

PLACER COUNTY

ADMINISTRATIVE SERVICES DEPARTMENT

MEMORANDUM

TO: Honorable Board of Supervisors

FROM: Jerry Gamez, Director of Administrative Services *J.A.*

DATE: January 7, 2014

SUBJECT: Approve the Award of a Purchase Order in the Amount \$150,000 to Steve Borzelleri for Relinquishing the Use of VHF Frequencies Supporting the Countywide Interoperable Radio Network Project.

ACTION REQUESTED

A. Countywide Interoperable Radio Network Project:

- 1.) Approve the award of a purchase order to Steve Borzelleri of Meridian, CA for costs associated with relinquishing the use of VHF frequencies supporting the Countywide Interoperable Radio Network Project, with a budgeted net County cost of \$150,000, funded by the Countywide Radio Project Budget;
- 2.) Approve a technical budget revision in the amount of \$150,000 within the appropriate accounts of the Countywide Radio Project Budget;
- 3.) Amend the County's Master Fixed Asset List to record the increased frequencies value to Asset No. 125724001;
- 4.) Authorize the Director of Administrative Services and the Purchasing Manager to sign the resulting procurement documents and take all other actions necessary to enhance the use of the associated VHF frequencies supporting the Countywide Interoperable Radio Network Project.

BACKGROUND

On February 4, 2003, your Board provided approval of the Countywide Radio Network Strategic Plan and authorized the purchase of Public Safety Radio Frequencies necessary for the implementation of the Countywide Interoperable Radio Network Project.

The Administrative Services Department, in cooperation with the Placer County Sheriff's Office, acquired frequencies located in the maritime and radio common carrier spectrum and successfully petitioned the Federal Communication Commission (FCC) to reallocate them into the Public Safety spectrum for use by Placer County.

The FCC Ruling, authorizing our use of these frequencies, included further clarification pertaining to incumbent non-geographical licensees, such as Steve Borzelleri, who were licensed at the time of the FCC Auction 40, would be allowed to renew their FCC licenses at the end of

each 10 year term. The only restriction placed on any incumbent licensee is that the incumbent licensee would not be permitted to expand their area of operation or contour.

In the case of Mr. Borzelleri, his established contour would preclude the successful use of three VHF frequency pairs acquired and licensed by Placer County without incurring severe interference to our respective two-way radio systems.

In accordance with FCC regulations, agencies responsible for creating interferences are fiscally responsible for all costs associated with mitigating known interferences. Failure to comply would result in fines or further actions including the revocation of license by the Federal Communications Commission.

The estimated costs to mitigate any potential interference, including the deployment of additional radio transmitter and receiver equipment would exceed \$350,000. Based on these estimates County staff entered into discussions with Mr. Borzelleri for the purpose of identifying a cost effective and viable solution for relinquishing his FCC license "grandfathered" under the FCC's Auction 40 ruling.

In December 2013, Mr. Borzelleri presented County staff with a proposal in the amount of \$150,000 for costs associated with relinquishing his use of these frequencies and relocating his existing user base onto a different frequency spectrum. County staff evaluated and determined that the proposed costs are fair and consistent with market rates for equivalent project scopes. This action would mitigate the interference concerns and increase the use of said frequencies throughout Placer County on a non-interference basis.

In order to move forward with the award of a purchase order to Steve Borzelleri for costs associated with relinquishing the use of VHF frequencies supporting the Countywide Interoperable Radio Network Project and obtaining authorization for the Director of Administrative Services and the Purchasing Manager to sign the resulting procurement documents and take all other actions necessary to enhance the use of the associated VHF frequencies supporting the Countywide Interoperable Radio Network Project, your Board's approval is required.

FISCAL IMPACT

Funding for the purchase order resulting from this request in the not to exceed amount of \$150,000 is included in the FY 2013/14 Countywide Radio Project Budget (06246). A technical budget revision of \$150,000 is attached to support this request.

Cc: Melissa Nunnink, Administrative Fiscal & Operations Manager
April Adams, Senior Accountant Auditor
James Importante, Management Analyst II
Rui Cunha, Assistant Director of Emergency Services
Kathy Buchanan, Deputy Director of Information Technology
Dieter Wittenberg, Information Technology Manager
Brett Wood, Purchasing Manager

Attachments

ADDITIONS TO THE MASTER FIXED ASSET LIST

<u>AMEND</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
125724001	VHF Frequencies	\$150,000
	Total Fixed Asset Increase	\$150,000

FOR CASH TRANSFERS & RESERVE CANCELLATIONS PLEASE PROVIDE THE FOLLOWING
Fund/subFund - OCA - PCA - G/L - Sub G/L

PLACER COUNTY
BUDGET REVISION

PAS DOCUMENT NO.

POST DATE:

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

12/12 Auditor-Controller 12/12

County Executive

Board of Supervisors

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
10	BR	300,000.00	2

ESTIMATED REVENUE ADJUSTMENT											APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	
											10	014		250	101	303010			4171			150,000.00
											10	015		250	101	303010			2555			150,000.00
TOTAL											TOTAL											
0.00											300,000.00											

REASON FOR REVISION: Technical Budget Revision for the amendment to the Countywide Radio Master Fixed Asset List. Amend current Frequencies Fixed Asset #125724001

Prepared by Melissa Nunnink Ext 4208

Department Head

Board of Supervisors

Date: 12/12/13

Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

248