



# City of Chula Vista

## Staff Report

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**File#:** 16-0410, **Item#:** 5.

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RESOLUTION NO. 2016-181 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A FINANCE AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR PAYMENT OF THE NEXT GENERATION REGIONAL COMMUNICATIONS SYSTEM INFRASTRUCTURE COSTS

### **RECOMMENDED ACTION**

Council adopt the resolution.

### **SUMMARY**

On March 4, 2014, the City approved an agreement with the County of San Diego to participate in the Next Generation Regional Communication System (NextGen RCS). This system provides critical first responder communications throughout the County of San Diego. At that time, the County did not have details of the finance mechanism for participating agencies of NextGen RCS. The County recently provided the final system costs and is now requesting a finance agreement for the NextGen RCS infrastructure costs.

### **ENVIRONMENTAL REVIEW**

#### **Environmental Notice**

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

### **BOARD/COMMISSION RECOMMENDATION**

Not Applicable

### **DISCUSSION**

In 1995, the County of San Diego and most of the local governments and agencies entered into an agreement entitled the "San Diego County - Imperial County Regional Communications System Agreement Between the County of San Diego and Participating Cities and Jurisdictions Regarding the Implementation, Governance, Method of Funding and Costs of a Regional Radio System Providing Communication Services to Public Safety and Public Service Agencies operating in San Diego County and Imperial County" (1995 RCS Agreement). This agreement provided for the operation of a regional communication system by the County through its Sheriff's Department with the financial contribution of participating jurisdictions. This communications system allows first responder agencies the ability to communicate with each other via a shared radio system. This significantly enhances the ability for agencies to communicate with each other during emergency events where multiple agencies/departments may be responding. The City of Chula Vista has been a participating member of the RCS since 1996.

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**File#: 16-0410, Item#: 5.**

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On December 3, 2013, the Board of Supervisors for the County of San Diego authorized to execute the NextGen RCS Agreement to replace, modernize and update the existing radio communication system. The County of San Diego has been working with member RCS partner agencies to plan for the replacement of the RCS system with a "Next Generation" public safety interoperable communications system which will comply with Federal Communications System (FCC) and the national Association of Public Safety Communications Officials Project 25 standards. These regulations set in place standards for communication systems which allow for interoperability between different cities, agencies, and various state and federal agencies. This has been done to ensure that during emergency events, various public safety and emergency response personnel can communicate with each other.

On March 4, 2014, the City approved an agreement with the County of San Diego to participate in NextGen RCS. At that time, the County did not have details of the finance mechanism for participating agencies of NextGen RCS. On July 12, 2016, the County provided the City with final system costs and is now requesting a finance agreement for the NextGen RCS infrastructure costs.

The County successfully awarded a contract for NextGen RCS to Motorola Solutions Inc. for \$70,065,207. The City of Chula Vista's apportionment of the NextGen RCS contract (based on the radio count of our jurisdiction) is \$2,976,961. This apportionment covers only RCS infrastructure costs and does not include the mandatory radio and equipment upgrades that would be needed for the Police, Fire and Public Works Departments, which is approximately an additional \$2 million.

The finance agreement with the County of San Diego is a 10-year payment plan with an annual interest rate of 2.79%. This 10-year option would require the City to pay \$345,261 each year. The finance agreement includes an early payoff provision which allows the City to pay off the remaining balance, with no penalty, within 30 days of annual payment due date. The County is requesting a signed finance agreement by September 30, 2016.

There is no cost effective, feasible alternative to this project. Public safety radio communications are vital and the public safety agencies in San Diego and Imperial Counties have made a commitment to maintaining a communications system which allows for interoperable communications in order to be more effective and efficient in service delivery to the citizens of our communities, while also helping to ensure that our first responders safety is a top priority. The NextGen RCS will improve upon both of these priorities through enhanced technology deployment.

**DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

**LINK TO STRATEGIC GOALS**

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy

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**File#: 16-0410, Item#: 5.**

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Community, Strong and Secure Neighborhoods and a Connected Community. This project directly supports the Strong and Secure Neighborhoods goal by providing enhanced communication capabilities to our first responders.

### **CURRENT YEAR FISCAL IMPACT**

Approving the finance agreement with the County of San Diego for NextGen RCS infrastructure costs has a fiscal impact of \$345,261 in the current fiscal year. A separate action will be brought back to City Council later in the fiscal year once a funding source for this agreement is identified. See "Ongoing Fiscal Impact" below for additional long term details.

### **ONGOING FISCAL IMPACT**

Approving the finance agreement with the County of San Diego for NextGen RCS infrastructure costs has an ongoing fiscal impact of \$345,261 each fiscal year through FY 2025/2026. The finance agreement includes an early payoff provision which allows the City to pay off the remaining balance, with no penalty, within 30 days of annual payment due date. The amortization schedule is outlined in Exhibit A of the finance agreement.

In addition, there are \$2 million in radio equipment upgrades needed in order to be able to use the Next Gen RCS system. To mitigate this cost, City staff is seeking grant opportunities to purchase upgraded radios.

### **ATTACHMENTS**

1. Finance agreement between the County of San Diego and the City of Chula Vista for payment of NextGen RCS Infrastructure Costs
2. First Amendment to Next Generation Regional Communication System Agreement
3. Next Generation Regional Communication System Agreement - 2013

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