pugh); 2nd (Rankin), passed – unanimously.

VI. Old Business - None

VII. Staff Updates

1. General Counsel Briefing

- Peter Beckwith, General Counsel, gave the staff update as Executive Director Andrew Neiditz is at the IMCA Conference.
- Mandy Walters was introduced as the new Clerk of the Board.
- Last week was National Public Safety Telecommunicators week and South Sound 911 hosted multiple events to recognize and acknowledge the hard work of all employees.

Boardmember Robert Thoms arrived at 9:12am

- South Sound 911 and Puyallup have been invited to meet with the City of Tacoma to participate in discussions regarding a single radio system.
- Mr. Beckwith presented a draft timeline regarding the financing and construction of the PSCC including specific dates to note: May 23, 2019, as the adoption date of the financing agreement and June 21, 2019 as the draft date for

the adoption of ILA by all South Sound 911 member agencies and adoption of the Charter by Tacoma. Mr. Beckwith noted that there will need to be a 3 to 6 month transition period after the Public Authority is chartered, and the exact timeline for the transition would be established by the Public Authority.

- Mr. Beckwith advised that he was working with Pierce County Senior Counsel Don Anderson on the financing agreement between South Sound 911 and Pierce County. South Sound 911 needs a clear understanding of fees, which are currently estimated at \$200K annually for administrative costs. Additionally, the agreement will need to address the role of the County in construction management and the approval of potential cost overruns. A lease agreement will be needed as the PSCC will be a county facility.
- Boardmember Lillian Hunter asked for clarification regarding the acronym POS on the financing timeline. Mr. Beckwith advised it stands for Preliminary Official Statement and any questions can be deferred to Wolf Opitz, Deputy Finance Director of Pierce County, who is scheduled to present to the Board.
- Vice Chair Bill Pugh advised that the finance committee discussed the \$200K currently assessed to South Sound 911 for annual administrative costs and asked for further clarification. Mr. Beckwith advised that additional information can be requested from Pierce County.
- Boardmember Bruce Dammeier asked if all member agencies have responsibility to back up the debt for current radio costs. Mr. Beckwith answered yes, noting there would be an increase in dispatch fees for all agencies if the tax revenue was insufficient.
- Boardmember Dammeier asked about the change in governance and why the ILA and the Public Authority, parallel organizations, would have to be run at the same time. Mr. Beckwith advised that the two agencies would only be running at the same time during the transition phase. Once the Public Authority is approved, the Public Authority will establish the transition timeline which is anticipated to last 2 to 3 months in order to address administrative changes for the new entity.
- Boardmember Dammeier asked what the anticipated date is for formation of the Public Authority. Mr. Beckwith advised that June 21, 2019 is the expected date for adoption of the Charter and approval of the ILA by all existing member agencies according to the financing timeline. Boardmember Dammeier noted that making a change in governance while trying to finance a new building may be too complex and could drive up the cost of the bonds.
- Chair Doug Richardson stated that if there is too much complexity while getting bonds issued, we can proceed as the current South Sound 911, and address any governance changes at a later time. Chair Richardson expressed concern that a change in governance could affect the price of the bond, but has not been shown what this looks like in terms of dollars and cents. Boardmember Dammeier noted

that the bonds are being backed up by the 1/10 of 1% that is collected every month, but if that ends up not being sufficient, the member agencies would need to provide assurance to back up the bonds. Mr. Beckwith stated that this was new information since the County wasn't requiring this step. Boardmember Dammeier added that was with the understanding that the governance would be changing.

- Boardmember Robert Thoms asked about the 35th Street building renovations and if a change in governance would affect any contracts. Mr. Beckwith advised that of the \$65M for the PSCC, \$1.5M of that will be held for renovations at the 35th Street building. Any existing service or technology contracts will be assigned to the Public Authority, which will be addressed during the transition period.
- Boardmember Thoms asked if there was a potential that dispatch fees would need to be increased. Mr. Beckwith advised the debt payment should be covered by the 1/10 of 1% sales tax. If the tax is insufficient, the obligation would need to be covered by assessments.
- Mr. Beckwith introduced Wolf Opitz, Deputy Finance Director of Pierce County, who provided additional information about the financing timeline. The goal is to deliver net proceeds of a bond sale for \$65M by September 25. Before construction can begin, the POS needs to be developed which serves as a disclosure document and an official statement to Pierce County. The County will sell Limited-Term General Obligation (LTGO) bonds, which are attractive to bond buyers. Mr. Opitz is working to get the lowest cost of financing for a 16-year term, which is currently estimated at \$4.75M in debt service per year.
- Boardmember Tim Curtis asked about the interest earnings from the \$65M bond proceeds and if it will be applied to the project. Mr. Optiz advised that any interest will go to the purpose of the bond, which in this case is the PSCC building construction.
- Mr. Beckwith presented the March dashboard statistics.
- The Board was reminded of a study session scheduled for May 8, 2019 at 9am at the Tacoma Mall Plaza Building.
- Boardmember Dammeier asked where Tacoma Fire dispatch will be working when the PSCC is constructed. Mr. Beckwith advised that the location of Tacoma Fire dispatch operations will be a decision made by the City of Tacoma.
- Boardmember Dammeier asked if anyone from South Sound 911 has spoken to a Tacoma Fire representative about what their requirements would be if they were to move into the 35th Street building. Assistant Director of Administration, Janet Caviezel, advised that the \$1.5M for renovations is to retrofit the facility as a backup facility, and neither she nor Mr. Beckwith have been a part of any conversations regarding Tacoma Fire Department occupying 35th Street.
- Boardmember Thoms noted the importance of councilmembers getting a tour of the 35th Street facility and would like to get one organized as soon as possible.

- VIII. Operations Board Briefing – Jim Sharp, Vice Chair
- At its last meeting, the Operations Board received briefings on the PSCC, text to 911, and the Board completed Executive Director Andrew Neiditz’s evaluation.
- IX. New Business - None
- IX. Action Items - None
- IX. Other Business / Announcements
- Chair Richardson asked for an update from each member agency regarding the reaction to the change in governance proposal.
 - Boardmember Curtis advised that Fife met last night and went over the benefits of the new model. There were a couple of concerns that were noted along with questions on some of the details of the change, but overall it was a positive meeting and they will probably recommend approval at their next meeting.
 - Boardmember Julie Door advised that some questions came up during their presentation, but South Sound 911 staff were able to answer everything. She believes there are no reservations to move forward at this time.
 - Boardmember Thoms reported that Tacoma has not done anything formal as of yet, and will be holding a study session.
 - Chair Richardson shared that it is important for Tacoma to continue to move forward as they have a significant role to play in the approval of the new governance.
 - Vice Chair Sharp from the Operations Board shared that WPF&R had no reservations and felt comfortable with what was being presented. Boardmember Rankin added they are ready to move forward with a vote.
 - Chair Richardson advised that the Pierce County Council will not take action until the other jurisdictions have passed the ILA.
 - Boardmember Hunter advised she is looking forward to a presentation at a Tacoma City Council study session. She feels discouraged there haven’t been discussions regarding the 35th Street facility and what is needed to make it a fully functional backup facility. She added that scheduling a tour of the facility needs to be a high priority.
- X. Chair Richardson called an executive session per RCW 42.30.110(1)(g) to discuss the performance of a public employee at 10:10am for approximately 20 minutes. He noted there would be no action taken following the executive session. At 10:30am Chair Richardson announced the executive session would continue for approximately 10 more minutes. At 10:40am, Chair Richardson announced the executive session would continue for approximately 20 more minutes.
- XI. Boardmember exited the executive session at 11:00am and the meeting was adjourned.

Respectfully Submitted
Mandy Walters