

**Indiana Advisory Commission on Intergovernmental Relations  
Tuesday, October 9, 2012  
1:00 P.M. to 4:00 P.M.**

*Indiana Government Center South Conference Center  
Conference Room A  
402 W. Washington St.  
Indianapolis, Indiana*

**MINUTES**

**CALL TO ORDER/WELCOME**

Chair Mike Karickhoff called the meeting to order at approximately 1:00 P.M. He welcomed the group and thanked them for being there. Attendance is shown in Attachment A.

**MEETING AGENDA**

- Call to Order/Welcome Chair Mike Karickhoff
  
- Honoring Senator Beverly J. Gard Chair Mike Karickhoff  
John Krauss
  
- Approval of Minutes of September 19, 2012 Chair Mike Karickhoff
  
- Update on 2012 Survey of Local Elected Officials Jamie Palmer
  
- Update on Survey of Public Safety Answering Points (PSAPs) Jamie Palmer  
Zachary Mulholland
  
- Testimony on 911 Issues Ed Reuter, Bartholomew County  
Timothy Lee, Allen County  
Mindy Westrick, Faegre Baker Daniels  
Robin Brandgard, Plainfield/Hendricks  
County  
Rhonda Cook, IACT  
Mayor Richard Fledderman, Batesville  
Mayor Greg Goodnight, Kokomo  
Scott Fadness, Fishers  
Mayor Bryan Conklin, Union City
  
- Break
  
- Additional Open Public Testimony Chair Mike Karickhoff
  
- Commission Discussion of 911 Issues Chair Mike Karickhoff  
John Krauss  
Commission
  
- Next Meeting Chair Mike Karickhoff  
October 25, 2012, 1:00-4:00 pm, IGCS, Conference Room A
  
- Adjournment Chair Mike Karickhoff

**HONORING SENATOR BEVERLY J. GARD**

Representative Karickhoff and John Krauss thanked Senator Gard for her years of service and dedication to the IACIR. Mr. Krauss presented her with a framed photo of the Statehouse rotunda stained glass.

Senator Gard thanked the group. She indicated that she has been on the Board of Directors of the Policy Consensus Initiative (PCI) at Portland State University for a number of years. The board made up of academics and current and former governors and legislators. The mission of PCI is in problem-solving and helping state leaders develop more collaborative cultures within legislatures.

Senator Gard suggested that there is now too much partisanship in the Indiana General Assembly. Often Indiana's local governments do a better job of collaborating to solve problems. PCI is interested in doing a project in Indiana. She believes that there could be synergies between the IACIR and PCI in promoting a more collaborative culture and skill building within the legislature.

**APPROVAL OF MINUTES OF SEPTEMBER 19, 2012**

Representative Karickhoff asked the Commission to review the minutes from the previous meeting and asked if there were any additions, corrections, or discussion. Representative Sheila Klinker made the motion to approve the minutes. Representative Richard Young seconded the motion. The minutes were approved unanimously.

**UPDATE ON 2012 SURVEY OF ELECTED OFFICIALS**

Representative Karickhoff recognized Jamie Palmer.

Ms. Palmer gave an update of the 2012 IACIR Survey of Local Government Officials. At this time there is a 32 percent response rate. The response rate for township trustees is at 52 percent and for mayors, 43 percent. She expects to have the report by the end of the year.

**UPDATE ON SURVEY OF PUBLIC SAFETY ANSWERING POINTS (PSAPs)**

Zachary Mulholland presented the findings to date from the survey of PSAPs (Attachment B). The survey was sent electronically and by mail to 164 PSAPs throughout Indiana; 38 surveys had been returned to date. He said that 16 of the 38 responding PSAPs were managed by the Sheriff or Chief of Police. Further, 17 of the 38 were managed by an e911 Director or Communications Director. Generally PSAPs did not report that there were revenue contributions from participating local units of government. Prior to additional analysis, some of the data returned will need to be clarified. The complete analysis will be presented October 25, 2012.

Representative Karickhoff asked about the Commission's comfort level with the limited response rate. He indicated that the State Board of Accounts had sent an email encouraging PSAPs to respond to the survey.

Therese Brown asked if there could be follow-up phone calls.

The commission brainstormed about ways to get more responses to the survey.

Timothy Lee, Executive Director of Consolidated Communications Partnership of Fort Wayne and Allen County suggested he could help contact directors to get the surveys completed.

Representative Karickhoff suggested going through professional associations.

Ed Reuter of Bartholomew County E911 said he would contact the National Emergency Management Association for help in encouraging PSAPs to complete the survey.

### **TESTIMONY ON 911 ISSUES**

Representative Karickhoff recognized Ed Reuter with the Bartholomew County Emergency Operations 911 Center.

Mr. Reuter thanked the group for SB 345. He presented a description of their operation (Attachment C). 40,000 cars pass through Bartholomew County on major highways daily. Total incidents increase annually since their inception in 2001. 911 calls have grown since the consolidated center between Bartholomew County and the City of Columbus opened in 2001, requiring increased manpower. Telephone transactions have decreased due to a better use of technology. The center has been visited by a number of other counties to learn about best practices.

The 911 center serves 21 agencies. It is managed by an interlocal agreement that established a joint council with the members being the mayor, a city council member, the clerk-treasurer, a county commissioner, a county council member and the county auditor. In 2012, 42% of the budget is covered by the phone surcharges. The city covers 32 percent, and the county covers 26 percent. In 2013, the surcharges are expected to cover 59 percent of the budget with the county covering 25 percent and the city covering 20 percent. Mr. Reuter believes cities, towns, and counties can work together.

Ms. Brown asked if there were any participating hospitals or other entities.

Mr. Reuter said they do the dispatch for Columbus Regional Hospital but the hospital does not provide any funds.

Jean Lushin asked about how many dispatchers are on duty per shift and about the stresses affecting dispatchers.

Mr. Reuter indicated that there are 4-5 dispatchers on duty with each shift. He agreed that the job is high stress. They typically do not get time for lunch. They have a lot of turnover.

Representative Karickhoff recognized Timothy Lee, Executive Director of Consolidated Communications Partnership of Fort Wayne and Allen County.

Mr. Lee described the organizational structure of their partnership and provided a handout (Attachment D). The partnership began in January 2010. The partnership was established by a memorandum of understanding (MOU) that created an Executive Operations Board. The city and county council are in charge of the budget. One of the first efforts was to study efficiencies. A committee was created. Better collaboration and processes got public safety vehicles out the door 45 seconds faster. They cross trained employees to allocate them better. They saved \$200,000; \$35,000 was saved by reducing command structure. They handle 700,000 calls annually. City of Ft. Wayne generates the vast majority of calls. After the surcharges, Ft. Wayne contributes 70 percent of the remaining cost. The county covers 30 percent of remaining costs. Under the consolidated center, finances are managed by the city controller.

They did not cut operations staff upon consolidation. Based on standards created by the Association of Public-Safety Communications Officials International, the combined center was 10 employees short.

Mr. Lee explained that the recently consolidated Fort Wayne-Allen County PSAP communication center currently utilizes software that has been operating beyond its life expectancy since late 2010. He talked

about the Next Generation 9-1-1 which refers to an initiative aimed at updating and eventually replacing the 9-1-1- service infrastructure in the U.S. and Canada and improving public emergency communications services in a wireless mobile society. Northeast Indiana is poised to make a successful run at dollars that should pass to the State through the *Middle Class Tax Relief and Job Creation Act of 2012 (Public Law No: 112-96)*. The County's predicament is not rare among Northeast Indiana counties, where 85 percent of PSAPs are either at end-of-life or will be so within the next two years. Collaborating across 11 counties gave Allen County more purchasing power than they had alone. Nine counties should be on the interoperable system by the end of 2013.

Mr. Lee indicated that SB 345 had "stopped the bleeding" in Allen County. Surcharges provide \$2.3 million. The budget is \$6.7 million. The fiscal situation has forced directors to think collaboratively. There have been talks with local foundations and corporations about helping to fund this service. He indicated that 5-6,000 calls per year in Allen County are generated by devices that do not pay into the system.

Meredith Carter asked about funding.

Mr. Lee responded that only the city and the county provide funds; the remaining local governments do not.

Representative Karickhoff recognized Mindy Westrick of Faegre Baker Daniels.

Ms. Westrick represents Hendricks County. Hendricks County consolidated 27 local jurisdictions in 2007. Their trouble is funding. She turned the floor over to Robin Brandgard with Plainfield/Hendricks County.

Mr. Brandgard is president of the Hendricks County Communications Governing Board and the president of the Plainfield Town Council. It is a challenge, he said, to reach consensus between 30 local jurisdictions. Funding remains a problem. There is the misperception by the public that 911 funds cover all the costs. The budget is \$4.2 million and surcharges cover \$1.67 million. By virtue of the interlocal agreement, the participating units contribute to the cost. Collection can be a problem. The current system of funding options is not stable. As technology changes, 911 fees will struggle to keep up.

He indicated that in discussions with the legislature about SEA 345, they have proposed enabling the creation of an Emergency Communications Territory (ECT). Fees would be added to property tax bills.

Mayor Yoder asked whether the ECT would be structured similar to stormwater fees that can be added to property tax bills.

Mr. Brandgard said yes.

Ms. Brown asked if the property fee would be in addition to the property tax levy.

Mr. Brandgard said that they were not seeking a windfall. The levy would be reduced by the amount the fee generated. The net spending would not change, just the method of funding. Dispatch typically is a line item in police and fire department budgets.

Mayor Yoder asked if the fee would be outside the caps.

Mr. Brandgard indicated that it would be outside the caps.

Representative Karickhoff asked if Hendricks County had adopted a public safety LOIT.

Mr. Brandgard also indicated that the county has explored Local Option Income Tax (LOIT), but would like the legislation to allow a dispatch-specific LOIT with dedicated funds.

Representative Karickhoff recognized Rhonda Cook of the Indiana Association of Cities and Towns.

Ms. Cook addressed two issues (Attachment E). She indicated that the surcharges do not provide sufficient revenue to fully fund PSAPs. Roles and responsibilities for the dispatch associated with PSAPs are not clear. She was accompanied by three municipal officials: Mayor Greg Goodnight of the city of Kokomo, Mayor Richard Fledderman of the city of Batesville, and Scott Fadness, town manager of Fishers.

Representative Karickhoff recognized Mayor Goodnight of the city of Kokomo.

Mayor Goodnight indicated that a number of officials from Kokomo and Howard County had testified at the last meeting. He reiterated that the county sheriff is in charge of the city/county PSAP. The consolidated operation is running fairly well. The remaining issue is funding. He said that Kokomo has 70 percent of the population and 70 percent of the assessed value in Howard County. Kokomo is a regional center; there are 10,000 commuters that come to the county each day because Kokomo is a destination for employment, shopping, etc. About half of all dispatch calls serve people who do not live in Howard County. In order to fund the dispatch center, the city supplements the phone surcharges with property taxes. The statewide 911 fees cover \$650,000. The city puts in an additional \$475,000 from property taxes. He believes that costs should be shared across units served by the dispatch center. He would like equity achieve better equity.

Representative Karickhoff recognized the Town Manager of Fishers, Scott Fadness.

Mr. Fadness indicated that in August, the Hamilton County came to the town and said that they needed to pay \$700,000 to fund the consolidated dispatch. The town believes in a consolidated system but would like more clarity about roles and responsibilities among units. He also indicated a frustration that there is no countywide funding source that would establish equal burden across the county. He indicated that a public safety LOIT might be the tool to accomplish better equity of funding.

Mr. Carter asked if they have signed the agreement.

Mr. Fadness said yes. He indicated that they have a seat on the advisory board, but the board does not have decisionmaking authority.

Representative Klinker asked if the county had adopted a LOIT.

Mr. Fadness said not yet. All parties must be on board first.

Mayor Yoder said income taxes do not catch everyone.

Mr. Fadness said that he believes that income tax comes closer to catching phone users.

Mr. Hesson reminded the group that corporations and tax exempt entities do not pay local option income taxes.

Mr. Fadness said that there are pros and cons with all funding mechanisms.

Representative Karickhoff suggested that a local option income tax of less than 0.1 percent would fund the gap.

Representative Karickhoff recognized Mayor Fledderman of the City of Batesville.

Mayor Fledderman indicated that since the beginning of his term, he had become aware of a unique situation regarding dispatch in the city of Batesville. Batesville is located in two counties, Franklin and Ripley. Batesville provided dispatch services in portions of both counties, some of which is outside the city.

There is an interlocal agreement between Franklin and Ripley counties. Franklin County pays Ripley County for the service provided by Batesville to Franklin County, but Batesville does not receive any funding. Ripley County has indicated that it cannot run the county dispatch without the money from Franklin County.

He indicated that likely there are other unusual circumstances in the state and thinks it is important to have more conversations with local governments.

Representative Karickhoff said situations like this one illustrate why it is important to get good information from the survey of PSAPs. Additional information may be needed about how to right-size dispatch centers.

Mr. Hesson said that e911 funds could, in some circumstances, be a revenue center for counties.

Mayor Fledderman said Batesville provides adequate service but is struggling. They cannot continue to operate under the current arrangement. The city is concerned, however, about jeopardizing public safety in either county.

Mayor Yoder asked about population in the two counties.

Mayor Fledderman said that Ripley County has about 28,500 population, and Franklin County has about 23,000. You also must consider the additional population that I-74 traffic brings through the counties. Batesville covers about 25% of the dispatch calls and geography.

Representative Karickhoff recognized Mayor Bryan Conklin of Union City.

Mayor Conklin said HB1001 hit Union City hard; they lost 42 percent. In response, they looked to eliminate non-essentials and duplicated services. Randolph County consolidated dispatch services. The new entity has an advisory board without much power.

He has heard complaints about losing positions. Consolidations need to be based on good service standards/benchmarks. Things can go wrong without best practices.

Ms. Brown asked if there were territorial disputes.

Mayor Conklin said yes. Competition was created.

**BREAK**

Representative Karickhoff called for a short break.

**ADDITIONAL OPEN PUBLIC TESTIMONY**

Representative Karickhoff asked for additional testimony.

David Bottorff with the Association of Indiana Counties reminded the group that the 911 fee historically was not meant to cover dispatch, just to cover incoming calls. It took four years to get to SB 345. The telecommunications companies were willing to have telecommunications surcharges pay for equipment.

Some counties have been able to cover dispatch operations with only the surcharge monies. More urban counties are not able to do that typically. This issue is exacerbated by the pressure created from the tax caps.

Mr. Krauss asked if anyone had a model, what it would be.

Mr. Bottorff said he suggests Hendricks County and Kokomo/Howard Country when he is asked. Hendricks County has a policymaking board. They struggle because some entities do not want to pay. Hamilton County designates the 911 fees for purchasing equipment and then splits the cost of operation by call volume.

He reminded the group that the territory with fees that appear on the property tax was not received well in the General Assembly. He suggested that the best strategy would be to fund dispatch with multiple revenues.

Representative Karickhoff said that the law requires counties to consolidate to two PSAPs with a few exceptions. His conversations with the bill authors seem to indicate that the real intention was to consolidate to one PSAP and a backup. He asked if that was the understanding from folks in the room who worked on this issue. He reiterated how important it was to right-size these operations.

Mr. Bottorff said yes, the original intent seemed to be one PSAP with a back-up. Many counties have consolidated to one or two PSAPs. He suggested studying the number of dispatchers and number of calls in relation to population. Local governments probably will need to partner to provide enough funding.

Representative Karickhoff said that most will want to keep their own center. It should be decided by population with special consideration for interstates, and university cities for the increased call volume.

Mayor Yoder said that when cities have to pay for dispatch, those citizens are paying twice. In Adams County, they have gone from three PSAPs to one.

Mr. Bottorff said that counties do not necessarily have room in their levy to assume the full burden. The double counting issue is one reason why the territory with a parcel fee is attractive.

Mayor Yoder said local government is pinched.

Mr. Bottorff reminded the group that the statute only specifies now that counties are responsible for the equipment that takes the calls.

Mark Grady of InDigital suggested calls by population is a good surrogate for funding. Marion, Lake, and Vanderburgh counties tend to be outliers under this scheme.

Les Miller indicated that he was a leader in creating the communication system in Marion County, Metropolitan Emergency Communications Agency (MECA). He also is a consultant for Lake County and worked on the Hoosier SAFE-T project. When the original telephone surcharges were adopted in 1988, 911 funding was not intended to pay for dispatch. After 9/11 and Columbine it became obvious that interoperable radios were essential parts of the system. In 2001, the use of 911 funds was broadened. We must insure that we have interoperability to ensure that dispatchers have the ability to contact the nearest emergency responder, even if that responder is across a jurisdictional line.

### **COMMISSION DISCUSSION OF 911 ISSUES**

Representative Karickhoff called for discussion.

Mr. Krauss referred to the discussion topics given to each member of the Commission (Attachment F). A copy of the 2011 study, including the issues identified, also was provided to each of the members (Attachment G).

Ms. Brown said that it makes sense for counties to be responsible for providing the PSAP and related public safety dispatch. Regarding further consolidation across counties, incentives might be more appropriate than mandates. Further consolidation will require a cultural shift; local officials are attached to place.

Representative Karickhoff asked about what type of incentives.

Ms. Brown suggested that financial incentives would be most influential.

Mayor Yoder reminded the group that Indiana claims to have home rule. The issue is funding. The same solution will not necessarily work for all counties. We need to develop some best practice and let local jurisdictions decide.

Representative Karickhoff agreed that one size does not fit all. We could propose funding options within a set of parameters.

Mr. Krauss said the challenge is to get a funding mechanism and formulas that will capture enough revenue from enough users with ever changing technologies.

Mayor Yoder said that a variety of funding options have been proposed, from a dispatch territory with fees attached to property, to LOIT, to telecommunication surcharges.

Representative Karickhoff suggested that locals want the state to take the political heat for passing a tax.

Representative Terri Austin asked about whether it might be beneficial to standardize PSAPs a bit more. She used assessing software as an example. In the big reassessment a few years ago, counties were allowed to choose their own software. It was a bit of a mess as the software had to be able to communicate with the state. The state needs some predictability and uniformity. It is hard to solve 92 unique situations.

Senator Smith expressed concern about what would be adequate funding, \$5-\$10-\$16 per call. He would like some method to standardize state funding to PSAPs.

Ms. Brown suggested that there will be fluctuations because of variations in salaries and other expenses. Allen County will be higher because it is urban. She suggested that perhaps there should be a cap on the costs covered by state funding.

Senator Smith said sharing revenue between counties and towns is fine, but the testimony seems to indicate that the distribution of costs it is not equitable.

Representative Klinker said we must provide incentives. She is concerned that some counties are not willing to pass a LOIT. The state will have to make some tough decisions.

Mr. Hesson said the costs vary wildly as is evidenced by the pre-SB 345 land line rates. Rates ran from eleven cents to two dollars or more. The complaints seem to be about the gap between 911 surcharge monies and the cost of PSAPs.

Representative Karickhoff asked if the group agreed that PSAP and dispatch should be considered together.

The commission generally agreed that PSAP and dispatch must be considered together.

Ms. Palmer reminded the group that some PSAPs take a lot of non-public safety service calls such as for animal control.

Senator Smith said that every county gets those kinds of calls.

Mr. Hesson said that cities and towns are paying double and they were doing that before. It is unreasonable for the county to pick up the increased funds using property taxes because of the tax caps. If LOIT is the chosen option, then legislation should dedicate it to 911.

Representative Karickhoff said Representative Turner has invited a state senator from Utah to address the Commission on State Tax and Finance on October 22 at approximately 10:00 am in Statehouse Room 401 (House Ways and Means). Utah is considering putting 911 surcharges on electric bills. He invited the commission and staff to attend the meeting

Representative Austin expressed concern about the overlap in commission responsibilities. Perhaps there would be some way to include the members of the other committee in the IACIR meetings.

Mr. Krauss asked about how commission members would about setting performance standards or benchmarks to receive additional funding.

Ms. Brown said the state must put specific parameters and benchmarks on the process. She stressed how important it was to maintain a high level of public safety.

Representative Austin the system seems rather chaotic now.

Mayor Yoder said he still would like to see home rule.

Mr. Krauss said there needs to be a standard the public can expect.

Ms. Brown agreed there should be a standard.

Mr. Krauss said the funding is limited. The challenge is to collect enough funding in an environment with changing telecommunications technologies.

Ms. Palmer said we must address the Responsibilities (2012 SEA 345)—who gets the 911 fees within Counties (Attachment E).

Mr. Krauss read the list of questions and the commission responded.

Mr. Krauss: Should counties have primary statutory responsibility for PSAPs and related public safety dispatch?

The consensus of the group is that the counties should have primary statutory responsibility for PSAPs and related public safety dispatch.

Representative Tom Saunders said that the intention regarding back-up PSAPs should be clarified.

Mr. Krauss: Should statewide 911 fees be distributed only to counties or the primary municipal PSAP? Should the funds be shared among PSAPs within counties?

Some members of the group agreed that funds should be shared among PSAPs within counties.

Mr. Krauss: Should there be statutory or informal guidance on how to share the funding burden for PSAPs and related public safety dispatch when statewide 911 fees do not cover the costs?

Ms. Brown thought population should have a bearing.

Representative Klinker said the incentives should be offered.

Representative Austin asked what the essential services are.

Mayor Yoder would like to see home rule in the counties.

Mr. Carter indicated that Hamilton County allocated operations costs by the number of calls and each municipality paid proportionally.

Mayor Yoder said if the process was informal, the cities would walk away.

Representative Karickhoff said that an interlocal agreement between the city and county would put the city in a better position.

Mr. Krauss: Should there be statutory or informal definitional distinctions between PSAP, related public safety dispatch, other dispatch, and other duties of local dispatch centers?

Ms. Brown suggested that dispatch services for non-public safety functions, such as animal control, should be treated separately.

Mr. Krauss said the staff would come up with a draft report for the commission to consider prior to the next meeting.

**NEXT MEETING**

October 25, 2012, 1:00-4:00 pm, IGCS, Conference Room A.

**ADJOURNMENT**

Chair Karickhoff adjourned the meeting at 3:40 P.M.

**ADOPTION**

These minutes were adopted at the commission meeting on October 25, 2012.