



QUINCY/ADAMS COUNTY 9-1-1

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QUINCY/ADAMS COUNTY 9-1-1 GOVERNING BOARD MEETING

February 15, 2006

Adams County Courthouse Sub-basement, 5:15 p.m.

8 members present: Adams County Board Member John Johnson (Governing Board Chairman), Adams County Board Member Nick Peters, Adams County Board Member Dave Bellis, Quincy Alderman Dave Bauer, Quincy Alderman Mike Rein, Quincy Alderman Skip Vahlkamp, Quincy Police Chief Rob Copley, and Adams County Rural Fire Association Secretary Bill Johnson (arrived at 5:45p.m.).

3 members absent: Adams County Ambulance Director Greg Myers, Adams County Sheriff Brent Fischer and Quincy Fire Chief Scott Walker

Also present: 9-1-1 Director Steve Rowlands; 9-1-1 staff members John Frankenhoff and Sharon Tedrow; Quincy Director of Administrative Services Ken Cantrell; Darin Probst of Architechnics; Teresa Adams of Wireless USA; Tom Brown of Motorola.

Quorum Call and approval of Past Minutes

Chairman John Johnson called the meeting to order and indicated a quorum was present. Skip Vahlkamp made a motion to approve the minutes of the last meeting and Dave Bauer seconded the motion. The motion passed unanimously and the minutes were approved as distributed with no changes.

FY2006-2007 Budget Review and Approval

Steve Rowlands stated a revised budget sheet, different from what was passed out last month, is in the handout. On January 25, 2006, he met with City of Quincy Director of Administrative Services Ken Cantrell and City of Quincy Comptroller Ann Scott to discuss the draft 9-1-1 budget. Their guidance and input has been incorporated in the budget proposed. Steve Rowlands stated that the budget was zero-based as the pay was not increased as with the previously distributed draft budget. The percentage increase will be resolved during contract negotiations. With the above guidance with seniority pay increases and without E9-1-1: \$17,400 overall increase or 1.67%. Six months of E9-1-1 costs (assuming we go online December 2006/January 2007) is \$93,800. The budget proposed is an increase of \$111,200 or 10.6% increase over FY2005-2006 primarily due to 6 months of planned E9-1-1 operations and costs associated with the new building. Steve Rowlands stated that all of the contingencies were deleted from the proposed budget currently before the Governing Board.

Assuming 0% pay increase, all salaries and wages would increase \$3,786 or 0.6% due to step increases due six employees per the current collective bargaining agreement.

Mike Rein asked what is meant by a step increase. Steve Rowlands stated they are longevity pay increases. There is a 1-2 year increase; 2-4 year increase; 4-15 year increase and a 15+-year increase. It is about \$1.50 per hour per step; the last one is 1% in accordance with the current contract's negotiated pay scale. Six employees would get an increase next fiscal year due to time in service. John Johnson stated this has always been in the contract.

Steve Rowlands stated the overtime line item was held to the same level as last fiscal year's budget, but he would be more comfortable if he could bump it up a little. Group insurance was kept the same per city guidance. Workers compensation increases by \$539 or 15%. Social Security/Medicare increases \$290 or 0.5%. IMRF increase by \$7,295 or 10.6%. Audit increase by \$450 or 30%.

Mike Rein asked about the audit 30% increase. Steve Rowlands stated the amount was driven by budget guidance from the city. Ken Cantrell stated they built in a 30% increase as the current contract with the auditing company has expired. They are anticipating an increase when the contract is either renewed or a new company is found. Ken Cantrell stated he feels the cost will be higher and suggested a 30% increase for planning purposes. Steve Rowlands stated the impact for the 9-1-1 budget is \$450.

Steve Rowlands indicated that the Repair and Maintenance: buildings line item increased by \$4,000 or 400% and the Repair and Maintenance: office equipment decreased by \$5,000 or -11.9%. MICA and deductible line items increased by \$15,642 or 15%. The Communications line item is the biggest increase due to E9-1-1 telephone companies' costs for 6 months of E9-1-1 estimated to be \$82,300 or a 200.7% increase. Electricity of \$12,000 is a new line item with an estimate of \$1,000 per month. 9-1-1 currently does not have to pay for electric service at the courthouse. The Courthouse Maintenance Department supplies for custodial items today. \$500 for custodial supplies is a new line item.

Steve Rowlands stated that to give the 9-1-1 Governing Board a feel of what negotiated pay increase would have on the 9-1-1 budget, 0.5% pay increase impacts the total budget by \$3,804. For example: 1% = \$7,608; 2% = \$15,217; 3% = \$22,826; 4% = \$30,435.

Steve Rowlands stated that he removed all contingencies were removed from the budget including vacation pay and sick pay buy out for resignations, adjustments in health insurance and overtime contingency following discussions with Ken Cantrell and Ann Scott as part of the city's budget process. Steve Rowlands stated that the budget does not plan on any turnover. He further stated that 9-1-1 has averaged 2.3 new employees per year since 1989. He stated that 9-1-1 might not have enough money in the operating budget to buy out departing employees without delaying hiring a replacement.

The WETSA fund budget (204 Fund) based on \$17,000 per month or \$204,000 annually add interest the expenditure side of the budget is planned for \$210,000. Current WETSA balance is \$689,384 and is expected to almost completely be utilized by May/June 2006 for building and equipment costs.

Dave Bellis asked if any of the WETSA funds have been used yet. Steve Rowlands replied that he utilized the WETSA funds for part of the February payment to Leander Construction.

Steve Rowlands stated he did not plan to carry any money over in the 301 Capital Account Balance for FY2006-2007 and is not going to ask for additional capital funds for FY2006-

2007. The last page has the expanded budget line items. He referred to the expanded pages listing annual salary, vacation, holiday and sick pay. It also lists the maintenance agreements. The ones that are blank are being purchased now and funding will be needed in future budgets. The Communications line item is expanded. It lists the costs known today and the cost estimates are updated as new figures are known. Steve Rowlands stated that this plans for 6 months of Enhanced 9-1-1 operations. The 60%/40% city and county split is listed on the bottom and summary sheets.

John Johnson stated over the last few years we have been trying to evolve to E9-1-1 and have talked about a 20% increase. With timing 10% increase this year and next year get to the full 20% increase.

Dave Bellis asked Steve Rowlands about his salary. Steve Rowlands stated it included the vacation, holidays and sick time. Dave Bellis asked since Steve receives salary only without health benefits as previously agreed upon, is that increase still built in? Steve Rowlands stated that is and will be that way from this point forward. Steve Rowlands stated that there are 19 9-1-1 employees in the Group Insurance line items instead of 20 due to his status.

Dave Bellis asked about what the pay increase planning percentages included. Steve Rowlands stated the it was the total impact to the operating budget and included FICA, Medicare, IMRF, workers comp, unemployment comp, and any item that impacts salary and the bottom line on the budget.

Dave Bellis said the budget was reduced by \$43,000 revised from the January draft can we do further reductions?

Steve Rowlands said to reduce the budget by \$43,000; he took out all of the contingencies and the 3% pay increase. To go any lower it would have to come from employee reductions. Steve Rowlands stated that he does not pad the budget much and watches the current budget very closely. To trim any more, he would have to reduce an employee and he stated that he would not advocate doing that. Steve Rowlands stated that 9-1-1 is always training one or more new employees.

Mike Rein said perhaps we should look at the money we took out for turnover, maybe we need to put it in there if the city does not have it. He asked about personal and sick time buy back and how that works.

Steve Rowlands explained that each employee receives 16 hours of personal pay for any unused personal time at straight pay. Sick pay is bought back at half pay for any hours an employees has over 480 hours to reduce the total of sick time hours back to 480. Steve Rowlands stated that we have about seven employees above the 480-hour level. One of the employees is grandfathered in with over 640 hours of sick time and is bought down to that level each year.

Mike Rein asked about MICA. Steve Rowlands explained that MICA was the non-personnel insurance coverage for liability, etc.

Mike Rein asked about workers comp. Steve Rowlands stated \$4,133 is for 20 employees.

Chief Copley asked if we anticipate losing someone. Steve Rowlands stated not at this time, but on average we do lose employees each year. Chief Copley stated he would want

money in contingency or at least in the overtime line item to beef it up although he knows it will bring the bottom line up.

Steve Rowlands stated that the decision was made to cut those down knowing if we need the money due to a contingency situation that city and county officials stated that it would be there. The county is currently set up for it until fall.

John Johnson explained the county buy out money process and what the county does for unplanned expenditures. Ken Cantrell said they advised Steve Rowlands to take out the contingencies due to the increase in the budget with E9-1-1 costs and concerns with it passing the City Council. Overall the City is looking at other options. He stated that the goal is to look at having money available for contingencies.

Steve Rowlands said that in the past when he planned for the amount necessary for contingency for buyout; he looked at the highest paid most senior person and what those costs would be. He stated that if there are times if the money is not available, the position is gapped. Steve Rowlands stated that 9-1-1 is better off today than a few years ago as we have supervisors that can fill in as a last resort and mandatory overtime is used much less. Steve Rowlands stated that almost 90% of the 9-1-1 budget is personnel costs and it is hard to cut other places. Steve Rowlands stated that this current draft budget is what is in the city's computer system now but can be modified as needed based on what is approved by the Governing Board. Steve Rowlands stated that his comfort factor would be to have some contingencies dollars in the budget. The county side can support it through November 2006.

Mike Rein stated that he feels Steve Rowlands did a good job with the budget.

John Johnson asked for a motion to approve the FY2006-2007 budget. Nick Peters made a motion to approve the budget. Skip Vahlkamp seconded the motion. The measure passed with 8 votes yes and 0 votes opposed.

Steve Rowlands stated that he would speak to the budget as approved as he progressed with the City's budget process. He stated that his budget hearing before the City Council would be in April 2006.

9-1-1 Building Committee Bid Award

Steve Rowlands stated that the 9-1-1 Building Committee and Architechnics/GeoComm went out for bid mid-December 2005. He stated the communications package includes radio control systems and some radio items, E9-1-1/Administrative telephones sytem, digital recording system and structured cabling. He stated that we received one proposal that was for a prime contractor and was an all-inclusive bid; one proposal was received in 3 areas excluding the radio control system; two proposals were received for the digital recording system. One proposal for digital recording was disqualified.

John Johnson stated GeoComm reviewed all of the responses and made their recommendations to the 9-1-1 Building Committee. The Building Committee met last Friday, Feb. 10, 2006 and thoroughly reviewed all evaluations after going through all of the bids. John Johnson stated that the 9-1-1 Building Committee recommends Motorola proposal.

Steve Rowlands recommends that The Quincy/Adams County 9-1-1 Governing Board issue a notice of award to the Motorola/Wireless USA/S.E.A. Group, Inc. team and authorize the 9-1-1 Building Committee to begin the "Final System Design and contract negotiations"

with Motorola, Inc. as the Prime Contractor and authorize the 9-1-1 Governing Board Chairman and 9-1-1 Building Committee authority to act and enter into a contract.

Steve Rowlands stated the bid came in at \$675,000 without options. Our budget was \$660,000 and the plan would be to go through the package line by line to negotiate a final cost. There are some items that can be deleted and others to be added. Steve Rowlands stated that he is asking that the full board approve that the 9-1-1 Building Committee be granted the authority to negotiate and enter into a contract.

Nick Peters made a motion. Dave Bellis seconded the motion. Dave Bellis stated that he was not present at the last committee meeting but has been brought up to speed and is in agreement with the recommendation.

Dave Bellis asked if we are done with GeoComm. Darin Prost stated that GeoComm is a consultant of Architechnics and will be available as needed.

Mike Rein asked to look at the copy of the RFP that the vendors responded to. Steve Rowlands handed the document to Mike Rein. Darin Prost stated that the dollars are not reflected in the final bid as they were reviewed on merit and equipment in addition to cost.

Steve Rowlands stated once negotiations are done, the committee should move forward with awarding the contract. Dave Bellis asked if \$675,000 is the target number. John Johnson believes the thoroughness of the proposal and that the responses were very thorough also. Steve Rowlands explained the advertisement for bid that went out was broken down in different sections to allow for companies to bid on one section instead of the whole package.

John Johnson called for a vote. The measure passed with 8 votes yes and 0 votes opposed.

Financing Proposals

The 9-1-1 Governing Board authorized the E9-1-1/EOC Building Committee on August 17, 2005 to pursue financing options for the amount as necessary, not to exceed \$1,300,000 with the authority to act in securing such financing. John Johnson stated the request for proposals for financing was sent to all Adams County banks on December 28, 2005 (also advertised in The Quincy Herald Whig). Proposals were received on Wednesday, January 25, 2006: Bank of America; Mercantile Trust and Savings Bank; Associated Bank; Bank of Quincy and First Bankers Trust Company. The Motorola proposal has a lease/purchase option also.

John Johnson stated the interest ranged from 4.56% to 7% for traditional loan financing and a proposal for a lease/purchase from Bank of America. The building committee has discussed some parts of the bid proposals including looking at bonding. They are still looking at negotiations at this time. Each entity has asked who has the authority to sign the contract.

Steve Rowlands stated in the August meeting the Governing Board gave permission for the Building Committee to seek proposals and take action to secure financing.

John Johnson said each entity asked for proof of tax exemption to blend the rate down. Ken Cantrell stated City of Quincy Attorney Chris Scholz said the 9-1-1 Governing Board would need an ordinance or resolution from both the city and county to approve tax-exempt financing.

Mike Rein asked about bonding. John Johnson stated the people he talked to indicated the need to have money in reserve above the obligation. Unless the city and county puts in money, we have looked at bonding with a much better blended note. No more than 10 years. Banks are in Quincy and want to assist in funding. He stated that he did not talk with the banks about bonding. Rates were very attractive.

Mike Rein stated timing is critical due to the Federal Rates. John Johnson asked that question to the local banks for an explanation. The proposals are good for 60 days.

John Johnson stated that the Governing Board needs to designate who can sign for the financing, so when negotiations are finished we can execute an agreement.

Nick Peters asked who would be involved in the decision. John Johnson stated that the 9-1-1 Building Committee and that he has asked Ken Cantrell and Ann Scott for assistance when needed. Skip Vahlkamp stated that the lending institution needs to know who will sign.

Bill Johnson made a motion that the 9-1-1 Governing Board Chairman be given the authority to act and enter into a contract with regard to financing.

Dave Bellis made a recommendation that the 9-1-1 Governing Board Chairman be given the authority to act and enter into an agreement with regard to financing on behalf of the 9-1-1 Governing Board upon recommendation of the 9-1-1 Building Committee.

Bill Johnson stated he modifies his original motion to reflect. Dave Bellis seconded the motion. The measure passed with 8 votes yes, 0 opposed.

John Johnson stated that he, as 9-1-1 Governing Board Chairman, would then sign on behalf of the 9-1-1 Governing Board once a financing contract is ready to be executed as determined by the 9-1-1 Building Committee.

E9-1-1 Implementation and Status of New 9-1-1 Building

Steve Rowland stated that if we get hung up on financing, it could delay the building project's current timeline. He offered to take Governing Board members on a tour of the building. He stated that there is a pay progress meeting on March 3, 2006 and that the committee often walks through the building at that time.

Nick Peters asked if we will still be pursuing grants in the future to help pay for this project. Steve Rowlands stated yes, we would try to get grant money.

Dave Bellis said EMA Coordinator John Simon is also pursuing some grants.

Steve Rowlands stated when the building is done; we are out of money and will need financing for the equipment and E9-1-1 implementation.

Other Business

John Johnson asked if there were any other business to discuss. There was none.

Future Meetings

The next scheduled quarterly meeting of the 9-1-1 Governing board is for April 19, 2006 at 5:15 p.m. in the sub-basement conference room in the Adams County Courthouse.

Adjournment

Bill Johnson made a motion to adjourn the meeting. Dave Bellis seconded the motion. All approved and the meeting was adjourned.

Steve Rowlands