

**STATEWIDE SYSTEM MANAGEMENT GROUP
SUSTAINABILITY WORKGROUP**

CITY OF FITCHBURG FIRE STATION #1
5791 LACY ROAD
FITCHBURG, WI 53711
JANUARY 27, 2011
9:30AM

MEETING MINUTES

MEETING CALLED TO ORDER AT 9:42AM

ATTENDANCE

- MEMBERS
 - In Person
 - Rich McVicar, Chair
 - Jeff Ohnstad
 - Paul Wittkamp
 - Keith Tveit
 - KIMBALL & ASSOCIATES
 - In Person
 - Laura Kelley
 - RD Porter
- GUESTS
 - Kathleen Lordo, DOT
 - Carl Guse, DOT
 - Steve Miller, General Communications
- OJA STAFF
 - In Person
 - Dave Spenner

ROLL CALL AND INTRODUCTION OF MEMBERS

Quorum was confirmed

MEETING MINUTES FROM DECEMBER 20, 2010

- Motion made by Keith Tveit to approve December 20, 2010 meeting minutes
- Motion seconded by Paul Wittkamp
- Motion carried

WISCOM SUSTAINABILITY COST ANALYSIS

- DISCUSSION
The group discussed the sustainability cost analysis report prepared by Kimball & Associates. All in attendance approved the latest version presented, based on changes discussed at the 12-20-2110 meeting.

COST ANALYSIS PRESENTATION SSMG

- Kathleen Lordo drafted two versions of a cover letter to the SSMG which would accompany the cost analysis when presented.
- The group discussed both versions and the potential impact that either version would have on local readers.
- A third version of this cover letter, including four recommendations, was agreed upon and is attached to these minutes.

NEXT SUSTAINABILITY WORKGROUP CONFERENCE CALL

- The date, time, and place for the next Sustainability Workgroup meeting are still to be determined.

MEETING ADJOURNED

- Meeting adjourned at 10:05am

ATTACHMENT

Sustainability Workgroup Recommendation to the SSMG Regarding Sustainability Cost Report January 27, 2011

The members of the sustainability workgroup have reviewed L.R. Kimball's Report and Analysis for Developing Projected Sustainability Costs. Firstly, Kimball identified the costs necessary to support the WISCOM system. Secondly, they described the mechanisms used by other states to collect revenue to support their large-scale radio systems. Finally, Kimball presented several funding options to the SSMG for revenue collection to sustain WISCOM.

The sustainability committee recommends the following revenue sources to the SSMG. Our first recommendation is to fund the system entirely by state appropriation. This would enable user agencies to focus their available funds on their subscriber units and local infrastructure rather than user fees. This could perhaps be an incentive for more agencies to use the system for daily radio communication. Our second recommendation is to assess fees via state registration or license fees. For example, Florida's radio system, SLERS, collects \$1 from every vehicle and vessel registration fee. Our final recommendation is to assess user fees on each subscriber device using WISCOM for daily communications. Those radios using WISCOM for only interoperability would not be assessed fees.

Much of the cost associated with supporting WISCOM, as identified by Kimball, is currently paid by Wisconsin Departments of Transportation and Natural Resources to operate their current radio systems, upon which WISCOM is built. Kimball estimates that system upkeep for years 2 - 5 of the system will cost an average of \$1.18 million per year. Of this total, DOT and DNR will pay (on average) \$650,000 per year out of their operating budgets. This means that we can support WISCOM while assessing user fees to meet approximately \$530,000 per year for the first five years. This cost will increase to an average of \$1 million per year for years 6 - 10 of the system.

The sustainability workgroup recommends that the SSMG have system administrators conduct a survey of those agencies who have shown interest in using WISCOM for daily radio communications. This survey will determine those agencies' willingness to pay a fee of \$50 per subscriber unit in 2012. While the SSMG will make every effort to secure revenue via the first and second recommendations above, it may be necessary to assess user fees to sustain the system. User fees for years 2012 - 2015 will be waived for those agencies who have applied and been accepted into the Early Adopter Program.

We recommend:

- Adopting the policy of not raising user fees unless securing a 2/3 vote from SSMG members and that user fees only be raised if absolutely necessary.
- That fees may also be reduced should an alternate revenue source become available.
- The rates and possible alternate funding sources should be evaluated on an annual basis.
- That the annual fee increase does not exceed \$5 per radio per year through the year 2020.