

E911 Service Board Meeting
July 12, 2012
10:00 AM - CESC

Members Present:	John Knapp, Jr. – Vice Chairman David Von Moll - Comptroller Samuel Nixon, Jr. Tracy Hanger Robert Kemmler Linda Cage	D.A. Middleton Danny Garrison Robert Layman Danny Diggs Mickey Sims Patrick Shumate
Members Absent:	Michael Cline Ron Mastin	Denise Smith
Remote	Abingdon Culpeper Chris McIntosh	Roanoke Tidewater
Staff Present:	Dorothy Spears-Dean, Coordinator Steve Marzolf, ISP Director Jerry Simonoff, ESG Director Sam Keys, Regional Coordinator Terry Mayo, Board Administrative Assistant	Lisa Nicholson, Project Manager Lewis Cassada, Project Manager Joshua D. Heslinga, Attorney General's Office

1. CALL TO ORDER

The meeting of the E911 Services Board was called to order at 10:01 AM by Vice Chairman John Knapp, Jr. sitting in for Chairman Michael Cline. Vice Chairman John Knapp asked Ms. Dorothy Spears-Dean to do a roll call of the Regional Facilities calling in remotely. All Regional Facilities were on-board and accounted.

Vice Chairman John Knapp informed the Board members that he has asked Mr. Samuel Nixon to Chair the meeting during the Verizon Presentation.

2. Approval of the Minutes from May 10, 2012

Vice Chairman John Knapp, Jr. asked for changes/additions to the May 10, 2012 Board Minutes. Mr. David Von Moll made a motion to approve the minutes, and Lt. Colonel Robert Kemmler 2nd the motion of approval. The Minutes were approved; **12-0-0** (Mr. Layman had not arrived).

3. PSAP Funding Validation

Mr. Steve Marzolf addressed the Board and said that the Finance Committee met on July 2, 2012 to discuss a number of options for the Board to consider on the PSAP Funding Validation Project. The meeting resulted in the Finance Committee focusing on three options for discussion to be presented to the full Board. Mr. Marzolf gave the Board Members a brief history of why there was a need to do the validation process and how staff accomplished the goal. Mr. Marzolf referred the Board members to their meeting packets which contained spreadsheets with the three options that were approved by the Finance Committee to be presented to the Board. Mr. Marzolf commented that the data is better than the previous data submitted; however, he is stopped short of calling the data perfect. In his opinion, the data does not look completely correct; however, it is much better than the data previously submitted. Mr. Marzolf said that there were some localities in 2009 that staff could not validate the data because the "call accounting system" from that time was no longer in existence. Mr. Marzolf went over the PSAP Funding Validation Options. The Options are: 1) Make no funding adjustments; 2) Recover overpayments based on the validated data, but do not adjust for underpayments; 3) Fully correct all PSAP payments by recalculating the percentages and payments based on the validated data which will result in some PSAPs refunding monies even if they made no mistakes in the previous true-up process. Mr. Marzolf gave a brief presentation on what the validation process found. As a result of the validation, it was discovered that some localities were underpaid because of under reporting of data, as well as some of the localities being overpaid. Mr. Marzolf said he met with Counsel and discussed the recommendations at length. As a result, staff does not recommend Option #1, which is doing nothing and making no funding adjustments. If the Board does decide to go with Option #1, it may expose the Board to other legal risks/implications. The Code requires the recovery of "overpayments" so the Board would need to define an "overpayment" in such a way as to say that is not what occurred. Mr. Marzolf reported that another issue is that the Board cannot do something different in the future than what is done to fix the past. If Option #2 is selected and only overpayments are corrected, then only these corrected funding amounts may be used in the new funding formula impacting the next five years of funding to each PSAP.

Mr. Marzolf informed the Board that staff has received letters (some included in the Board's packet) and emails concerning the options under consideration. Mr. Marzolf said that some Board Members have received letters and emails also.

Vice Chairman John Knapp established the procedure for the discussion. He asked the Board members to ask questions first, and then the members of the audience will ask questions. After the discussions, Vice Chairman John Knapp will then call for a vote from the Board members. Vice Chairman Knapp asked Mr. Marzolf to walk the Board Members through how repayments to the Board would be addressed. Mr. Marzolf said that he has worked with the Department of Taxation to come up with a solution. Mr. Marzolf said that any monies owed to the Board must be repaid during the current fiscal year and can be subtracted from future payments to the localities. Subtracting from future payments over the next six months would resolve the amounts owed from all but three PSAPs. Those PSAPs would need to refund the money to the Board. Mr. Marzolf said that if Option #3 was selected, the redistribution of monies would have to wait until all repayments had been collected. Mr. Pat Shumate asked for clarification of Option #1 and its liability to the Board. Mr. Marzolf said that Option #1 could be done; however,

the Board would have to determine a way to define “what is an overpayment.” To do this, the definition would likely be strained and open to legal challenge. Mr. Shumate asked if the money collected back could be diverted to some other program. Mr. Marzolf said no, and the Comptroller, Mr. Von Moll, in a follow-up comment, said Mr. Marzolf is correct and that the money has been earmarked for its purpose; however, once it goes to the localities there is no control as to whether or not the money ends up where it is suppose to go. Ms. Linda Cage asked for a clarification of the Options the Board will vote on again. Mr. Marzolf said that Option #2 will deal with the overpayments and not deal with the underpayments. Options #3 will deal with both overpayments and underpayments. Mr. Samuel Nixon asked Mr. Marzolf if it is the Board’s obligation to not just attempt to correct the problems in the past but also attempt to set policy going forward. Mr. Marzolf said that was correct, and he asked the Board to refer to the spreadsheet in their packet. Lt. Robert Kemmler asked Mr. Marzolf about the calculation changes the Board made, and asked if this is what caused the problem. Mr. Marzolf said no, a legislation change prompted the formula change. Mr. Danny Garrison asked if the Board decided to approve Option #2, who would collect the “overpayment and what will happen to the money collected?” Mr. Marzolf said that the money would go to other PSAPs and that the net gain to the Fund is \$0. Mr. Robert Layman asked how many PSAPs were 100% accurate. Mr. Marzolf said that there were about six, but many PSAPs opted out for FY2010 and did not provide data. Mr. Layman asked if under Option #3 who would benefit, and if the effected localities realize that they made a mistake. Vice Chairman John Knapp commented that there are some winners and some losers in this process. Vice Chairman John Knap then commented to those localities and PSAPs that the Board has received and read their letters and emails and know their position; however, he is asking only those who have not previous responded to address the Board with their comments.

Vice Chairman Knapp asked if there were anyone at CESC who would like to speak to the issue, and if so, to please come forth and address the Board. There were several speakers represented and they were:

Jolena Young	Jerry Smith
Carol Adams	Rich Troshak
Athena Plummer	Jason Malloy
Charlie Udriet	

Ms. Spears-Dean then did a roll call at the Regional sites and asked for comments. The following addressed the Board from the Remote Sites:

Tina Sumpter	NicolaTidey
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Mr. Von Moll addressed the Board and gave his view. Mr. Von Moll said the action the Board is taking should not be viewed as punishing any one; the Board just needs to meet their fiduciary responsibility to accurately administer the Fund. Mr. Robert Layman asked for a clarification on what the impact would be on the PSAPs not making any mistakes. Mr. Marzolf said that the money will have to come from somewhere (it is all interconnected, and there is no option to hold someone who did not make a mistake harmless). Mr. Pat Shumate addressed the Board again and said the goal was to correct the formula. Mr. Shumate said that he liked Options #1 because it corrects the formula. Option #2 makes an effort to minimize the effect on some PSAPs but does not correct the

formula. He is going to vote for Option #3. Vice Chairman John Knapp then called for a motion from the Board Members. Mr. David Von Moll made a motion that the Board accepts Option #3 and Mr. Danny Garrison 2nd the motion to approve Option #3. All approved, and the motion was passed; **13-0-0**.

4. PSAP True-Up FY2012

Mr. Steve Marzolf addressed the Board and said that Board members need to refer to their packets concerning the FY2012 PSAP True-Up Process. Mr. Marzolf said that the process is the same process that was used in 2011. The process begins with a form to collect the information (see attached form). Mr. Marzolf informed the Board that he is asking that the Board accept and approve the form to be used in the FY2012 True-Up process. Mr. Marzolf also stated that the formula used in the FY 2012 True-Up will be in place until FY 2017. The results of this Formula would be averaged for the next five years. Vice Chairman John Knapp asked for questions from the Board, and there were none. Vice chairman Knapp then called for a motion to approve the form. Lt. Colonel Robert Kemmler made a motion to approve the form, and Chief Doug Middleton 2nd the motion for approval. All approved; **13-0-0**.

5. PSAP Funding Formula FY2013

Mr. Steve Marzolf addressed the Board and said that Board members need to refer to their packets, and that this issue was addressed when the Board voted for Option #3. Therefore, there is nothing for the Board to act upon. Board member J.D. Diggs asked if the Board could make a recommendation to the Legislature to not lock the funding into five years. Vice Chairman Knapp said that a lot of more work will have to be done before this can be accomplished; however, he agrees with Mr. Diggs.

6. 911 Outages in Northern Virginia

Vice Chairman John Knapp asked Board Member, Mr. Samuel Nixon, to take over as Chair for the Verizon Presentation. Mr. Nixon addressed the Board and said that the Board is going to hear some information from Verizon about the recent outages in Northern Virginia, and then Mr. Steve Souder from Fairfax will address the Board with details of what occurred in the PSAPs in Northern Virginia.

Mr. Conlee, Sr. VP of Operations for Verizon addressed the Board about the 911 Outages in Northern Virginia recently (June 29). He said that a thorough investigation is being done on this outage. Mr. Maladay introduced Ms. Maureen Davis who then addressed the Board from Verizon with a brief presentation of what occurred on June 29th.

Mr. Steve Souder introduced himself from Fairfax County and addressed the Board. Mr. Souder gave a brief presentation on what happened in Fairfax. Mr. Samuel Nixon asked for questions from the Board. After discussion from the Board and comments from those in the audience, Mr. Nixon concluded the discussion and Mr. Knapp returned to Chair the meeting.

7. OLD BUSINESS

- **Update on NG9-1-1 Implementation Plan:** This was tabled until next Board Meeting.

8. NEW BUSINESS

- **Finance Committee Report:** Mr. Steve Marzolf addressed the Board and said no major errors in the final audit. Mr. Von Moll asked staff if that by accepting Option#3, whether staff needed any additional direction from the Board before moving forward with the collection of funds. Mr. Marzolf said staff had the necessary direction to move forward.
- **Roanoke City Emergency Grant Request:** Ms. Spears-Dean addressed the Board and said staff is not recommending the approval of this request. Vice Chairman Knapp asked if there were someone from Roanoke who would like to speak to this issue. Mike Crockett addressed the Board via remote, and said that he understands the recommendation from staff.
- **Net 911 Act Data Collection:** Ms. Spears-Dean addressed the Board and said that this is an annual action. Staff will be completing this information in the future and present to the Board.

9. PUBLIC COMMENT

Vice Chairman John Knapp, Jr. called for public comments at CESC and at the satellite locations, and there were one from Pittsylvania County (Mr. Jim Davis).

Mr. Christopher McIntosh, Advisor to the E911 Service Board, addressed the Board and said that the Office of the Secretary of Veterans Affairs and Homeland Security will be investigating the outage. Mr. McIntosh stated that 911 is an important part of Homeland Security. He said that all need to work together to ensure that such outages do not happen again.

10. ADJOURNMENT OF THE MEETING

Vice Chairman John Knapp, Jr. called for a motion to adjourn the meeting of the E911 Services Board at 12:15PM. All approved, and the meeting was adjourned.

Respectfully Submitted:

Terry D. Mayo

(Date)