

Indiana Advisory Commission on Intergovernmental Relations

Friday, August 29, 2014

1:30 P.M. to 4:00 P.M.

Indiana Government Center South

Conference Room A.

402 W. Washington Street

Indianapolis, Indiana

MINUTES

CALL TO ORDER/WELCOME

Chair Mike Karickhoff called the meeting to order and welcomed the group at approximately 1:30 pm. Members introduced themselves. Attendance is shown in Attachment A.

MEETING AGENDA

- Call to Order/Welcome/Introductions Chair Mike Karickhoff
- Approval of Minutes of April 28, 2014 Chair Mike Karickhoff
- Installing Assistant to the Director Chair Mike Karickhoff
Jamie Palmer
- 911/Dispatch Consolidation in Kokomo/Howard County Nick Capozzoli, Howard County
Lawrence McCormack, City of Kokomo
Paul Wyman, Howard County
Greg Goodnight, City of Kokomo
- Cross-county Phone System Consolidation Therese Brown, Allen County
- P25 Radio Purchases David Vice, the Integrated Public Safety
Commission
Terry Burnworth, Pyramid Consulting
Nick Gulling, Pyramid Consulting
- Break
- 911/Dispatch Time Study John Mallery, Maximus
David Bottorff, Association of Indiana Counties
Stephanie Yager, Indiana Assoc. of Co.
Commissioners

MEETING AGENDA (continued)

- Update on PSAP Funding and Consolidation Barry Ritter, Statewide 911 Board
- Commission Discussion Chair Mike Karickhoff
 - Intra and Inter-county Consolidation Commission Membership
 - Funding
- Update on 2014 Survey of Elected Officials Jamie Palmer
- Next Meetings: Chair Mike Karickhoff
 - Friday, September 26, 2014, 1:30-4:00 pm,
Indiana Government Center South,
Conference Room B - Focus: IU Public
Policy Institute Fiscal Benchmarking Report
 - Friday, October 24, 1:30-4:00, ISTA Building
Conference Center (2nd Floor) - Focus:
Managing the Cost of Local Government
Employee Health Care
- Adjournment Chair Mike Karickhoff

APPROVAL OF MINUTES OF APRIL 28, 2014

Representative Karickhoff asked the Commission to review the minutes from the previous meeting and asked if there any additions, corrections, or discussion. He asked for one correction to the minutes where he was listed as a Senator rather than a Representative. Mr. Larry Hesson made the motion to adopt the minutes with the correction. Ms. Therese Brown seconded the motion and the minutes were approved unanimously.

INSTALLING ASSISTANT TO THE DIRECTOR

Jamie Palmer introduced Debbie Wyeth of the IU Public Policy Institute. She has been working with Ms. Palmer and the Commission for some time. Ms. Palmer asked the commission to install her as Assistant to the Director. Senator Lonnie Randolph made the motion and Mr. Hesson seconded the motion. The motion passed unanimously. Ms. Wyeth thanked the group.

911/DISPATCH CONSOLIDATION IN KOKOMO/HOWARD COUNTY

Chair Karickhoff reminded the group of the bill that required counties to merge public safety answering points (PSAPs). He introduced Howard County Commissioner, Paul Wyman, Lawrence McCormack, attorney with the City of Kokomo, and Nick Capozzoli, Howard County Communications Coordinator. He indicated that Greg Goodnight, Mayor of Kokomo as not able to attend.

Mr. Paul Wyman provided a summary of the merger of emergency dispatch in Howard County and Kokomo. Discussions began ten years ago. Staff from the City of Kokomo and Howard County were already co-located. Some of the areas of contention were about equalizing salaries and benefit systems. Policymakers received input for several years. After a new mayor and council members were up-to-speed, the discussion continued. In 2008-09, there was more progress. A citizens group looked at various

consolidations and was given the opportunity to present ideas and recommendations. They suggested that consolidation could reduce the budget from \$2.1 million to \$1.4 million. The city and county governments studied the proposal and agreed to move forward.

The consolidated dispatch center was funded 70% by the city and 30% by the county (April 2013). This was based on the relative volume of calls for the city and county. Seventy percent of calls come from the City of Kokomo and the rest from outside the city. As other revenue pressures mounted, the city suggested that the dispatch center was solely a county responsibility and that city residents were being double taxed under the previous funding arrangement. Upon study, a small percentage of funding was found to be double taxation. To resolve that issue, the old agreement was terminated and in the new one Kokomo gave its dispatch levy to the county. He expressed kudos to all who worked on the process.

He further praised dispatch and emergency responders. Recently, Howard County and Kokomo have sustained damage as the result of significant weather events. The dispatch center and emergency responders were handled these disasters well.

Mr. Nick Capozzoli addressed some of the big hurdles they had to face. In spite of the dispatch centers being historically co-located, they operated independently using different resources. To consolidate the operation, both dispatchers and 911 responders must understand each other's work. Cross training was critical. Over three months, staff members were trained on the various jobs within the dispatch center. Consolidation also required merging policies the two dispatch centers and of various departments that interact with the dispatch center. They formed a policy committee with members from the various departments. They hold monthly meetings to work out problems.

Mr. Capozzoli further indicated that the new consolidated center that is covered at all times by 25 employees. The center takes 130,000 calls annually, including emergency and non-emergency calls. The transition has taken three years.

Mr. Lawrence McCormack handled the legal aspects of the merger. He also indicated that the city and county worked on consolidations of their emergency management agencies and weights and measures functions. Regarding double taxation and dispatch, he believes they found a formula that is fair.

Representative Karickhoff praised the city and county for what they have accomplished. He reiterated that the process took about 10 years to accomplish. Once the idea was out there, it took about half of that time, 5 years, to get the parties in the same room. He also praised dispatch and emergency responders in Kokomo and Howard County for their good work with the recent natural disasters.

Mr. Geoff McKim asked how they handled salaries and benefits.

Mr. Capozzoli said that they adopted the county salary and benefits schedules. This represented decreases for the former city employees. In spite of that, they have lost only three employees. It wasn't easy. It was important to keep people informed.

Representative Terri Austin asked if they were truly consolidated. She was hearing them still say city and county.

Mr. Capozzoli said all are county employees. The dispatch center is divided into stations that respond to city calls and stations that respond to county call. City calls go to the Police Department and county calls go to the Sheriff's Department. The employees have been cross-trained so that they can work at any of the stations.

Mr. Ken Paust asked how much the city was paying.

Mr. Wyman said \$338,000. That amount covered all the calls.

Representative Austin asked about whether Howard County is a donor county with respect to the new funding formula. Are monies collected from Howard County households being distributed to other counties?

Mr. Wyman indicated that they were not a donor county.

Mr. Darren Vogt asked about protocols.

Mr. Capozzoli said the dispatch center is housed within the Sheriff's Department. If the Police Department has another idea it is brought to the Board.

Mr. Wyman indicated that at the operation level the Police Department and the Sheriff's Office work together very well.

Senator Randolph asked about training. He indicated that he has heard complaints from counties who have been slow to consolidate that it requires money that they don't have.

Mr. Wyman said that they were able to find \$ to get the training done.

CROSS-COUNTY PHONE SYSTEM CONSOLIDATION

Representative Karickhoff introduced Therese Brown, Allen County Commissioner, to present briefly information about consolidation efforts in Allen County.

Ms. Brown explained that in January the Executive Director of the Consolidated Communications Partnership in Allen County, Tim Lee, left for a new position in Florida. He was replaced by Bill Bassett. The previous director had led some discussions with surrounding counties about establishing a joint dispatch center. That discussion has stalled for the time being, in part, because of the change in personnel.

A few years ago, Allen County became aware that it needed to upgrade the system to VOIP Next Generation. In 2012, 40 PSAPs in several northeast Indiana counties entered into a joint Request for Proposal (RFP). The agreement helped to create additional buying power, thus bringing down the price for participating local governments. One of the concerns was about whether each of the local governments could afford the system upgrade in 2012. The RFP was structured so that some counties could buy in later at the same price. There are now 40 PSAPs using Solicom Phone Solutions. Huntington County decided to stay with their current system.

Allen County has been providing dispatch for Indiana University Purdue University Ft. Wayne (IPFW). This arrangement has been working well for over a year. Prior to his departure, Tim Lee had work on creating standardized training to ensure common terminology across users in Allen County.

Mr. Hesson asked if there are different radios in the counties and if the approach will require more towers.

Ms. Brown said that most radios are Motorola. Solicom handles this issue. No, they will not need more towers.

Representative Austin asked if each local government is required to purchase their own radio systems.

Ms. Brown indicated that Allen County had worked to replace all radios. They were able to get a federal grant of about \$700,000. The city and county augmented the funding.

Mr. Capozzoli interjected that units in Howard County buy their own.

Representative Karickhoff said that in the 1980s it was agreed among police departments, townships, and the county Sheriff that everyone would buy compatible equipment.

Robin Brandgard added that Hendricks County spent \$1-1.5 million to upgrade radios to the same equipment.

P25 RADIO PURCHASES

Representative Karickhoff introduced Mr. David Vice with the Integrated Public Safety Commission (IPSC) and Terry Burnworth of Pyramid Consulting.

Mr. Vice presented “Next Gen SAFT-T P25 Upgrade.” (See Attachment B) The current capacity of the statewide 800 MHz Communications System is at capacity. Manufacturing end dates occurred in 2013 and vendor contracted support will run out at the end of 2017. The benefits of P25 technology include integration with neighboring states and the City of Louisville, there is twice the user capacity of the existing network and there is the ability to add additional tower sites. Additionally, there is the ability to purchase radios from multiple manufacturers to ensure cost competitiveness and the environment is ideal for the convergence of voice and data in the future. Currently 82 percent of the SAFE-T system uses Motorola radios. Other considerations are the radios will need P25 software and as part of the contract, Motorola is providing flash kits to local agencies at no cost. EF Johnson reduced their cost for flash kits from \$380 to \$160. The P25 system is based on the same principles that drove the success of the current statewide system – voluntary participation, no user fees, and partnerships that allow for maximum savings. Build-out will be done by Indiana State Police Dispatch Regions starting with Versailles, Bloomington, Indianapolis, Lowell, Fort Wayne, and then Bremen/Toll Road and be completed in two years. All radios within the build-out ISP District will need to be upgraded and re-programmed before any of the sites can be upgraded. Some radios are analog only and not capable of being upgraded. Substantial discounts and trade-ins are available for select Motorola and EF Johnson radios. Other vendor radios can be used on the system. IPSC is recommending that agencies consult with them prior to purchase. The 4.1 and P25 systems will not be run in parallel. Dual programming will be necessary. The cost to locals will include reprogramming and template fees. IPSC is working with Indiana Department of Homeland Security and other state agencies to identify any and all grants that can be used to help ease the costs to locals.

Mr. Burnworth with Pyramid Consulting presented, “P25 Radio Systems Upgrades & Replacements” (See Attachment C). Project 25 (P25) is a set of standards for digital radio communications for use by federal, state, and local public safety agencies to enable them to communicate with other agencies and mutual aid response teams. The focus is interoperability. There are four steps. Step I is to identify stakeholders by way of committee or board that includes first responders, administrators, technicians, dispatchers, public services, politicians, and possible taxpayers. Step II is to define the project scope. A consultant is suggested. Consideration of future traffic capacity is recommended. Step III is to secure funding using lease, purchase or bonding options. User fees, memorandums of understanding (MOUs), interlocal agreements, and special taxes were a few suggestions. Step IV is project implementation and delivery. It is suggested that a “hard bid” is developed versus Request for Proposals. A timetable should be developed. Keep the stakeholders involved. Allow for training time and field testing.

Mayor Terry Seitz said that the backbone upgrade burdens local governments. His police department spent \$130,000 on dual band radios. He questioned how small rural fire departments will be able to

upgrade. Without some radios on the new system, they cannot communicate with other responders during an event. He recommended that the state fund this upgrade.

Mr. Vice said that the upgrade to digital (800 MHz) in southern Indiana is very difficult. Some counties are issuing bonds to get dual-band radios. He said one county is using Local Option Income Tax to fund the bond issue.

Mr. Burnworth said the issue is the number of seats. Not all employees get radios.

911/DISPATCH TIME STUDY

Representative Karickhoff introduced Ms. Stephanie Yager with the Indiana Association of County Commissioners (IACC), David Bottorff with the Association of Indiana Counties (AIC), and John Mallers of Maximus.

Ms. Yager with indicated that her organization's top priority for the next session would be 911/Dispatch. In June 2015, the funding statute sunsets. The statute allows for the State 911 Board to request a \$0.10 increase. The Statewide 911 Board formally adopted the \$0.10 increase, but the Budget Committee said there wasn't enough data to support the increase. The IACC, AIC, and the Statewide 911 Board partnered to conduct a study to document the full cost of emergency dispatch in five counties.

Mr. John Mallers with Maximus presented the findings of the 911/Dispatch Time Study. (See Attachment D) The E-911 cost study documented direct expenditures and indirect costs for five counties for the year ending December 31, 2013. The study found that the cost per call varied widely. In spite of that, 911 surcharges cover about 50 percent of costs in almost all counties.

Mr. Bottoroff added that of the \$70 million spent on dispatch only \$135,000 had to be repaid because of spending on costs that were ineligible. That is a small percentage. The take away here is that the 911 fee is not covering the cost of the service.

Representative Austin asked why the wide variation of costs per call.

Mr. Mallers suggested call volume and seasonal spikes seem to have an effect. He also said that some counties have recently purchased capital equipment. These factors are clearer in the complete report.

Mr. Vogt asked about indirect costs. Ms. Yager said they identified those costs but they were not included in the cost for 911.

Ms. Brown asked about employee salaries. Ms. Yager said that was all in the report. The counties were chosen because they provided a wide range of rural and urban areas.

Mr. Paust suggested that the consortium has made a significant investment in this research. He suggested that it would be appropriate for the General Assembly to fund additional research if it was needed.

Senator Randolph asked how much additional funding should be requested.

Ms. Yager said the deficit is consistently a 50 percent. The consortium wants the General Assembly to recognize the deficit, but doesn't expect full funding. They want the Statewide 911 Board to be successful in getting the \$0.10 increase.

Representative Tom Saunders said this is a public safety issue. The General Assembly should allow local governments to require a payment in lieu of taxes from nonprofits to cover local services, particularly public safety.

Mr. Brandgard reminded the group that Plainfield manages the Hendricks County dispatch center.

Representative Karickhoff added that perhaps uncoupling the Public Safety Local Option Income Tax and property tax relief would create more funding.

UPDATE ON PSAP FUNDING AND CONSOLIDATION

Mr. Barry Ritter, Executive Director of the Statewide 911 Board presented an Indiana 911 update to the Commission (See Attachment E). He discussed funding trends and the consolidation of units and technology. Fiscal Year (FY) 2013 revenue came to \$73,085,386. Revenue for fiscal year 2014 came to \$72,423,921. FY 13 had \$49,772,423 (wireless), \$11,692,300 (land line), \$6,655,852 (VoIP), and \$4,964,781 (prepaid). FY 14 had \$9.6 (wireline), \$50.250 (wireless), \$7.0 (VoIP), and \$5.5 (prepaid).

In regard to consolidation (IC 36-8-16.7-47) there should be no more than two per county as of December 31, 2014 with the exceptions: consolidated city, airport authority, university, and city having the largest population. Prior to 2012, there were 156 plus PSAPs. Today there are 147 PSAPs. This includes six regional Indiana State Police Communication Center. Clark County has 5 PSAPs. Lake County has 17. Morgan County has 3. St. Joseph County has 4. There were nine technology consolidations in Wayne County, Allen County, and in Marion County.

COMMISSION DISCUSSION: INTRA AND INTER-COUNTY CONSOLIDATION; FUNDING

Representative Austin asked about the system used for distributing funds. Donor counties are generating more funding than is returned to them.

Mr. Ritter said the “hold harmless” funding provision must be revisited and the population based formula must be considered. The fee was designed to get 911 but not pay for all the costs involved.

Representative Karickhoff said that if it is believed that there will be a bill this session.

Regarding the proposed \$0.10 increase, Mr. Ritter said it higher fees on pre-paid phones should be considered. When the prepaid phone rates were adopted, the belief was that most of those users were poor. The use of prepaid arrangements is growing. It has become popular among various income groups.

Representative Austin asked about whether we are collecting all the 911 surcharge revenues we should be collecting. She asked if we have abandoned the idea of auditing for these revenues.

Mr. Ritter indicated that the Statewide 911 Board is one of the few state entities that collects fees, but doesn't have auditing authority. He is confident that there is money that is not being collected. He indicated that the Board has authorized legal action against some telecom providers.

Mr. Vogt asked if the definition of eligible activities is too liberal.

Mr. Ritter indicated that an analysis was done on the information submitted by counties. It was found that 57 percent of revenues are spent on personnel and the rest on equipment. Counties are fortunate that they can use 911 funding for personnel.

Representative Austin suggested that perhaps the Indiana Utility Regulatory Commission should be involved in auditing telecoms. They regulate other entities and have protocols for protecting proprietary information.

A commission member asked about what would happen as the result of today's discussion.

Representative Karickhoff indicated that the commission documents issues and sometimes recommendations. It is up to individual legislators to propose legislation based on the commission's discussions.

Senator Randolph says it would be good to discuss with colleagues then to potential authors. This tax information will be brought to Senator Hershman.

Representative Saunders suggested we take the recommendation(s) from the Commission and file a bill.

Representative Austin suggested that IACIR provides a forum for local and state officials to promote dialogue and insight into other's perspectives.

Mr. G. Michael Schopmeyer suggested putting more pressure on the remaining counties to consolidate. Evansville/Vanderburgh County has been consolidated for decades.

UPDATE ON 2014 SURVEY OF ELECTED OFFICIALS

Ms. Palmer said there will be double the amount of surveys sent this year than of past years. She provided a questionnaire for reference (Attachment F).

Representative Austin said she would be sure her people completed their surveys.

Mr. Paust asked how the information from the survey would be presented to the General Assembly.

Ms. Palmer indicated that results would be available at the end of the year.

NEXT MEETINGS

Representative Karickhoff reminded the members that two more meetings are scheduled for the fall. He and Representative Austin are going to try to move the meetings into the Statehouse so that they can be broadcast online.

ADJOURNMENT

Representative Karickhoff asked for a motion to adjourn. Ms. Brown made the motion. Mayor Seitz seconded the motion, and it was approved unanimously. The meeting was adjourned at 4:10 P.M.

ADOPTION

These minutes were adopted by the commission on October 24, 2014.