

UMATILLA MORROW RADIO & DATA DISTRICT
BUDGET COMMITTEE MEETING
Stafford Hansell Government Center
June 4, 2024

Present: Ray Denny, Scott Stanton, Rita Allman
Director Pratt, Director Primmer
Director Irons (telephonically)
Director Kennedy (telephonically)

Absent: Director Pierotti, Mike Hughes, Justin Russell

In-Person Guests: None

Remote Guests: None

Staff: Brett Mueller, Rosanna Brown

I. Call to Order: The meeting was called to order at 1:31pm.

II. Chairperson Election

Ray Denny was nominated for Chairperson, by Scott Stanton. The nomination was seconded by Director Primmer.

Director Primmer: Aye

Director Kennedy: Aye

Director Irons: Aye

Director Pratt: Aye

Ray Denny: Aye

Scott Stanton: Aye

Rita Allman: Aye

III. Budget Message

BUDGET MESSAGE

**Umatilla Morrow Radio & Data District
June 4, 2024**

District Summary

The Umatilla Morrow Radio and Data District (“UMRDD” or “the District”) encompasses 5,280 square miles that lie within the county boundaries of Morrow and Umatilla, excluding the Confederated Tribes of the Umatilla Indian Reservation and the City of Milton-Freewater. The most recent (2023) official Assessed Value for the District is \$11,161,923,828; \$3,951,991,119 of that assessed value comes from Morrow County, and \$7,209,932,709 is from Umatilla County.

The total estimated population of both counties, excluding Milton-Freewater is 85,500.

The District’s purpose is to provide all public safety agencies within its boundaries with the ability to communicate via Land Mobile Radio (LMR) -based voice or data systems and to replace equipment when it becomes inoperable due to damage, regulation, serviceability, or obsolescence. It is governed by a five-position elected Board of Directors, managed by a District Administrator, and currently staffed with two additional full-time equivalent positions.

UMRDD operates and maintains the current bi-county trunked public safety communications system and several smaller conventional systems currently in service throughout the District.

Budget Officer's Summary

This 2024-2025 Budget is the District's fourteenth since its formation. Although we're now a few years out from the worldwide pandemic response, we continue to experience its lingering effects, from vendors being short-staffed and unable to provide timely routine (non-emergency) support and services, to equipment and supply procurements taking longer than anticipated (or, in some cases, are no longer available), to inflation impacting nearly all our lines. To compound the effects, the District itself had been short-staffed until recently. I am pleased to say that we now have our positions filled with a solid, conscientious staff who are concerned with providing the best service to our users that they can, and we are slowly making headway on routine maintenance and small projects that have been behind for so long.

Some larger projects that have been planned for years continue to be on the list; Committee members will no doubt recognize these. It is my intention to lean more on professional services to help assist with technical processes and documentation, and to help ensure that projects move beyond the "planning stages" and make substantial progress. I will outline some of those when we review the budget allocations below.

Resource Summary

The District expects to have approximately \$2,674,095 cash on hand at the beginning of the 2024-2025 fiscal year.

The District expects to receive \$16,300 in lease payments from US Cellular, \$7,000 in shared cost reimbursements for certain State of Oregon co-located sites, and \$90,000 in interest and investment income through the Local Government Investment Pool (LGIP).

User fees are expected to contribute \$19,600 from the Confederated Tribes of the Umatilla Indian Reservation, \$15,800 from the US Navy, \$15,000 from three area school districts, \$83,900 from the State of Oregon, and \$13,900 from Umatilla Electric Cooperative.

During the 2023-2024 budget year, UMRDD has collected \$1,750,250 from 2023-2024 taxes with an estimated \$26,400 remaining to be collected, making the estimated 2023-2024 budget revenues \$1,776,650.

UMRDD has collected the following prior year taxes during the current budget year:

\$13,324 from 2022-2023,	\$6,065 from 2021-2022,	\$3,950 from 2020-2021,
\$2,495 from 2019-2020,	\$178 from 2018-2019,	\$354 from 2017-2018,
\$46 from 2016-2017,	\$38 from 2015-2016,	\$34 from 2014-2015,
\$4 from 2013-2014,	\$18 from 2012-2013	

for a total of \$26,508 collected from all previous years' taxes. The total taxes collected from all years during the 2023-2024 fiscal year is estimated to be \$1,803,157.

The Morrow County Assessor estimates a 2024-25 tax year increase in assessed value of \$81,756,431 (just over two percent) for that portion of the District. Umatilla County does not provide a similar assessment estimate, so I've elected to increase the District's estimated portion of the assessed value in Umatilla County by two percent (\$144,198,654) as in past recent budgets; I believe this will continue to be a conservative figure.

\$1,839,142 in property tax revenue is estimated to be received for this budget year. \$25,000 is expected to be collected from previously levied taxes. The total taxes expected to be collected from all years for the 2024-2025 fiscal year are estimated to be \$1,864,142.

I have added \$200,000 to the Grant Funds line as there is a possibility that the District may receive grant funding in the 2024-2025 budget year.

- Budget Officer Comments:

Brett summarized the revenue section of the budget message. He noted that the District was still feeling the effects of the pandemic, as vendors were short-handed and supplies and equipment took longer to receive. He was receiving good emergency response, but routine work and project were moving slowly. The District had also been short-staffed until recently, but now that it was fully staffed, Brett reported progress on maintenance items and small projects. There were items on the project list that he intended to utilize vendors and the consulting service to complete. The budgetary impact for that was shown in the increase in the Professional Services line.

Brett also noted that a large portion of the carryover amount of about \$2.675 million was earmarked for projects and closeout money for the system acceptance.

Budget Allocations

The budget will be broken down by section and explained line by line below.

- I. Personnel Services – Per District personnel policy, March Consumer Price Index (CPI) data is used for cost-of-living adjustments in salary. This year was 3.5% over March 2023, so existing salaries of the District Administrator and Administrative/Technical Assistant reflect this increase.
 - A. District Administrator Salary: Estimated salary of \$143,218 based on a 3.5% cost-of-living adjustment and subject to contract renewal negotiations. Additional funding has been added to cover a possible 40-hour vacation buyout, per personnel policy.
 - B. Administrative/Technical Assistant Salary: Estimated salary of \$58,685 based on CPI-tied COLA increase of 3.5%, and additional funding to cover possible 40-hour vacation buyout, per personnel policy.
 - C. Communication Technician: This position was filled at the beginning of this calendar year. As UMRDD has an established salary range for the position based on skills and experience, the upper limit has been increased by 3.5% to \$108,675 per the CPI-based COLA. As currently filled, this will permit flexibility in being able to pay for occasionally incurred overtime, rather than continually struggling to find ways to flex excess time.
 - D. Payroll Taxes: Estimate from bookkeeper, based on updated salaries.
 - E. PERS: Employer contribution rates are fixed on a two-year schedule and should remain static through the end of this new budget year.
 - F. Workers Comp: Estimated based on historical costs.
 - G. Employee Benefits: This incorporates Medical Insurance (District policy sets the maximum limit annually), Life Insurance, HRA (Health Reimbursement Account), Long Term Disability, FireMed, and Paid Leave Oregon (recently adopted State-mandated program).

- Budget Officer and Budget Committee Comments:

Brett noted that, per the District Personnel policy, employees received Cost of Living salary increase annually. This amount was tied to CPI and was 3.5% this year. All salary lines were increased by this amount and funds were added to cover a 40 vacation hour buyout. Brett increased the salary amount for the Communications Technician, to ensure it was flexible in the event that a new tech was needed and to cover possible overtime, however Brett noted that the current technician's salary was not in the high end of what was budgeted.

Scott Stanton asked Brett if the District struggled with finding comparables in the State and Brett confirmed that it had been a challenge. He informed the committee that the Comm Tech was new to the field, very sharp, and from the local area.

Brett noted that the payroll tax numbers were provided by the bookkeeper and that the PERS rates were fixed through the end of the 24-25 budget year.

II. Materials and Services

- A. Professional Services: I have increased this line considerably from last year, with the anticipation that we will be needing professional services to help collect radio system performance baseline data, perform radio frequency coordination and licensing procedures, help compose and negotiate agreements, draft RFQs and RFPs, assist with establishing processes for responding to requests for in-building distributed antenna systems, assist with the creation of training videos, and generally help ensure that our projects get traction and move forward.

- Budget Officer and Budget Committee Comments:

As Brett previously noted, there was a proposed windfarm going up in central Morrow County, right around the Gleason Butte site. Brett had some concerns about the impact to coverage. He intended to use some of the Professional Services funds hire a vendor to collect and analyze data from the site. He wanted a good baseline, so there were figures to compare to, when the windmills were functional.

Scott Stanton asked if there would be additional legal funds attached to that project and Brett reported that he had increased that line, as there was a potential need, but he hoped he would not need it. He was confident that the technicians of the project were knowledgeable. If there were interference issues, the District has some options depending on the problem, including contact with the Department of Energy and the FCC. Other expenses that could come from the Professional Services line included frequency coordination and training videos for users.

- B. Voice System Maintenance: Based on service support agreements with the trunked radio system and dispatch console vendors (including support for new sites), as well as historical maintenance expenses.

- Budget Officer Comments:

Brett did not expect changes in voice system maintenance costs. The amounts for agreements were known and there were some funds included for potential equipment failure.

- C. Internet Services: Our Internet connections not only support our daily business operations, but they are also utilized to fulfill legal public announcement requirements, provide connectivity for remote technical support on all our systems, transmission of system alarms to personnel, both primary and failover voice, data, and alarm backhaul for selected sites, as well as cellular push-to-talk. We are researching ways to add redundancy to our networks to reduce single points of failure wherever possible.

- D. Microwave System Maintenance: Based on service/support agreement with microwave vendor, and additional estimated maintenance expenses to support the microwave system.

- Budget Officer Comments:

The Microwave System Maintenance line amount, like many others, was based on historical costs.

- E. Subscriber Unit Maintenance: Based on an estimated repair of 4 radios per month, at average repair costs.

- F. Office Supplies and Maintenance: Based on historical costs.

- G. Notifications and Publication: Estimation of costs associated with required publications.

- H. Training/Travel: Provides training for district staff and funds to travel to meetings, training sessions, and conferences. Additional has been included for possible expenses in creating user training materials.

- I. Office Space Rent: Based on rental agreement with Umatilla County.

- J. Dues/Fees: Based on historical costs.

- K. Subscriber Unit Software Maintenance: Based on historical costs.

- L. Business Insurance: Based on historical costs, with significant increases in recent years.
- M. Annual Audit: Based on current agreement, which is tied to June CPI figures.

N. Elections: There will be an election in May 2025 which occurs during this fiscal year, with terms expiring for three Directors' positions. I've attempted to estimate based on historical costs.

- Budget Officer and Budget Committee Comments:

The election held during the FY24-25 fiscal year would have 3 board positions on the ballot. The cost was based on multiple factors, such as number of positions, people running, and how many places it was mailed to. This made it difficult to estimate the cost.

In response to Ray Denny's question, Brett confirmed that District had a full board of directors.

- O. Cell Phone and Data Card: Based on historical costs.
 - P. Protective Clothing and Equipment: Based on historical costs.
 - Q. Test Equipment Maintenance: Based on historical costs.
 - R. Vehicle Expenses: Based on historical costs and upfitting of a vehicle this year.
 - S. Legal Expenses: Based on historical costs.
 - T. Board Expenses: Based on historical costs and including equipment and services to fulfill public meeting requirements.
 - U. Bookkeeping Contract: Based on historical costs.
- V. Site Security: This is a continuing line for funding purchases and installation of equipment and services needed to enhance the security at the District's sites.

- Budget Officer Comments:

Brett increased the Site Security Line. Equipment installed at the Feedville site that included cameras. The analytics needed some fine tuning, but Brett expected to have a good security system there.

III. Facilities

- A. Site Leases: Based on historical costs, and the additions of new sites this year.

- Budget Officer Comments:

Brett noted that most of the site lease costs were set, but he included extra funds, should the District have the opportunity to add sites.

- B. Site Maintenance: Estimated costs of power, propane, weed abatement, HVAC, tower, building, road, UPS/battery plant maintenance. There are several minor tower repair tasks that are anticipated in the coming year.

- C. Site Modification: This is expected to complete site upgrades to the Pikes Peak site, including grounding, leveling and fencing, and improvements to Carney Butte.

- Budget Officer Comments:

Site Modifications would continue with some upgrades at Pikes Peak and some improvements to the Carney Butte site.

IV. Equipment

- A. Site Equipment: Estimated costs of purchasing solar power equipment and installing it along with a previously purchased 800 MHz repeater at Madison Butte. We intend to replace selected aging DC power systems with higher efficiency units, particularly at sites with high energy costs. We also plan to upgrade site monitoring and alarm systems that are inadequate today.

- Budget Officer Comments:

Brett informed the committee that there were numerous projects being planned, including Madison Butte. There had been some slow down due to the Forest Service and Brett was navigating through that. He hoped to have it in before the winter. South Morrow County desperately needed coverage that they did not get from Black Mountain.

Brett noted that some of the site power bills seemed high, even though usage had not changed. Specifically, Pacific Power's rates had increased significantly. Brett planned to look for ways to cut energy use, possibly replacing current equipment with more energy efficient equipment.

Brett planned to initiate the site monitoring that had not been brought back up with the new system installation. This would monitor things like the fuel in generator tanks.

- B. Infrastructure and Equipment Replacement: This line will fund the final closeout costs of the trunked radio system upgrade project, and the remainder of the Ukiah trunked site upon completion. Needed dispatch console upgrades, microwave system resiliency and redundancy improvements, backup fiber connections to a site in Morrow County, and server, network security appliance, and router replacements will all be funded from this line. We intend to have minor work done to restore our communications trailer and have a transportable trunking site installed for use at larger incidents and as a temporary emergency site replacement in case of a site failure. We are continuing to work on plans to add a new trunked site in the Meacham area to reduce gaps in coverage along the I-84 corridor and have been in talks with our system partners to hopefully share expenses for this mutually beneficial project. We are also working on plans for the addition of a conventional repeater site to serve the upper Umatilla River region and possibly the Tollgate area, and as always, looking to improve service in underserved areas.

- Budget Officer Comments:

The I&E line included about \$460,000 for closeout system acceptance. Funds in this line would also cover the remaining costs of the Ukiah trunked site. A rack was supposed to be installed at Ukiah the previous week, but was rescheduled to 06/17/24. The vendor knew the importance of having the site online quickly and that Brett was frustrated with the delay.

There was a need for dispatch console upgrades as well, and it was more than just software. Currently, the limit for talk paths was 50. This caused issues, particularly in Umatilla County, when additional paths were being used and dispatchers attempted to try to tone out. The newer hardware would allow up to 250 talk paths.

Brett noted that the District had lot of other hardware that needed to be replaced. It was still working, but getting old. The District had a CSEPP communications trailer that came from Benton County. It had a telescoping mast and was in good condition. It needed minor restoration work, like replacing seals and tires, but would be very serviceable as a longer term temporary trunked site that could provide coverage at an incident or in the case of a site failure.

Brett was talking with ODOT and UEC about their participation in a new trunked site in the Meacham area. He was also looking at smaller conventional repeaters in the upper Umatilla river area and the eastern edge of the reservation.

- C. Field Equipment: Estimated costs of field radio equipment plus \$200,000 of potential grant funding for subscriber units.

- Budget Officer Comments:

Brett increased the field equipment line to cover replacements for portables and mobiles. He also included funds for a potential grant award, through the fire portable committee.

- D. Interoperability Equipment: The District is looking to enhance interoperability with neighboring jurisdictions and mutual aid partners. This line will fund interoperability

equipment for connecting to neighboring jurisdictions from system sites and adding patching equipment to District vehicles.

- Budget Officer and Budget Committee Comments:

Brett continued to look for ways to tie in with partners on their own systems or VHF. There were trunked analog gateways at Feedville, Cabbage Hill, and Weston Mountain. He was looking at ways to bring in talk groups from Benton County Sheriff's Office and Gilliam County, allowing dispatchers access to resources on their consoles for these entities.

In response to Ray Denny's question, Scott Stanton confirmed that FirstNet, with AT&T, was in place and still building towers. It was LTE based. Brett felt that there was a lot of room for improvement and Scott agreed and said he had been telling their reps that more towers were needed. Brett reported that the District had a Site On Wheels that included a cradle point with sims for Verizon and FirstNet. The Verizon sim performed better. Scott agreed that Verizon was better, but noted that during a major event FirstNet may be the only carrier with priority.

E. System Licenses: Cellular Push-To-Talk device licenses, and licenses for additional concurrent talk paths.

- Budget Officer Comments:

Brett added considerable funding for licensing. He had received updated pricing for PTT licenses and it was twice as much as previously budgeted, at about \$1000 each. Many subscriber units would need to be turned in, as a trade for the app, for the District to be able to afford it. The license came with 5 concurrent talk paths and more could be added for \$5,000 each. Brett noted that 5 paths might be enough for a site, but not system wide. He thought twice as many would be needed.

F. Test Equipment: The District plans to purchase new and replacement test equipment this year to better support digital systems.

- Budget Officer Comments:

Brett intended to purchase a digital watt meter to test power output, and to replace some older test instruments.

V. Debt Service

A. Debt Service: The District will be making annual payments for system upgrade financing in the amount of \$393,322 until the 2030-2031 budget year. An additional \$1,000 is provided for miscellaneous debt.

- Budget Officer Comments:

The debt service line would continue to be this amount, until the loan was paid off in FY30-31.

VI. Contingency

A. Contingency: The unknown nature of many costs within this budget calls for contingency fund

- Budget Officer and Budget Committee Comments:

Scott Stanton asked Brett if the amount in the contingency line was sufficient. He questioned if \$75,000 was enough for all of the infrastructure the District was responsible for. Brett assured the committee that, since the District had one general fund, funds could be moved from line to line, if necessary.

Not-Allocated Summary

Four months of funding has been included in unallocated lines to cover expenses at the conclusion of this next 2024-2025 budget year, until substantial tax revenues are once again received that following November 2025. This represents a minimum balance that we must have on hand June 30, 2025 in order to continue to operate until new revenues are received. These unallocated amounts are based on past actual expenditures during the July – October period and incorporate known amounts for items such as

site lease payments, support contracts, and debt servicing, along with inflationary estimates that allow for possible expense increases in Personnel Services and Materials and Services. These unallocated lines in Personnel Services - \$194,600 and Materials and Services - \$407,760, increase the budget by \$602,360.

IV. Discussion

As a member of the East Umatilla Fire & Rescue budget committee, Ray Denny reported that they were concerned about the cost of the new dual band portables that the fire portable committee was looking at. Their revenue had decreased. Brett noted that that was somewhat of a common theme within the smaller departments. He said there was a lot still to be decided, including where the funding for the portables would come from. He felt that there was value in looking at the options, even though costly, to help users perform better and be safer.

V. Additional Questions or Comments: None

VI. Budget Approval

A motion to adopt the budget, as presented by the Budget Officer, was made by Scott Stanton and seconded by Director Primmer.

Director Primmer: Aye

Director Kennedy: Aye

Director Irons: Aye

Director Pratt: Aye

Ray Denny: Aye

Scott Stanton: Aye

Rita Allman: Aye

Brett noted that Ray Denny gave notice of his resignation from the Budget Committee. He thanked Ray for his service and also thanked the committee for their time and attendance.

VII. Adjourn

A motion to adjourn the Budget Committee meeting, at 2:16pm, was made by Director Primmer and seconded by Scott Stanton.

Director Primmer: Aye

Director Kennedy: Aye

Director Irons: Aye

Director Pratt: Aye

Ray Denny: Aye

Scott Stanton: Aye

Rita Allman: Aye

Next Meeting

June 2, 2024 - 1:30pm

Boardman City Hall