

E-911 Service Board Meeting
September 8, 2011
10:00 AM - CESC

Members Present:	Michael Cline, Chairman John Knapp, Jr. – Co-Chairman David Von Moll - Comptroller Battalion Fire Chief Tracy Hanger Lt. Col. Robert Kemmler Pat Shumate Linda Cage	Samuel Nixon Robert Layman Danny Diggs Mickey Sims Danny Garrison Douglas Middleton
Members Absent:	Denise Smith	J.D. Diggs
Remote	Abingdon Culpeper	Roanoke Tidewater
Staff Present:	Dorothy Spears-Dean, Coordinator Steve Marzolf, ISP Director Terry Mayo, Board Administrative Assistant	Lewis Cassada, Project Manager Samuel Keys, Regional Coordinator N. Jerry Simonoff, ESG Director

1. CALL TO ORDER

Chairman Michael Cline called the meeting to order at 10:05 AM. Chairman Cline welcomed everyone to the E-911 Services Board meeting. Ms. Dorothy Spears-Dean did a roll call to the Regional Facilities. Chairman Cline introduced the two newest Board Members, Mr. Danny Garrison with the Richmond Ambulance Authority, and Chief Douglas Middleton of Henrico County.

2. APPROVAL OF THE MINUTES FROM JULY 14, 2011

Chairman Michael Cline asked for changes/additions to the July 14, 2011 minutes. Mr. John Knapp, Jr. made a motion to accept the July 14, 2011 Minutes, and Mr. Robert Layman 2nd the motion for approval. All approved **12-0-0** (Ms. Linda Cage was not present for the vote).

3. FY2011 ANNUAL REPORT

Ms. Spears-Dean addressed the Board and said that each year the Board is required to submit an Annual Report. Ms. Spears-Dean walked the Board through the Annual Report (see a copy of the Annual Report). Ms. Spears-Dean gave the Board an update on Wireline and Wireless deployments where she said that both are almost complete in the Commonwealth. Ms. Spears-Dean said that Lee County is the only Phase I and Phase II

deployment remaining. Lee County is the only project remaining for Wireline. Ms. Spears-Dean talked about NG911, and said she hopes the implementation plan will be completed by January 2012. She also said that plans are being developed for NG911 through an Initiative Action Team approach consisting of PSAP members and support staff.

Ms. Spears-Dean talked about the need for a Legislation change to prohibit Wireless Carriers from seeking cost recovery for a reimbursable expense after the close-out of the fiscal year has occurred. The purpose of this request in Legislative change is to establish a period of liability for cost recovery claims.

Ms. Spears-Dean talked about the Board's name change which became effective on July 1, 2011. The Board is now referred to as the "E-911 Services Board." Ms. Spears-Dean said that the Annual Report for 2012 will reflect this change.

Ms. Spears-Dean talked about NG9-1-1 and said that it is too early to recommend a Legislative agenda. Ms. Spears-Dean said that there is still a need for a surcharge. She said that the current biennial budget includes a \$3.7M appropriation to the Virginia State Police for wireless 911 call taking (even though the need no longer exists). There is also an \$8M transfer to the Compensation Board. Ms. Spears-Dean said that these reductions will challenge the ability of the Fund to remain fiscally sound in the future.

Ms. Spears-Dean talked about the PSAP Grant Program. She said that in FY2009 and FY2010 localities received over \$32M in PSAP Grant Awards, but in the future this funding will be significantly reduced for grant awards. Ms. Spears-Dean said that there was \$16M less funding available for grant awards in FY2011 and FY2012.

An update on the Enhanced 9-1-1 and Multi-line Systems was given also in this report. Staff is supporting the remaining strategic initiatives listed in the Statewide Comprehensive Plan for 9-1-1. Ms. Spears-Dean said that the IAT for 9-1-1 Standards and Guidelines will get underway shortly. The next IAT to be formed will support the Recruitment and Retention Initiative. Ms. Spears-Dean said that the MLTS Legislation took effect on July 1, 2009, and information requested on those provisions has been provided to the interested parties during FY2011. Ms. Spears-Dean concluded her update to the Board on the Annual Report by asking for questions from the Board, and there were none.

Chairman Cline asked Ms. Spears-Dean if the Report was ready to be distributed, and Ms. Spears-Dean said yes with Board approval. Chairman Cline called for a motion from the Board to approve the Annual Report. Mr. Robert Layman made a motion to approve the Report, and Mr. John Knapp, Jr. 2nd the motion for approval. The motion passed; **13-0-0.**

4. PSAP WIRELESS FUNDING FORMULA

Mr. Steve Marzolf addressed the Board and said that he would like to group a couple of issues together, as they are related. Mr. Marzolf that as a result of the 2011 General Assembly's Session, SB788 amends the procedure by which the E-911 Services Board distributes funds in the Wireless E-911 Fund. It allows the

Board to recalculate the distribution percentages at the start of the fiscal year. The Board approved at its July 14th meeting that the funding distribution be done each July 1st. Since the next recalculation will be done July 1, 2012, the Finance Committee was directed by the Board to look at the recalculation issue and make a recommendation to the Board at this meeting. Mr. Marzolf said that the Finance Committee met prior to this Board meeting.

Mr. Marzolf said that he finally has the figures for the end of FY2011. Mr. Marzolf said that the cash balance at the end of FY2011 is \$7,712,226 of which \$4,802,802 is already committed to prior grants. Mr. Marzolf said the accrued for Carrier payments is \$1,615,865, and total uncommitted cash balance for FY2011 is \$1,293,559. Mr. Marzolf reminded the Board that at the end of the last fiscal year the fund had a negative balance. Since then, the fund balance has been replenished. The Finance Committee has been discussing how not to have the negative balance occurrence in the future.

Mr. Marzolf discussed the validation problem that was approved at the last Board meeting. Some localities and PSAPs are having problems validating their figures. They do not have the data, or their systems have since then crashed. Mr. Marzolf said there is going to be a challenge to get this information. Mr. Marzolf said that this is one of the reasons the Finance Committee is making a change to the current funding calculation. Mr. Marzolf informed the Board that the Finance Committee is recommending the same change to the funding calculation as the Wireless Funding Committee suggested, which was not acted upon by the Board. The formula change the Finance Committee is recommending is the "calls x cost" scenario. The calls x cost scenario uses the wireless 9-1-1 total calls divided by the total 9-1-1 calls and then multiplied by the total 9-1-1 personnel costs. Mr. Marzolf said that the Finance Committee looked at the three year data to calculate the costs. Mr. Marzolf provided the Board with a spreadsheet showing the potential impact of the formula on the localities and PSAPs (see attachment). Mr. Marzolf said the Finance Committee is recommending the change to the funding formula because of the recent APA Audit.

Mr. Marzolf said the Finance Committee is recommending, as did the Funding Committee, that the Board authorize the calls x cost funding scenario using the three year average for 2012.

Chairman Cline called for a motion to approve the Finance Committee's recommendation from the Board. Mr. David Von Moll made the motion for approval, and Mr. John Knapp, Jr. 2nd the motion for approval.

Chairman Cline called for a discussion from the Board before the vote, and a lengthy discussion ensued with comments and questions from Board members: Mr. Robert Layman; Ms. Linda Cage; Chief Ron Mastin; and Chief Douglas Middleton.

Chairman Cline called for a discussion from the audience and those at the remote sites. In opposition for the proposed change, Mr. Greg Staylor of Chesapeake and Ms. Athena Plummer of Virginia Beach addressed the Board. In agreement of the proposed change, Mr. Bill Agee of Franklin County, and Ms. Pokey Harris, of Washington County and also representing those in attendance at the Abingdon remote site, addressed the Board.

Chairman Cline called for a vote on the funding formula change as stated from the Finance Committee recommending “the approval of the calls x cost funding formula to be implemented by 2012 using the three year average.” The motion was approved; **10-3-0** (Chief Ron Mastin, Chief Douglas Middleton; and Mr. Robert Layman all voted no).

5. OLD BUSINESS:

FY2012 PSAP Grants: Ms. Dorothy Spears-Dean addressed the Board and said that the Board approved \$2,516,621 in grant awards at the July 14th meeting. Ms. Spears-Dean said that the Finance Committee was asked to consider the impact of any additional FY2012 grant awards on the fund balance. The Finance Committee is recommending that there be no additional FY2012 grant awards and that any funding returned from prior grants be returned to the fund balance. Ms. Spears-Dean said that staff is asking the Board for permission to close out the FY2012 grant process. Chairman Cline called for a motion to approve staff’s request and the Funding Committee’s recommendation. Mr. Mickey Sims made a motion to approve, and Mr. Robert Layman 2nd the motion for approval. The motion was approved; **13-0-0**.

FY2012 PSAP Grant Award – Spotsylvania County: Ms. Dorothy Spears-Dean addressed the Board and said that staff has made a decision on “supplanting” and wants the Board’s recommendation. Ms. Spears-Dean said that the “supplanting claim” for Spotsylvania is not valid if Board action on a grant application extends beyond the timeframe established in the PSAP Guidelines. Mr. Von Moll is recommending that all future “supplanting” claims be discussed in the Finance Committee before being brought before the Board.

Chairman Cline asked if the Board is in agreement with approving the recommendation from staff on Spotsylvania County. All members agreed to accept staff recommendation.

6. NEW BUSINESS

- 7. Update on the Finance Committee:** Mr. Steve Marzolf addressed the Board and said that there were no additional items for discussion as he had grouped this

information earlier under the Funding Formula discussion. Mr. Cline called for addition new business, and Mr. Marzolf commented to the Board that he wanted to clarify how the decision on the validation methodology for selecting PSAPs was done. In addition to variance, Mr. Marzolf said that 12 localities and PSAPs were chosen randomly, and the decision was made to go back to FY2010 and not as far back as FY2009.

Chairman Cline asked for more new business or comments. Ms. Spears-Dean asked the Board if it wished to have the E-911 Services Board Meeting available by Conference Bridge to anyone wishing to have access. Lt. Colonel Robert Kemmler commented that he that the Conference Bridge should remain Regional and all other Board members agreed.

8. PUBLIC COMMENT

Chairman Michael Cline called for public comments at CESC and at the satellite locations. There were no public comments made.

9. ADJOURNMENT OF THE MEETING

Chairman Michael Cline called for a motion to adjourn the meeting of the E-911 Services Board at 11:41 AM. All approved, and the meeting was adjourned.

Respectfully Submitted:

Terry D. Mayo

(Date)

On Sep 8, 2011, at 6:30 AM, Greg Staylor wrote:

> Hello,

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> Please print this for each E-911 Services Board member so they will be aware of the information it contains.

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> I request time to speak in opposition of the proposed funding formula prior to the Board's vote today. I am including a spreadsheet which will visualize the inequity of the proposed funding formula, which I would like displayed at the time I am permitted to comment.

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> My objection is based on the fact that the personnel costs greatly impact the final funding and those costs are based solely on the staffing numbers, salaries and benefits, which are not standardized or regulated. As such, a PSAP which can afford to have a higher percentage of staffing to call ratio or pay more will receive a higher percent of the Wireless funding compared to PSAPs that cannot afford such or simply operated more efficiently (i.e. using a lower # of employees to handle the same # of wireless calls).

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> The proposed formula rewards less efficient PSAPs and those who can afford to have a greater percentage of employees or pay better and penalizes more efficient PSAPs or those who cannot afford more employees or pay.

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> Chesapeake will be losing nearly 47% of its current wireless funding under the proposed funding formula just because of the personnel cost component issue.

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> As an example, Chesapeake handles 4.29% of the statewide wireless calls, but under the proposed formula will only receive 2.66% of the funds distributed to PSAPs. Fairfax handles 10.22% of the statewide wireless calls, but under the proposed formula will only receive 15.75% of the funds distributed to PSAPs.

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> Thank you,

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> Lieutenant Gregory S. Staylor

> Public Safety & Emergency Communications Coordinator

> Chesapeake Police Department

> Chesapeake, Virginia USA

> gstaylor@cityofchesapeake.net

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COVB Emergency Communications & Citizen Services
E-911 Wireless Funding
Proposal to Change Funding Formula

Concerns/Issues: The Virginia Wireless E-911 Services Board will vote on a new funding formula to determine revenue amounts generated to the local public safety answering points (911). The call/cost formula approved by committee will reduce revenue to the City of Virginia Beach in the amount of \$1,035,935.56 over a 3 year period based on calculations presented starting in FY13. This loss of revenue is equivalent to 24 entry level public safety telecommunicator positions and will have a crippling impact on 911 operations in the City of Virginia Beach.

Incremental Impact: It is the intent of the wireless board to assess the formula over a three year period to minimize the effect over time. The estimated annual funding would change as follows:

- **Fy08 funding received** \$1,836,375.83 (current formula)
- **Fy09 funding received** \$1,951,500.47 (current formula)
- **Fy10 estimated funding** \$1,854,844.49 (current formula)
- **Fy11 estimated funding** \$1,705,382.44 (current formula)
- **Fy12 estimated funding** ????????
- **Fy13 estimated funding** \$1,516,478.54 (proposed formula)
- **FY14 estimated funding** \$1,306,390.63 (proposed formula)
- **FY15 estimated funding** \$1,257,342.79 (proposed formula)
- **Fy 13** -\$188,903.90
- **FY14** -\$398,991.81
- **FY15** -\$448,039.65

Formula: The current formula, established fy06, takes into account reoccurring equipment costs, IT/GIS support, call data, and personnel/training costs. Today's 911 center is dependent on its equipment to best provide reliable and accurate service to first responders and our citizens. The IT/GIS support greatly impacts location, mapping, geospatial functions, etc. and will have an even greater impact as we trend towards Next Generation 9-1-1.

The recommendation presented in the new formula is to remove equipment costs as well as IT/GIS support costs and only consider call data and personnel/training costs. This greatly reduces the revenue received.

These factors are too important to withdraw from the formula. Next Generation 911 will demand more complex geospatial technologies to meet the demand of our customers. Costs for these services will increase in line with their demand. Local PSAPS will need resources to replace, maintain and upgrade equipment required to meet the NG911 mandates that are looming. One purpose of the original formula was to assist PSAPS with these increasing costs.

Recommendation: It is recommended the Virginia Wireless E-911 Services Board vote to continue use of the current formula with the following exceptions: Change the call data formula to reflect wireless 911 calls received/total 911 calls received, and determine average percentages over a 3 year period. Keep the current formula in place until a thorough impact study is completed during the fy12 period.

