

# MARIN EMERGENCY RADIO AUTHORITY

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## MEMORANDUM

**DATE:** January 12, 2006

**TO:** MERA Board of Directors

**FROM:** Martin J. Nichols, Executive Officer

**SUBJECT:** AGENDA ITEM F: NEW MERA/COUNTY SYSTEM MAINTENANCE AGREEMENT

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Recommended Action: Authorize the Executive Officer to execute a new MERA System Maintenance Agreement with the County of Marin.

Background:

This proposed agreement was reviewed by the Executive Committee at its October 4, 2005 meeting and was recommended for approval.

MERA has contracted with the County of Marin for backbone maintenance services since July 2003. As the Board knows, there are some issues about what services are covered by this current agreement (copy attached).

The new proposed agreement has been proposed by the County Public Works Department and is compatible to the current agreement as follows:

<u>Item</u>	<u>Current</u>	<u>Proposed</u>
<u>Annual Cost:</u>	\$356,500	\$538,375
<u>Services:</u>	Preventative Maintenance Emergency Repair (24/7) Programming new equipment (Radio Shop Building Maintenance and Garage)	Same
<u>Payment Terms:</u>	Fee for service	Fixed fee with credits for work not done
<u>Term:</u>	Year-to-year	Five years (one year termination notice)
<u>Hours of Service:</u>		
Radio Shop-PM	3,900	1,328

<u>Item</u>	<u>Current</u>	<u>Proposed</u>
System Repairs	(Included above)	1,827
Radio Shop Programming	1,950	630
Build Maintenance	452	264
Garage	60	66
TOTAL HOURS	6,362	4,115
<u>Hourly Rate:</u>	\$70	\$125

The County Public Works Department wants this contract to be effective July 1, 2005.

A copy of the proposed agreement is also attached.

Funding the New Agreement

In the FY 2005-06 MERA operating budget, we budgeted \$300,000 for the County Maintenance Agreement. We have paid the county about \$54,000 (prior year billings).

Additionally, the County's Public Works Department claims MERA still owes them \$60,000 from FY 2004-05.

I have met with Mr. Mansourian and discussed the budgeting problem created by this new contract. We have agreed to recommend the following compromise:

1. For FY 2005-06:
  - a. Shop rate of \$100 per hour (total contract of \$410,000)
  - b. \$300,000 paid during FY 2005-06
  - c. Special payment in July in 2006 of \$110,000
2. Beginning in FY 2006-07, the shop rate increases to \$125 per hour.
3. We agree to settle past claims for a one-time payment of \$36,000 to be paid in July 2006.

I recommend we finance this year's obligations with the remaining \$246,000 in the current appropriation, \$4,000 from our other operating accounts plus our \$50,000 contingency.

In FY 2006-07 we will budget:

1. FY 2005-06 final payment of:	\$110,000
2. FY 2004-05 settlement cost of:	30,000
3. FY 2006-07 contract payment of:	<u>538,000</u>
TOTAL	\$678,000

Beginning in FY 2007-06, we would budget just the annual payment of \$538,000 plus "C.P.I."