

From: Allender Steve
Sent: Friday, August 09, 2013 2:35 PM
To: Allender Steve
Subject: ESCC 911 (Dispatch) Budget

Council Members:

Monday the 12th you will be hearing a budget presentation from Dispatch Director Leann Hollinshead. It contains a significant increase and there's been a miscommunication in getting that information to the right people before now. The attached letter is complicated, but it explains how this happened and what is needed for 2014.

I will be on-hand Monday night as well, in case you have questions for me.

Steve



RAPID CITY POLICE DEPARTMENT

Steve Allender, Chief of Police

Dear Mayor and Council Members:

I need to explain the situation with the budget request for the emergency services communication center (ESCC911).

Generally speaking, the dispatch center is funded from the three major sources: the 911 surcharge fund, city funds and county funds. There are other funding sources such as neighboring counties which utilize Pennington County dispatch Services.

The funding scheme works like this: the dispatch center's expenses are projected during the budget process then the 911 surcharge and the other miscellaneous revenue sources are applied. After this has occurred, the remaining balance is then split between city and county (66% city and 33% County). This formula is based on the calls for service load coming into the city and county law-enforcement agencies.

The oversight of the dispatch center is made up of a users board of which Sheriff Kevin Thom, Chief Maltaverne, and I are the controlling principles. Each year, we rotate the board chair position, and this year it happens to be Sheriff Thom. The dispatch director, Leann Hollinshead is a county department head, but is supervised by and reports to the Board chairperson.

For some time now, we have been working on a consolidation plan between Pennington County's 911 center and the state of South Dakota's "State Radio" system which is an emergency dispatch system for other state agencies. Simultaneous to this consolidation plan, the new County administration building is being built next to the public safety building. Sometime in late 2014 several county offices including the dispatch center will move into the new county building. Again, simultaneous to these two events is the need to upgrade and expand our radio system capabilities. All of this will come to a head at approximately the same time in 2014. This creates significant additional expenses related to the operation of the ESCC center in 2014.

In the past year, Fire Chief Mike Maltaverne and I have been seeking funding for a lease purchase radio tower installation project which is essential to the radio system upgrade. These funds were located in the CIP fund, and will be paid out over a five-year period to accomplish this purchase. Also in the past year, Chief Maltaverne and I have been hearing mention of the new radio equipment to be added to the new dispatch center in the new county administration building. There are many radio consoles that need to be added in order to accomplish Radio upgrades and to handle the increased capacity of our communication system.

In the initial planning of the County administration building, many costs related to building furnishings were included in the building cost. As recently as a few months ago, the building committee informed us that these furnishing Costs were to be removed from the building fund, and funded by the affected city or county departments. For the ESCC, this means somewhere in the neighborhood of \$1.5 million in furnishings, fixtures, equipment and software is in need of funding. There's a good share of these needs that are likely covered under the consolidation plan with state radio, but at a minimum, approximately \$490,000 is currently unfunded and in need of funding for 2014. Applying all of the funding sources, and then applying the 66/33 city county split, this leaves the city's obligation at \$126,667. That is, an increase in the annual Budget request of \$126,667, but that's not all...

The ESCC has been working on a radio lease purchase from Motorola. This radio upgrade lease purchase will cost \$619,000 plus interest over five years. There has been talk, in meetings, about the lease purchase with Motorola, however Chief Maltaverne and I believed this lease purchase referred to the radio tower project mentioned earlier in this letter. The fact of the matter is, the \$619,000 for the radio upgrade lease purchase with Motorola, is separate and over and above the previously mentioned budget increases for 2014. Specifically this adds an additional \$64,000 onto the city's share of the dispatch budget each year for five years, bringing the total dispatch budget request for 2014 to \$1,244,746, or an additional \$194,746.

There are a number of things contributing to this misunderstanding: The County budget process does not even start until after City department heads are required to submit their budgets to the Mayor's office. When it comes to dispatch, I have been estimating what their needs are, since they have not yet begun to work on budgets by the time I am finished with the PD budget. This, and all of the activities and projects taking place related to the Pennington County dispatch center, the use of similar terminology, and human error, have resulted in Chief Maltaverne and I simply misunderstanding the budgetary needs of the dispatch center for 2014.

As the time for budget Hearings approached, one thing was clear: the wrong person is presenting the dispatch budget. I met with Mayor Kooiker just prior to the budget hearings, and he agreed to invite the dispatch center to come in and present their budget during the budget hearing recap session. In the future, I believe the dispatch center should present their own budget to the City Council so that we may avoid this type of miscommunication.

The obvious question is, where do we come up with \$194,000 to add on to the dispatch center budget for 2014? That's a great question, and I wish I had a great answer. I do believe that at the end of 2013 there will be a budget surplus within the police department budget. This will be due primarily to the vacancies we have struggled to fill throughout the year. It seems to me, through these year-end funds and perhaps the use of some contingency funds we can probably fund dispatch for 2014 but from 2015 through 2018, an additional \$64,000 will need to be allocated in addition to any operating cost increases they may have.

I apologize for the last minute notification of this problem. I also apologize for the circumstances which have ultimately led to a last-minute budget problem. I do believe that moving forward, we will avoid this type of situation in the future.

If you have any questions, please feel free to contact me.

A handwritten signature in black ink that reads "Steve Allender". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Steve Allender
Chief of Police