

A SPECIAL MEETING WAS HELD BY THE NEW KENT COUNTY BOARD OF SUPERVISORS ON THE 10TH DAY OF SEPTEMBER IN THE YEAR TWO THOUSAND FOURTEEN IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING, NEW KENT, VIRGINIA, AT 9:30 A.M., HAVING BEEN CONTINUED FROM SEPTEMBER 8, 2014.

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IN RE: CALL BACK TO ORDER

Chairman Evelyn called the meeting back to order.

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IN RE: ROLL CALL

Thomas W. Evelyn	Present
C. Thomas Tiller, Jr.	Present
James H. Burrell	Present
Ron Stiers	Present
W. R. Davis, Jr.	Present

All members were present.

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IN RE: REGIONAL RADIO SYSTEM PROJECT

Present to discuss the radio project were Mike McGannon, Communications Consultant with Engineering Associates, Inc.; Tal Luton, James City County Fire Chief; Garrey Currie, Gloucester County Assistant County Administrator; Terry Hall, Chief of Emergency Communications York/Poquoson/Williamsburg /Regional 911 Center; Pamela Bradsher, Projects Coordinator York/Poquoson/Williamsburg Regional 911 Center; and Motorola Team members, Vice President Jackie Wasni, Chief Engineer Bob Sileo, System Engineer Matt Telep, SI Specialist Dharmesh Jani, System Manager Bob Walker, and Commdex President Prince Niyyar.

Also present was Financial Advisor Ted Cole from Davenport & Company.

Mr. McGannon reported that the study authorized by the Board at a previous meeting, had resulted in a recommendation that New Kent join the York County/James City County/Gloucester County regional system.

He reviewed that the County's current VHF system provided poor radio coverage (50% with portable and 80 with mobiles); had limited reliability and poor organization of its independent sites; did not meet operational needs; and was designed for mobile radio coverage - not portable radio coverage. He explained that expansion of the current system was not a good investment because of interference and because New Kent would be a "VHF island".

He said that if New Kent chose a stand-alone 800 MHz system, then it would bear all costs - capital and operational - and would not be eligible for Department of Homeland Security grants.

He indicated that by joining the "premier" regional 800 MHz partnership, New Kent would be making a long term investment (10 to 20+ year platform) with proven partners; would enjoy purchasing power beyond the radios; and the resulting partnership would provide radio system connectivity between Hampton Roads and Central Virginia.

He pointed out that by joining this regional partnership, New Kent would save \$1 million because it would not have to invest in its own switch. He noted that there would be other savings realized in being able to purchase radios at the 2003 contract price, being able to share resources (both equipment and manpower), and having 911 Center backup when needed.

Ms. Wasni provided an overview of the proposal and spoke about Motorola. She pointed out that her team had over 150 years combined experience in the field and that her company was a global leader in public safety communications. She described the system as a low-risk regional system that provided proven and trusted technology and would guarantee 95% reliable coverage for first responders; there would be a local implementation team dedicated to system success; and a world-class field services organization providing round-the-clock service and was the only Motorola-owned service center on the East Coast. She advised that the proposal would be the best value for New Kent.

She explained that the proposed system for New Kent would include six channels (with multiple talk groups), four communication tower sites, a looped microwave network for redundancy, 800/700 MHz cross compatible mobiles and portables, digital/analog compatible equipment, a P25 open-architecture system that would allow for both current and future interoperability, public safety coverage of 95% in-building throughout the County, a fire paging system at four sites, the latest series site equipment, a co-located prime site at New Kent Courthouse, a console site at the New Kent Sheriff's Office with four operator positions, dual site links to all RF sites, FCC-required mutual aid I-call channel at the Courthouse, and mid-tier subscriber equipment, as well as an optional fifth console position (\$42,000) and an optional new fire station alerting system (\$319,679).

Mr. Sileo explained that the coverage elements included 95% reliability and excellent audio.

Mr. Prince reviewed that the system design for the plan included an existing 250-foot self-supporting tower at New Kent County Courthouse and three new 300-foot self-supporting towers and shelters at George Watkins Elementary School, the Department of Forestry in Providence Forge, and at Henrico Jail East. Staff from the Sheriff's Office confirmed approval by Henrico County and Fire-Rescue staff confirmed approval by the State Department of Forestry.

Motorola staff advised that there were no concerns about having a tower site on the elementary school property.

The proposed shelters were described as 12' x 16' with a power system with a one-hour backup generator, a 500-gallon above-ground fuel tank (providing 2½ days' backup), bullet resistant, fire rated, and seismic rated, with a ten-year structural warranty and two-year overall warranty. The new towers would have room for seven BMR12 antennas, three 6' dishes, three cellular carriers, and would be designed to the new TIA 222 class 2 specifications with foundations designed for presumptive clay and would have medium intensity LED lighting. It was reported that the shelter for each site would take about six weeks to manufacture and the plan would be to set up one site each week.

There was discussion as to how the County's tower ordinance would affect the proposed sites. Ms. Gowdy confirmed that each site would need a conditional use permit and would have to go through public hearings with both the Planning Commission and the Board. It was confirmed that the consultant and the Motorola team would work through all of the permitting processes before any construction was started.

Mr. Hall explained that having to change the location of one of the tower sites would not be unexpected and they were prepared with alternatives if necessary, at no additional cost.

Pre-construction services under the proposed contract were reviewed along with a 15-month implementation schedule with system acceptance in December 2015. It was noted that a contract would need to be signed no later than September 26, 2014, for the sum of \$6,695,000 that included a \$700,000 buy-in to the regional system. Also reviewed were options to lease-finance the project with Motorola, at one year in arrears at \$801,773 annually, or two years in arrears at an annual cost of \$837,203. Ms. Wasni explained that they were offering a second year of warranty at no cost, with annual maintenance costs beginning on August 1, 2017 (FY18) at \$344,000.

It was summarized that the total savings for New Kent would be \$2,530,000, covering \$1 million by not having to purchase a switch; a volume discount savings \$1,186,000; and second year maintenance savings of \$344,000.

There was discussion regarding the optional items, and it was explained that it would be best and more economical to do the work up front rather than in the future.

There was discussion regarding the maintenance fee and what it would cover. Mr. Hathaway explained that New Kent was now paying \$138,000 a year as maintenance on its existing system, and that the net increase would be \$211,000 beginning in 2018.

Mr. Hall confirmed that New Kent would be eligible to apply for and receive additional state and federal grants, in addition to the \$400,000 it received last year for the project. It was reported that there may also be some grant funding for sustainment of the system, and any funds received would be pro-rated among the partners.

Mr. Cole then provided an update on financing the project. He advised that staff recommended adding a project contingency of \$305,000 which would bring the total project cost to \$7 million. He reviewed that the system would come with a two-year warranty, after which the annual maintenance contract was estimated to be \$350,000, a net increase of \$211,560 beginning in FY18. He reviewed that potential County equity contributions to the project included \$175,000 after elimination of a school tank removal project and \$48,000 after elimination of a Sheriff's Marine patrol craft; using the FY15 two-cent set aside for schools totaling \$486,136; and possibly the FY16 set aside in a like amount. He spoke about the possible re-purposing of the two-cent set aside for the future for \$486,136 and an additional tax increase of one cent in FY16 for \$247,736. He reviewed that a net borrowing amount of \$6,290,864 financed with Motorola over ten years at 3.42% would require an annual debt service payment of \$753,375. He confirmed that there was no "big drop" in the County existing debt service that would help with this.

Mr. Hathaway advised that it would be his recommendation that the Board consider a two-cent increase in the real estate tax rate beginning in FY16 to cover the cost of the system.

Mr. Evelyn asked if the Board wanted to repurpose the two-cents set aside for schools when there would be school needs.

Mr. Cole then reviewed possible Bank financing, based on a proposed interest rate of 2.42%, but advised that the cost would still amount to three to four cents on the real estate tax rate, even though there was potential savings with an annual debt service of \$722,508.

Mr. Evelyn reminded that the Board would also have to make up the loss of the Debt Service Fund that would soon be exhausted. It was explained that those funds had been set aside from debt service savings from the high school financing and had been used to help pay for annual debt service and would be spent down in the next couple of years.

There was discussion about whether the County had any funds set aside that would allow for a larger down payment, or the possibility of repurposing some of the meals tax revenue. It was explained that the meals tax revenue went into the General Fund and if those funds were designated elsewhere, the County would have to find a way to make up the difference.

There was also discussion regarding revenues that might be available from leasing space on the towers to wireless carriers. It was confirmed that New Kent would receive all of those revenues and that rates varied from area to area.

It was reported that both Gloucester County and James City County used Motorola to finance their systems.

Mr. Cole explained that the County could look at Bank financing but could reject any proposals and move forward with Motorola. Ms. Wasni advised that she would check to see if there had been any change in the interest rate proposed by Motorola.

Mr. Cole advised that financing this project would not bring the County into non-compliance with any of its financial policies.

The Board took a short break and then resumed its meeting.

Mr. Burrell commented that he felt that everyone understood that the new system was something that was needed and he felt there would be buy-in from the citizens once they understood the need.

Mr. Evelyn remarked that if the County moved forward with the project, there would be an increase of at least one cent on the real estate tax rate and that the schools could lose the two-cents set aside. He agreed that there was a need.

Mr. Davis asked about the need for the optional fire station alert system. Chief Opett explained that this would be new technology to replace the existing system, but if the option was not chosen, there would still be a system in place to alert the stations.

Mr. Evelyn suggested that the price of the system appeared to be firm and he did not see the need for a contingency.

Mr. Stiers commented that he was one of the more conservative people on the Board and didn't believe in raising taxes. He explained that he was aware of the transmission problems with the current radio system and felt like it was something that affected every citizen. He advised that constituents he had talked with appeared to be willing to accept a tax increase if it increased citizen safety. He reminded that it was the job of the Sheriff's Office and Fire-Rescue to protect the citizens, and it was the Board's job to provide them with the tools they needed. He indicated that this was a need that couldn't be ignored and if the County passed up the opportunity, it would cost more in the future.

Mr. Stiers then moved to adopt Resolution R-36-14 approving New Kent's joining a joint public safety/public service radio communication system, changing the word "will" to "may" regarding the options.

Mr. Hathaway explained that the resolution would authorize him to work with the Sheriff's Office, Fire-Rescue, and the County Attorney to negotiate and enter into a Memorandum of Understanding with the partner localities and a contract with Motorola.

Mr. Stiers reminded that the Sheriff's Office had returned to the General Fund \$100,000 of its budget last year, and it was his understanding both the Sheriff's Office and Fire-Rescue were willing to accept a 2% reduction in their operating budgets starting next year to help pay for the system.

Mr. Evelyn commented that he felt the next two years' budget would be "tight" and some "hard decisions would be needed" but he hoped that the economy would improve.

The members were polled:

C. Thomas Tiller, Jr.	Aye
James H. Burrell	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried.

Sheriff Howard spoke about how difficult a decision this had been for everyone, and how he had agonized over it, but that he felt that with the new system, the citizens would be better protected, along with his deputies, the firefighters, and the drivers and riders on County school buses. He commented about worrying about potential of loss of life because of communications issues and he thanked the Motorola team, Terry Hall, Chief Opett, and Chief Deputy Joe McLaughlin for all of their hard work. He spoke about how long and arduous the process would be, and how he appreciated Mr. Stiers' commitment to help find a way to make the project a reality and thanked the Board "for stepping up".

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IN RE:           BOTTOMS BRIDGE OVERLAY DISTRICT

Mr. Tiller asked for the Board's agreement for the Planning Commission to look at a possible overlay district in Bottoms Bridge. There were no objections.

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IN RE:           ADJOURNMENT

Mr. Tiller moved to adjourn the meeting. The members were polled:

James H. Burrell	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
C. Thomas Tiller, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried. The meeting was adjourned at 11:16 a.m.