



Legislation Details (With Text)

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Title: Re-Appropriation for Temporary Use of a Portion of General Fund Reserves for a Joint Funding Agreement Between the Cities of Manhattan Beach, Gardena and Hawthorne to Provide Advanced Funding to the South Bay Regional Public Communications Authority (RCC) for a Department of Homeland Security, Urban Areas Security Initiative (UASI) Reimbursable Grant for Construction of Interagency Communications Interoperability Systems (Finance Director Moe).
APPROVE AND RE-APPROPRIATE FUNDS

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| 5/16/2017 | 1 | City Council Regular Meeting | approved | Pass |

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Robert Espinosa, Fire Chief

Eve Irvine, Police Chief

Bruce Moe, Finance Director

SUBJECT:

Re-Appropriation for Temporary Use of a Portion of General Fund Reserves for a Joint Funding Agreement Between the Cities of Manhattan Beach, Gardena and Hawthorne to Provide Advanced Funding to the South Bay Regional Public Communications Authority (RCC) for a Department of Homeland Security, Urban Areas Security Initiative (UASI) Reimbursable Grant for Construction of Interagency Communications Interoperability Systems (Finance Director Moe).

APPROVE AND RE-APPROPRIATE FUNDS

RECOMMENDATION:

Staff recommends that the City Council re-appropriate \$2.25 million from General Fund Financial Policy Reserves in FY 2016-2017 (originally appropriated in FY 2015-2016) to provide advanced funding to the South Bay Regional Public Communications Authority (RCC) for a Department of Homeland Security, Urban Areas Security Initiative (UASI) Reimbursable Grant for construction of interagency communications interoperability systems. City funds will be reimbursed by grant funds after project completion (expected within six months of award of grant).

In the event the \$2.25 million in funds are not fully advanced during Fiscal Year 2016-2017, staff further recommends that City Council authorize re-appropriation of the remaining balance in future years until fully expended.

FISCAL IMPLICATIONS:

The interoperability project has a total cost of \$5 million. The grant requires pre-funding by the lead agency (RCC on behalf of its member agencies) which DHS will reimburse the RCC, and the RCC will reimburse the contributing agencies, within six months once the expenditures have been completed.

Because the RCC does not have sufficient reserves to fund such a large expenditure, the member agencies (owners) must provide the resources in order to take advantage of this grant opportunity. Each of the cities are advancing a portion of the total to the RCC: Manhattan Beach and Gardena \$2.25 million each, and Hawthorne \$500,000 (total cost of \$5 million).

City Council previously appropriated funds at the December 1, 2015 Council meeting. This action was taken when it appeared that some last minute DHS grant funds were available. Ultimately, however, those grant funds did not materialize. As a result, the funds were not spent and the appropriation lapsed at the end of FY 2015-2016.

With new DHS grant funds available, and a high likelihood of obtaining funds, the City needs to be ready and in position to commit funds. As a result, staff is recommending re-appropriation of the \$2.25 million in FY 2016-2017 utilizing a portion of the General Fund policy reserve (20% of General Fund expenditures) which totals \$12.7 million. While the reserve is established by policy to be used “in the event of significant financial emergency,” this opportunity to obtain grant funds will ultimately save the City an estimated \$1.15 million in RCC assessments, and is a worthy *temporary* use of reserve funds. The City expects to receive reimbursement within six months of final expenditures.

BACKGROUND:

In December 2015, The City Council authorized the City Manager to negotiate and execute a Joint Use Agreement between the cities of Manhattan Beach, Gardena and Hawthorne to provide advanced funding to the South Bay Regional Public Communications Authority (RCC) for a Department of Homeland Security, Urban Areas Security Initiative (UASI) reimbursable grant. The funds are for construction of an Interagency Communications Interoperability Systems. Concomitantly, City Council also authorized and appropriated a portion of General Fund reserves (\$2.25 million) in order to **temporarily** advance funds to be reimbursed by the grant.

When this first came up in December 2015, this Department of Homeland Security (DHS) grant opportunity was unanticipated, and the RCC and its member agencies had a very narrow timeline in which to commit reimbursable resources in order to secure the grant funds. At that time, the City Council approved the use of Policy Reserves for this reimbursable grant with the expectation that the funds would be fully spent and reimbursed within one year. The last minute grant opportunity was available due to a DHS reallocation of remaining funds that had been committed to other agencies that ultimately were unable to perform. Unfortunately, those grant funds ultimately were not available to the RCC.

Now, in 2017, new grant funds are available to the RCC and its member agencies which provide an opportunity to purchase and install communications equipment that will greatly enhance public safety

for the community and the region. In addition, these grant funds, totaling \$5 million, allow for more rapid deployment of the technologies that were being planned for the future, but for which resources are not currently available. Obtaining those resources would require long range financial planning and direct funding by RCC member agencies. It would also necessitate increased member assessments. As a result of this grant, the City and the RCC will save significant money, as well as achieve an important public safety goal of interoperable communications sooner than expected.

Fully functional, Interoperable communications will provide the RCC and its member agencies with the ability to communicate with other public agencies across the region in the Los Angeles County area. This is especially important for small communities such as Manhattan Beach, which will rely on external resources from other public agencies in the event of a large-scale disaster.

DISCUSSION

One of the greatest challenges the public safety sector has is communications between varying radio and wireless networks. The creation of a national interoperable communication system was one of the many 9/11 Commission recommendations. First-responders from different jurisdictions, including law enforcement and fire, are unable to communicate due to the various communication platforms in use.

Today, first responders converging on major emergency incidents or incidents that cross jurisdictional boundaries lack the communication tools and infrastructure to coordinate response and intelligence gathering efforts. The major hurdle has not been the technology, but the cost to purchase and maintain communication systems that allow different and proprietary systems to “talk” to each other. Replacing legacy software and equipment with newer versions or models can be very expensive.

Locally, the Interagency Communications Interoperability System (ICIS) was formed in order to develop a regional communications platform for agencies in the Los Angeles region. In order for the RCC and its member agencies to take advantage of the ICIS radio system and its interoperability, the RCC-based systems must be upgraded to be compatible with the ICIS systems. Additionally, each city must also join ICIS.

Manhattan Beach’s Police and Fire communications are provided through the South Bay Regional Public Communications Authority (RCC) and a series of radio frequencies that operate on several transmitters and receivers placed throughout the South Bay. This system provides interoperability among the five agencies utilizing the RCC system (El Segundo and Hermosa Beach are subscribers to the RCC systems), as well as other Area G South Bay cities. However, once those Area “G” agencies travel outside the South Bay, communications back to home base are not possible. Further, Area G units may not be able to communicate with the local jurisdiction in which they are located outside the South Bay. This is particularly problematic when participating in a multi-agency incident regardless of the location.

In order to remedy this situation, two things must occur: 1) RCC must upgrade its communications facilities to be compliant with the ICIS standards, and 2) each agency in the RCC must join ICIS. The cost to accomplish the RCC upgrades is estimated to be \$5 million. This capital cost includes new equipment to be added at five South Bay communications sites, as well as the addition of software

and associated hardware.

The Department of Homeland Security (DHS) provides grants to local public agencies under its Urban Areas Security Initiative Approval Authority (UASI). The UASI program addresses the unique risk-driven and capabilities-based planning, organization, equipment, training, and exercise needs of high-threat, high-density urban areas, and assists in building an enhanced and sustainable capacity to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.

PUBLIC OUTREACH/INTEREST:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW

None.

LEGAL REVIEW

The City Attorney has reviewed this report; no legal analysis is necessary.