



Virginia Information Technologies Agency

# Wireless E-911 Services Board Meeting

General Business Meeting

September 09, 2010



# Agenda

1. Call to Order
2. Approval of Minutes
3. FY 2011 Verizon Billing Agreement
4. Future Path of Wireless 91-1 Services Billing Agreements
5. FY 2010 Annual Report
6. Baseline Survey Initiatives
7. ISP Business Plan
8. Old Business
9. New Business
10. Public Comment
11. Adjourn



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# FY 2011 Verizon Billing Agreement





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# Future Path of Wireless 9-1-1 Services Billing Agreements





## FY 2012 and Beyond

- Consensus from PSAP community that payment for the FY 2012 billing agreements should come “off the top” of the Wireless Fund before the 60/30/10 split occurs:
  - Third statewide PSAP meeting on July 26<sup>th</sup>
  - Wireless Funding survey developed by VA chapters of APCO & NENA
- Although this action is the easiest to implement, it does require legislative change:
  - Included as a legislative agenda item in the FY 2010 Annual Report
  - Need to have a fallback option (“Plan B”)
- Agreement within the PSAP community for the 60% Operating Fund to be a fallback option for the FY 2012 billing agreements, but no consensus as to how this expense would transition to the 60% Operating Fund, and what percent, if any, would come from the 10% Grant Fund
- Both of these recommendations will have an impact on the wireless revenue PSAPs receive each month, since any scenario not entirely paid for by the Grant Fund has some impact on the Operating Fund



## Recommendation on Plan B

- Begin in FY 2012 with a transitional approach to eventually fully funding the billing agreements through the Operating Fund by starting with a 60/40 split between the Operating Fund and the Grant Fund
- Survey showed preference for starting off with a 50/50 split , but the 60/40 split is a better substitute for the preferred “off the top” approach since it more closely approximates, with only a few exceptions, the revenue amounts each PSAPs would receive with the preferred approach
- Outcome of proposed legislative will not be known until March 2011, but at that point in time, most local budgets will already be set. The 60/40 approach more closely approximates the “off the top” approach if legislative changes do not occur
- In FY 2013, the Operating Fund percentage could be increased another 10%, bringing it to the preferred distribution from the survey of 70% from the Operating Fund and 30% from the Grant Fund
- In FY 2014, the billing agreement would be fully funded through the Operating Fund



## Additional Issues for Agreements

- Distribution methodology of the statewide wireless 9-1-1 services among the Verizon PSAPs:
  - FY 2011 Verizon billing agreement uses wireless shell records, but a suggestion from PSAP community is to use the same distribution methodology as Verizon Tariff
  - Verizon Tariff document was received yesterday and it has been made available to the PSAP community via the ISP website
- How and when would the \$40,000 minimum funding amount be calculated?
  - In order for every PSAP to receive a minimum amount of \$40,000 in wireless funding, the following needs to occur:
    - With the “off the top” approach, the encumbrance for billing agreements would occur before the 60/30/10 split is made
    - With a combined Operating/Grant Fund approach, the encumbrance for the billing agreements would occur after the 60/30/10 split is made, with 60% coming from the Operating Fund and 40% coming from the Grant Fund
    - However, in the combined approach, the revenue transfer from the PSAPs that receive more than \$40,000, to the PSAPs receiving less than \$40,000, is a greater percentage than with the “off the top” approach



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# FY 2010 Annual Report





## Focus of Annual Report

- The *Code of Virginia* (§56-484.14) requires the Wireless E-911 Services Board (the Board) to report annually to the Governor, the Senate Committee on Finance, the House Committee on Appropriations, and the Virginia State Crime Commission on the following:
  - the state of enhanced 9-1-1 services in the Commonwealth,
  - the impact of, or need for, legislation affecting enhanced 9-1-1 services in the Commonwealth,
  - the need for changes in the E-911 funding mechanism provided to the Board, as appropriate, and
  - monitor developments in enhanced 9-1-1 service and multi-line telephone systems and the impact of such technologies upon the implementation of Article 8 (§ 56-484.19 et seq.) of Chapter 15 of Title 56



# State of Enhanced 9-1-1 Services

- Wireline status
  - Lee County is the only project remaining
- Wireless
  - Lee County is the only Phase I deployment remaining
  - Lee and Tazewell Counties are the only Phase II deployments remaining
- The next iteration of 9-1-1 technology will be IP-based:
  - Staff has already begun planning for this next phase, commonly referred to as Next Generation 9-1-1 (NG9-1-1), through a baseline survey initiative
  - The goal of this initiative is to create a comprehensive inventory of all assets, resources, services and capabilities of primary wireless PSAPs from the following categories:
    - jurisdictional and contact
    - financial
    - facilities management
    - equipment, technology and telecommunications
    - staffing and operations.
  - Data elements captured from these categories will be used in performance-based initiatives to gain insight for strategic and tactical planning and decision making and to develop business cases for enhancing PSAP operations



## Need for Legislation

- The changes made in 2006 to the funding process have had the desired effect, but not all PSAPs have experienced the same level of benefit. As a result, the Board established a Wireless Funding Committee to review the Wireless Fund distribution methodology. The Committee recommended the following two changes, which require changes to Code:
  - Extend the data collection period used to calculate the distribution percentages to 36 months to minimize data anomalies from year to year
  - Move the payment recalculation effective date to coincide with the beginning of the fiscal year to improve the ability of local governments to forecast wireless revenue in the upcoming year
- The third legislative change is one that has been presented by the PSAP community.
  - This change involves the funding source for the wireless 9-1-1 services billing agreements
  - The consensus of the PSAP community is to include payment of these agreements “off the top” of the Wireless Fund, paying for wireless 9-1-1 services on behalf of the PSAPs, before any further wireless revenue allocation is made



## Need for Change in Surcharge

- Staff has begun to hear comments from the PSAP community that the surcharge may be insufficient moving forward
- The current biennial budget includes a \$3.7 million appropriation to the VSP for wireless 9-1-1 call taking (even though the need no longer exists) and an \$8M transfer to the Compensation Board, which will challenge the ability of the Fund to remain fiscally sound going forward
- Four cycles of the PSAP Grant Program have been completed, resulting in over \$32 million in funding to localities, but the \$8M transfer has meant that there is \$8M less funding available in FY 2011 for the PSAP Grant Program to fund critical PSAP projects
- A recent FCC report to Congress on State Collection and Distribution of 911 and Enhanced 911 Fees and Charges identified the \$8M transfer from the Wireless Fund to the Compensation Board as a diversion from the purposes designated in the funding mechanism, which will have a direct impact the Commonwealth's ability to receive federal E-911 grant funding in the future and may jeopardize current federal E-911 grant funding



## Enhanced 9-1-1 & Multi-line systems

- Staff continues to work on planning for the future of E-911 and working on a refresh to the Statewide Comprehensive Plan for 9-1-1 that was approved in January 2008
- This plan identifies the key strategic initiatives for improving 9-1-1 services and functionality across Virginia
- As the tasks and deliverables identified as supporting the Plan's initiatives near completion, the current vision and goals of the Plan need to be revalidated for relevancy, with recommendations made for new initiatives
- The Virginia chapters of the Association of Public Safety Communication Officers (APCO) and the National Emergency Number Association (NENA) have stepped forward to partner with the Board on this new planning effort and the refresh should be completed by the end of this calendar year
- Legislation took effect on July 1, 2009 and information requested on these provisions have been provided to interested parties during FY 2010



# Baseline Survey Initiative

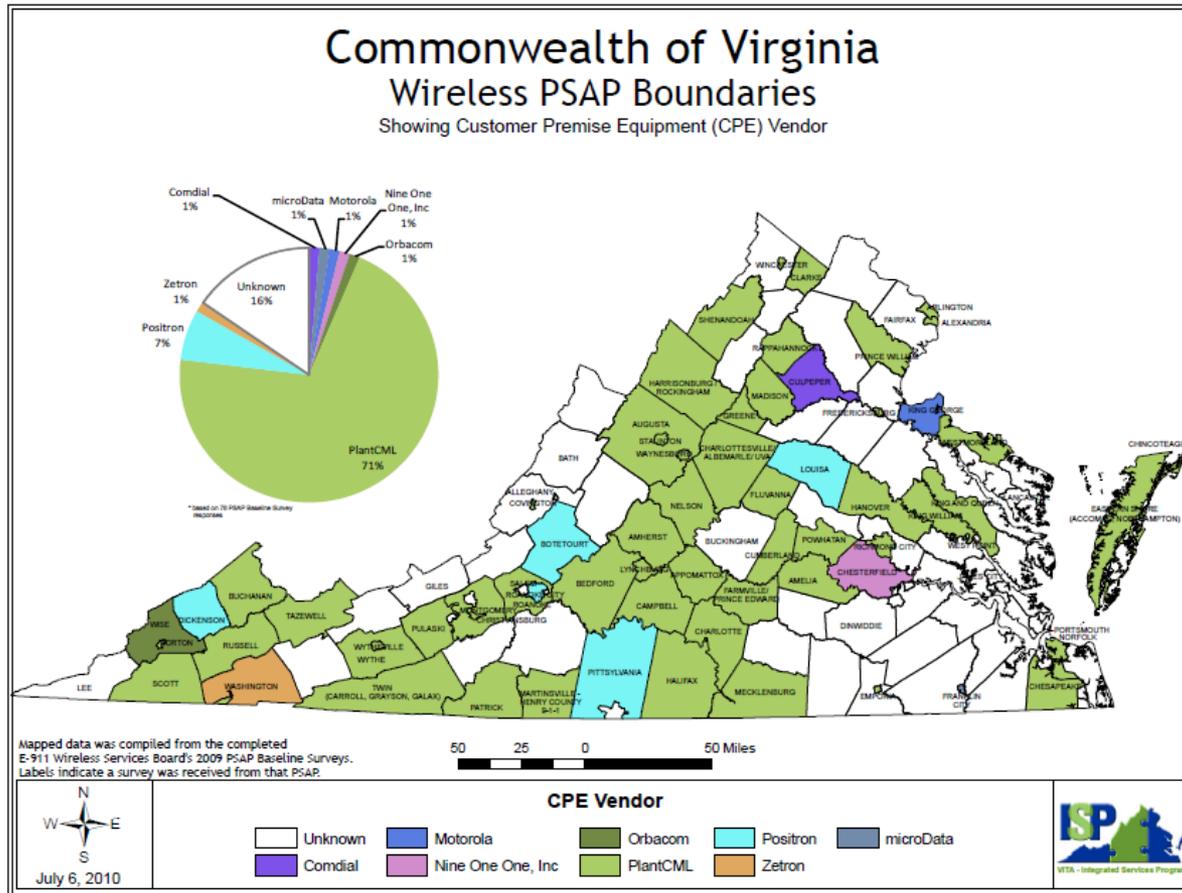




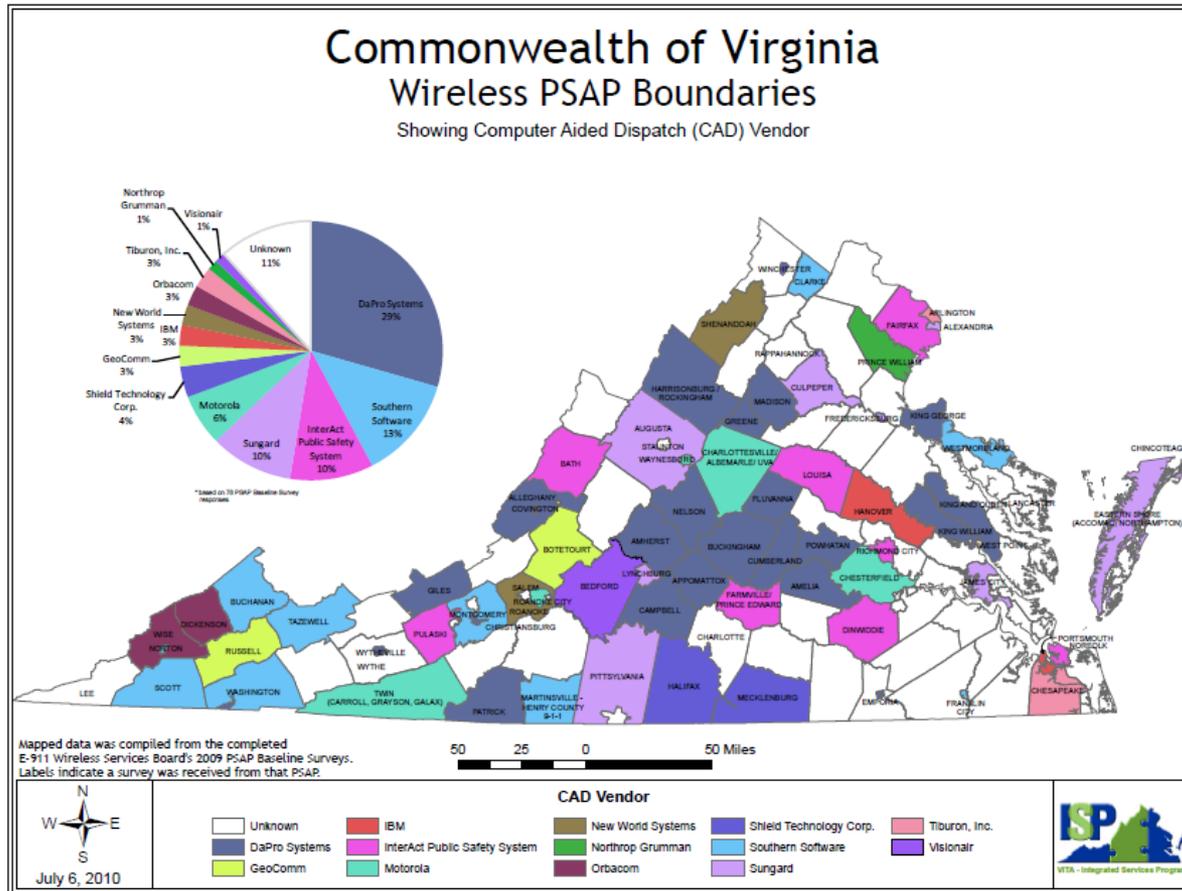
## Deliverables of Baseline Initiative

- The baseline survey was the first of five initiatives identified in the 2008 Statewide Comprehensive 911 plan and original benefits to Commonwealth were identified as:
  - Greater understanding of regional and local successful service and disparities
  - Identification of gaps that need to be addressed
- Ongoing deliverables:
  - Publish maps on the ISP website
  - Create a searchable database
  - Determine which data elements serve other initiatives
  - Develop a plan for sustainability

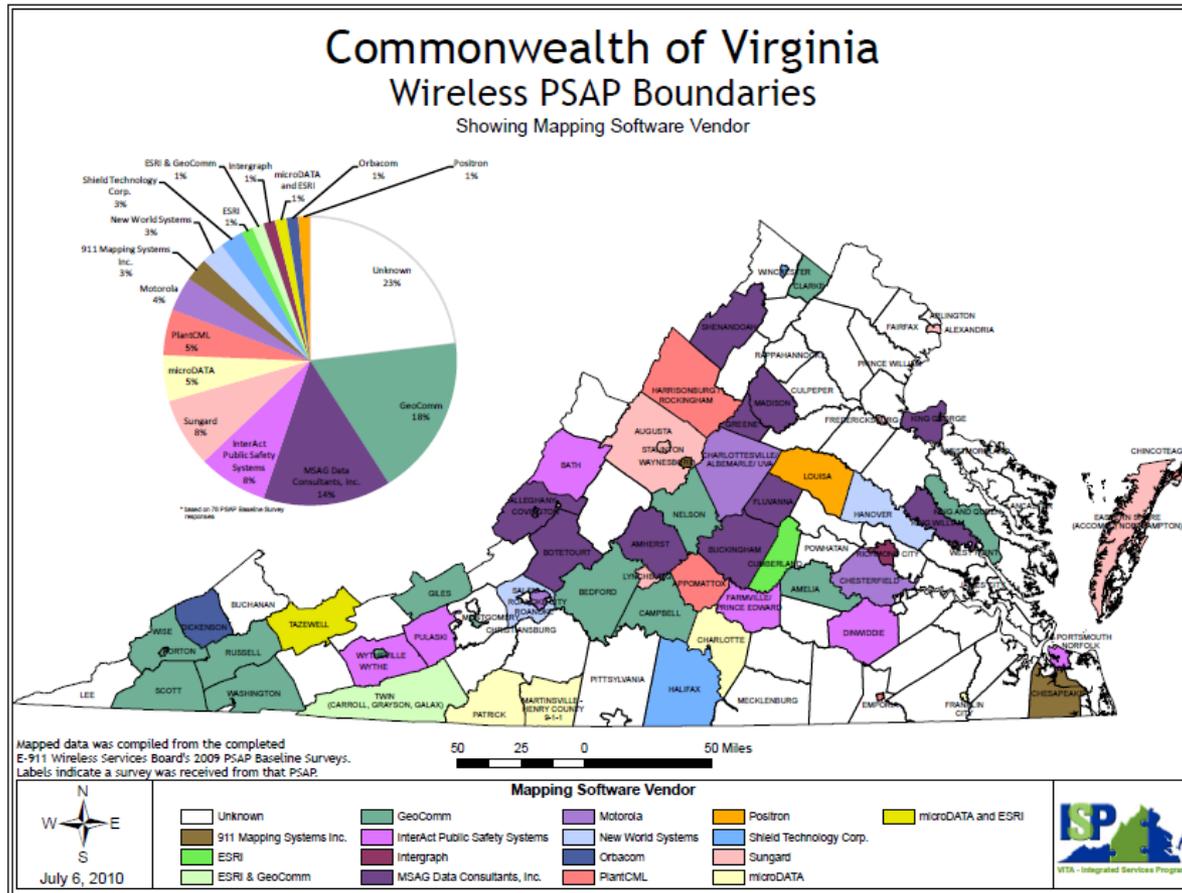
# CPE Vendor



# CAD Vendor



# Mapping Software Vendor





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# ISP Business Plan





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# Old Business





## FY 2010 Verizon Service Costs

- We have made progress with Verizon in discussion resolution of FY2010, but do not have a final agreement yet
- Any agreement will require PSAPs to “opt-in” just like the FY2011 agreement
- The framework for the resolution for FY2010 would be to fully pay for the wireless trunks used in FY2010 at the tariff rate of \$84 per trunk per month and pay only a percentage of the router and database costs (currently considering about 71% of FY2011 rate)
- Payments would be broken into 3 equal payments over each year of the three year billing agreement
- Breaking up payments over the next three years will allow the Board to fund the most critical PSAP grants in FY11 and beyond
- This approach recognizes that Verizon did provide the service for FY2010 and compensates them at a reduced rate though no agreement or tariff was in place
- Based on our review and advice we have received, the Board is not required to pay this cost, but this approach permits the Board to cover the cost for the PSAP if the PSAP requests payment be made on their behalf
- PSAPs wishing to address the issue directly with Verizon can do so
- The next step will be to obtain PSAP requests to pay on their behalf and complete the agreement with Verizon to accept the reduced remittance. The final agreement and list of PSAPs will be presented at the November Board meeting for approval



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# New Business





# PSAP Grant Committee Report

- Grant Committee held meeting on Sept 2<sup>nd</sup>
- Recommend \$844,577 in funding awards for the following FY 2011 grants: (priority 1 and 2 from C & C Program)
  - Lancaster County \$150,000
  - Gloucester County \$150,000
  - Madison County \$48,533
  - Mathews County \$150,000
  - Mecklenburg County \$46,044
  - Radford Police Communications \$150,000
  - Tazewell County \$150,000
- Asked staff to develop mid-year reporting process and strategy to reduce \$9,396,441 in outstanding grant awards for the last three fiscal years, which will expire June 30, 2011
  - FY 2010 \$6,448,183
  - FY 2009 \$2,255,075
  - FY 2008 \$ 692,183
- FY 2012 Guidelines and application
- Emergency Grant request from Isle of Wight



## Enhanced 9-1-1 Grant

- Still assert that diversion did not occur and will be providing additional information as part of year-end process
- Compensation Board:
  - E-911 Funds received are distributed to reassign actual salaries and fringe benefits, previously reimbursed to Sheriffs' offices for communication staff through general funds, to the E-911 funds
  - Expenditures are not moved to the non-general E-911 fund until our reimbursable salaries and fringes for communications positions exceeds the E-911 funds available
  - Only offices that provide communication services receive E-911 funds and the amounts they receive is based on actual expenses for the specific position classifications that designate a communications position – CO OP (communications operator) and CO SP (communications supervisor)
- VSP does something similar
  - 1 dispatch center per region (7 centers) and their dispatch operations costs are between \$14 an \$15 million



## And In Conclusion

- Schedule of Town Hall meetings
  - Will run from late September until Fall APCO/NENA/SIEC conference
  - Support refresh of 9-1-1 Comprehensive Plan
- CMRS report
- Public Comment
- Adjourn
- Next meeting date is Nov 18th