

**Dakota Communications Center  
Executive Committee  
Meeting Minutes: 04.29.09**

**Members Present:** Tom Lawell – Apple Valley; Craig Ebeling – Burnsville; Brandt Richardson – Dakota County; Tom Hedges – Eagan; Peter Herlofsky – Farmington; Dave Osberg – Hastings; Joe Lynch – Inver Grove Heights; Steve Mielke – Lakeville; Jim Danielson – Mendota Heights; Dwight Johnson - Rosemount; Steve King – South St. Paul; John Remkus – West St. Paul

**Members Absent:**

**Alternates Present:** Gene VanOverbeke – Eagan

**Others Present:** Kent Therkelsen, Jen Hildebrandt, Diane Lind – DCC; Jay Stassen – Dakota County Attorney's Office; Dennis Feller – Fiscal Agent, City of Lakeville; BJ Battig – Dakota County.

**Call the Meeting to Order**

Chair Osberg called the meeting to order at 1:30 p.m.

**1. Announcements**

None

**2. Additions to the Agenda**

None

*Consent Agenda*

**3.**

- a. **Approve minutes from the April 1<sup>st</sup>, 2009 Executive Committee meeting.**
- b. **Approve March, 2009 Paid Claims.**
- c. **Receive March, 2009 Financial Reports.**
- d. **Receive Minutes from Operations Committees.**
  - o **Fire/EMS Minutes from the April 14<sup>th</sup> meeting.**
  - o **Law Enforcement Minutes from the April 2<sup>nd</sup> meeting.**

**Action:** Motion by Herlofsky (Farmington) to approve the consent agenda. Second by Ebeling (Burnsville). Motion passed unanimously.

*Regular Agenda*

**4. DCC Funding Formula**

**Discussion:**

Therkelsen (DCC) reminded members that the DCC Funding Formula was addressed at the April 1<sup>st</sup> Executive Committee meeting. Therkelsen added that the group discussed issues relating to administration and fairness as well as allocation of costs.

Therkelsen (DCC) stated that with experience in the consolidated center, the consortium has gathered more information on what is working in the funding formula and what is not. Therkelsen reminded that at the April 1<sup>st</sup> Executive Committee meeting, staff was directed to develop an alternate formula that addresses current shortcomings as well as possibly

incorporating a 3-year rolling average to allocate member costs on an annual basis. Therkelsen (DCC) informed members that in working with DCC fiscal agent and DCC legal counsel, staff has returned with a proposal that staff feels meets both the fairness and ease of administration goals. Therkelsen assured members that during the presentation, staff would also address any possible legal issues surrounding the proposed changes. Therkelsen (DCC) stated that staff is looking for the Executive Committee to endorse the recommendation and provide further direction. Therkelsen then reviewed the power point presentation that was sent to members separate from the agenda packet.

Amendment #2 – Danielson (Mendota Heights) asked what constitutes a super majority vote. Therkelsen (DCC) responded that the super majority vote applies to fiscal issues. Therkelsen (DCC) informed members that when this item was being worked on, and background information being prepared, staff was looking at the sections of the JPA specific to the funding allocation and amendment process. Therkelsen continued that looking further into the JPA he now sees that it contains a specific provision in section 5.3 which allows the Board to alter the funding formula. This provision eliminates the need to pursue the allocation change through the formal amendment process. Therkelsen commented with this direction, members may have an abbreviated process. Remkus (West St. Paul) clarified that if there is a bare quorum the allocation could be changed with a 2/3 weighted vote of the quorum. Therkelsen (DCC) confirmed.

Ebeling (Burnsville) commented that he wasn't sure he understood the concept of unassigned CAD events. Therkelsen (DCC) clarified that unassigned CAD events are all CAD events that don't result in an agency response. Therkelsen (DCC) added that assigned CAD events are any/all events created due to a field responder self initiating on a call or due to DCC staff assigning the event to a responder.

Therkelsen (DCC) further clarified the Unassigned CAD Events – Member impact chart that was reviewed in the presentation stating that the chart is comparing the two different options of approving either a 2010 Blended Formula for "all CAD events" and 2010 Blended Formula for "assigned CAD events" only. Therkelsen (DCC) stated that if proposed allocation change passes as presented today, the formula basis would use the option of 2010 Blended Formula for "assigned CAD events" only. Therkelsen assured that this chart is for this comparison presentation only and once the proposed allocation change is approved, the data in the chart will be better tailored to reflect agency specifics.

Osberg (Hastings) questioned how the JPA would be interpreted for 2010 budgeting if the proposed allocation change was not ultimately approved. Stassen (Dakota County Attorney's Office) confirmed that if not adopted, members are left with the current language in the JPA that gives four measures, some of which staff knows they don't have access to. Stassen continued stating he would advise that members take the data that can be utilized, along with a 12 month timeframe and calculate the allocation based on that.

Chair Osberg redirected the group asking if anyone had any issues with the numbers or the process.

Numbers – Osberg (Hastings) stated that each agency needs to know exactly what they are currently paying and what they will pay under the proposed allocation change. Osberg added that for those agencies seeing an increase, it needs to be clear what that increase is going to be. Osberg questioned if the fund balances in the upcoming budget presentation could be used to help offset any increases that might prove to be burdensome.

Ebeling (Burnsville) commented that in the budget process, projections were made well into the future. Ebeling added that with the projected budget for 2010 and the proposed allocation

change, the budget impact is still significantly lower than what was originally projected for budget year 2010.

Remkus (West. St. Paul) asked if given the budget that may be adopted includes no increase what would be the impact if the allocation stays the same. Therkelsen – from an ease of admin perspective that is not unattractive. It would be easy. Concern is more the equity issue with the wireless call issue and the large chunk of those calls being attributed to the wrong member. Remkus (West St. Paul) – what was the startup allocation based on? Therkelsen – CAD events and 911 calls for each member. Therkelsen stated that because of the varying technology platforms and business practices amongst the 6 previous PSAPs, some of the CAD and 9-1-1 data was based upon estimates.

Ebeling (Burnsville) commented that members probably realized on day one that the calculation used for the funding formula was probably not bullet proof and that staff members would need to wait for dependable numbers. Ebeling continued that the problem with just waiting and not making any funding formula modification is at some point, members are going to have to cross over into costs based on each agency's use of the service. Ebeling stated that the three year average was used in an effort to alleviate some of those issues. Hedges (Eagan) concurred with Ebeling's comments and stated that now is as good a time as any and the change will need to be done soon. Richardson (Dakota County) agreed with moving forward with a formula that makes more sense.

Osberg (Hastings) asked if anyone had objections to the proposed allocation change. Therkelsen (DCC) clarified that the motion would be to recommend approval by the Board because the Board of Directors already has the authority to make the approval without the item being brought before each City Council and the County Board.

**Action:** Motion by Herlofsky (Farmington) to recommend approval of proposed allocation change. Second by Lawell (Apple Valley).

#### **Further Discussion:**

Lawell (Apple Valley) questioned if the proposed allocation change deals with unassigned CAD events. Therkelsen (DCC) clarified that only assigned CAD events would be considered in the cost allocation, based purely on CAD events where agency personnel responds to the call. Lawell (Apple Valley) asked which column that would be on the table. Therkelsen (DCC) responded that it would be the column that reads "2010 Blended Formula Assigned CAD".

Mielke (Lakeville) asked what kind of impact the cell phone calls that fall into historical will have on this amendment. Therkelsen (DCC) responded that phone calls are completely out of the equation in this model and that a CAD event is a single event.

Stassen (Dakota County Attorney's Office) commented that there was another revision to the JPA originally proposed that needed to be mentioned. Stassen continued that was the adjusted subsidy payments by the County as the JPA lays out a five year subsidy schedule. Stassen commented that he wouldn't suggest taking that issue before each City Council for approval. However, it may be beneficial to ask Directors to formally acknowledge that the actual subsidy amount and schedule agreed to by the DCC Board and County Board in 2006 was different than the subsidy described in the JPA when it was drafted and approved in 2005. Osberg (Hastings) concurred.

Lynch (Inver Grove Heights) questioned if with the proposed allocation change staff would stop collecting unassigned data. Therkelsen (DCC) responded that the data will always be collected

and reported. However, the numbers used in the funding formula would only be for assigned events.

VanOverbeke (Eagan) asked if with the proposed allocation change, and the modification of the JPA to reflect the actual start-up subsidy, the councils need to be involved. Osberg (Hastings) responded that he didn't think any action to amend the JPA is needed and that the action needed would be from the Board of Directors and would require 2/3 of weighted voting to amend the funding formula. VanOverbeke (Eagan) questioned if that was different from what the motion reflects. Remkus (West St. Paul) concurred directing attention to the third bullet point in proposed allocation change. Stassen (Dakota County Attorney's Office) responded that because the Board can alter the funding allocation without City Council/County Board action, the subsidy language can probably be accomplished with a resolution of the DCC Board acknowledging the subsidy changes made after the JPA was signed. Lawell (Apple Valley) concurred and stated that he didn't think there is a need to go back to Councils.

Motion passed unanimously.

Therkelsen (DCC) requested that Executive Committee member encourage their Board representatives to attend the special May 21<sup>st</sup> meeting.

## **5. Proposed 2010 and Preliminary 2011 DCC Operating and Capital Budgets. Discussion:**

Therkelsen reviewed the proposed 2010 and preliminary 2011 DCC Operating and Capital Budgets with committee members.

### 911 Answering – 2008

Richardson (Dakota County) asked how performance compares to other dispatch centers. Therkelsen (DCC) responded that the standards that the DCC put in place are the closest thing staff had for comparison. Therkelsen continued that Ramsey County now says they are hitting the standard but weren't earlier in the year. Therkelsen added that these statistics were not available at the previous centers.

### 2009 Budget Forecast

Osberg (Hastings) asked for clarification on the difference between the 2009 adopted and 2009 estimate. Therkelsen (DCC) clarified that the 2009 adopted is what was approved by the board in 2009 for 2009. Therkelsen continued stating that the 2009 estimate is figures staff has derived during the current budgeting process since the beginning of the year.

### General Fund – Appropriate Unrestricted Balances

Osberg (Hastings) asked if in 2010 DCC appropriates 600,000 to the operating budget, how that ties to the funding formula. Therkelsen (DCC) responded that appropriating 600,000 to the 2010 operating budget keeps the total assessment the same as 2009, but the individual member payments will vary depending on the funding formula. Osberg (Hastings) asked if the same holds true for 2011 and 2012. Therkelsen (DCC) responded that staff anticipates inflationary increases.

### Future Steps

Therkelsen (DCC) informed members that staff is looking for discussion and direction on policy issues on the fund balance. Therkelsen (DCC) added that once adopted by the Board, final numbers will be forwarded to member finance departments. Therkelsen (DCC) stated that the Board of Directors is holding a special meeting on May 21<sup>st</sup> at 8:00 am. Therkelsen (DCC) commented that the sooner the budget is adopted the easier it is for members but that he wants to make sure everyone is comfortable.

VanOverbeke (Eagan) asked what the logic is for the 3 year scheduled allocation of the undesignated fund balance into the operating budget and if that creates a problem in 2013. Feller (Fiscal Agent, City of Lakeville) responded that the budget sub-committee looked at eight different scenarios and how they impact member rates once the subsidy is gone. Feller clarified that the scenarios included two year, three year and four year fund balance timeframes and the subcommittee felt the three year scenario reflected the best option. Feller continued that some of the scenarios reflected double digit member fee increases at the end of the subsidy and the subcommittee felt strongly that was just not palatable. Feller stated that the scenario recommended presented the least negative impact when the subsidy drops off.

Danielson (Mendota Heights) commented that the budget is recommending a zero increase for 2010 and asked if the funding formula will reflect that. Therkelsen (DCC) responded that fees for Members will fluctuate based upon new allocation percentages in 2010. Staff will need to prepare a sheet that reflects that information.

Mielke (Lakeville) voiced concern with the capital project fund balance at the end of 2011. Mielke asked what the plan is for after 2011 to prepare for other capital expenses. Feller (Fiscal Agent, City of Lakeville) responded that there are three possible options. The first option is the current contingency in the general budget. Feller stated if not needed prior, those monies could be available in 2011 for the capital budget. The second option is to issue debt. The third option is instead of making a large down payment to LOGIS for the new CAD assesment, that payment could be spread over a three, four or five year timeframe, which would get DCC beyond the debt service timeframe. Feller assured there will be a number of options available at this time in 2010.

Mielke (Lakeville) asked what is anticipated in 2011 in terms of capital. Therkelsen (DCC) responded that in the next five to ten years staff anticipates a total of \$4,000,000 in capital replacement needs. Mielke (Lakeville) asked if the committee looked at reserving some of this fund balance for some of that future need.

Ebeling (Burnsville) asked when the current debt issue on equipment expires. Feller (Fiscal Agent, City of Lakeville) responded that it is in 2013. Ebeling (Burnsville) then commented that the payment on that would be lost at the same time. Feller (Fiscal Agent, City of Lakeville) reminded members of a similar discussion in 2008 where the predominant feedback was to re-issue debt in 2013 rather than attempt to fully fund our capital replacement needs through member fees.

Ebeling (Burnsville) commented that in reading the comparison between 2009 estimate and 2010 proposed, it is a tough sell of 6%. However, if you compare the 2010 proposed to the 2009 approved budgets, it better illustrates the reduced spending in the last two years. Therkelsen (DCC) agreed and added that it will be important to highlight the under spending done in 2008 and 2009.

Johnson (Rosemount) asked if there was any consideration given to using the fund balance to directly reduce debt right away. Feller (Fiscal Agent, City of Lakeville) responded that there is no prepayment provision in this debt.

Mielke (Lakeville) asked if the results are in from the APCO analysis that was done and if the review addressed staffing levels. Therkelsen (DCC) responded that the results came in on April 24<sup>th</sup> and staff had not yet had an opportunity to fully review the analysis. Therkelsen (DCC) stated that what he had read did not directly address staffing levels other than recommending continued use of the APCO Project Retains staffing calculations. Therkelsen added that the analysis didn't suggest additional staffing authorization, but that staff examine discretionary time off practices. Mielke (Lakeville) commented that he appreciated

getting rid of the transitional budget information and that he can appreciate holding steady at the number of dispatchers currently budgeted for but that he was wondering if the analysis addressed if staffing was at the right number or not. Therkelsen (DCC) responded that the calculations came out at 52.3 or 52.4 and that staff rounded down to 52 dispatch staff.

Osberg (Hastings) commented that there weren't any unpleasant consequences but suggested giving members a month to review the proposed budget and then act on it at the June 3<sup>rd</sup> meeting.

Lawell – (Apple Valley) asked if it would help to sell the funding formula amendment knowing the proposed budget. Therkelsen (DCC) confirmed and commented that staff can prepare some informational material that will assist.

Mielke (Lakeville) commented that he would like to hold budget recommendation until the June 3<sup>rd</sup> meeting.

**Action:** No action. Chair Osberg (Hastings) tabled action until the June 3<sup>rd</sup> Executive Committee meeting.

## **6. Director's Report**

### **Discussion:**

CodeRed – Therkelsen (DCC) updated members that staff is working with legal counsel in reviewing the proposed agreement received from CodeRed and in formulating a DCC response to the agreement

LOGIS – Therkelsen (DCC) informed members that the LOGIS CAD evaluation process is down to five proposals and LOGIS is hoping to cut that down to three through evaluations by the software task force. Lawell (Apple Valley) commented that he heard that Law Enforcement and Fire agencies are very happy with CJIIN. Lawell continued that CJIIN seemed to think there may be an option on a records management system through CJIIN. Lawell then asked if CJIIN could integrate with the LOGIS process. Therkelsen (DCC) confirmed that CJIIN could probably integrate with LOGIS but commented that he didn't think CJIIN is suggesting they are equipped to be a CAD developer. Therkelsen also stated that the DCC is not an RMS user, but has a strong interest in the issue in view of the interface requirement with CAD. Therkelsen commented that by Board approved policy, the DCC will maintain only one interface from CAD to fire records, currently ImageTrend, and one from CAD to Law Enforcement records. Therkelsen (DCC) acknowledged that if members were to get together and decide they wanted CJIIN instead of LOGIS for records management, that would be neutral to the DCC as it would just be the interface.

Lawell (Apple Valley) clarified that the DCC would only want the one interface. Therkelsen (DCC) confirmed that by policy, that was all the DCC could support. Ebeling (Burnsville) reminded members that the vision was to have a new CAD product that would be a robust product that everyone loved and that would not require an interface. Mielke (Lakeville) commented that he has been hearing that the fire agencies really like the ImageTrend product. Lawell (Apple Valley) commented that fire is part of the review and Motorola's proposed product doesn't exist yet in production.

Public Health Department – Therkelsen (DCC) informed members that DCC has been receiving a lot of communication from Public Health regarding the Swine Flu outbreak and that DCC has made some adjustments to emergency protocol that would change response to certain medical events. Therkelsen continued that staff is also reviewing the impact on DCC operations if this outbreak turns into something more serious. Therkelsen stated that staff has a continuity of operations plan that is being reviewed. Mielke (Lakeville) stated that Lakeville is sending out

notices to the public letting them know their city has a pandemic flu policy as well as a continuity of operations policy based on the HIPP committee.

3:16 adjourn by acclamation.

**Action:**

**7. Miscellaneous**

**Discussion:**

None.

**Action:**

**8. Adjourn**

**Action:** Meeting adjourned by acclamation at 3:16 pm.

**Next Regular Meeting:**

Wednesday, June 3<sup>rd</sup>, 2009

1:30 pm – 3:00 pm

Location: DCC

2860 160<sup>th</sup> Street W

Rosemount, MN 55068

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