



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: May 16, 2023

DATE: April 26, 2023

TO: Board of County Commissioners

FROM: Quinn Korbulic, IT Manager, Regional Services Division
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THROUGH: Behzad Zamanian, Chief Information Officer

SUBJECT: Recommendation to adopt a resolution to set Washoe County's 911 telephone line surcharge to: \$1.00 per month for each customer access line to the local exchange of a telecommunications provider; \$1.00 per month for each mobile telephone number assigned to a customer by a supplier of mobile telephone service; and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider, to be effective July 1, 2023; and all other matters properly relating thereto. (All Commission Districts.)

SUMMARY

Recommendation to adopt a resolution to set Washoe County's 911 telephone line surcharge to: \$1.00 per month for each customer access line to the local exchange of a telecommunications provider; \$1.00 per month for each mobile telephone number assigned to a customer by a supplier of mobile telephone service; and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider, to be effective July 1, 2023. If approved, this is an increase of \$0.15 per month for customer access lines and mobile lines and \$1.50 per month for trunk lines. The proposed new rates are the maximum monthly rates permitted by NRS 244A.7643(3). Monies in the 911 Fund are used to pay costs associated with enhancing the 911 telephone system for reporting an emergency, costs of updating the required Five-Year Master Plan, and reimbursement of allowable expenses for body-worn and vehicle-mounted camera systems for certain law enforcement agencies who are required under state law to utilize body-worn cameras.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability

PREVIOUS ACTION

On April 25, 2023, the Board adopted a Business Impact Statement for a proposed 911 Telephone Line Surcharge Increase of \$0.15 per line (mobile and land line) and \$1.50 per trunk line, with a finding, based on staff's recommendation, that the proposed surcharge

AGENDA ITEM # _____

increase does not impose a direct and significant economic burden on a business; nor does it directly restrict the formation, operation or expansion of a business.

On September 15, 2022, the Washoe County Regional 911 Emergency Response Advisory Committee ("911 Committee") voted to recommend that the Board increase the 911 Telephone Line Surcharge from \$0.85 to \$1.00 per month for each customer access lines to the local exchange of a telecommunications provider; from \$0.85 to \$1.00 per month for each telephone number assigned to a customer of mobile telephone service (including VoIP service), and from \$8.50 to \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider.

On December 14, 2021, the Board adopted the Washoe County Regional 911 Master Plan update prepared by Federal Engineering, Inc., as recommended by the 911 Committee on September 28, 2021.

On March 27, 2018, the Board adopted Resolution Number R18-018, which set the 911 telephone line surcharge at \$0.85 per month for each customer access line to the local exchange of a telecommunications provider, \$0.85 per month for each telephone number assigned to a customer of mobile telephone service, and \$8.50 per month for each customer trunk line to the local exchange of a telecommunications provider. These rates became effective May 1, 2018.

On March 27, 2018, the Board adopted Ordinance No. 1614, which amended Washoe County Code Chapter 65 to specify: that the permissible maximum 911 telephone line surcharge shall not exceed \$1.00 per month for each customer access line to the local exchange of a telecommunications provider, \$1.00 per month for each telephone number assigned to a customer of mobile telephone service, and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider; and that the unencumbered fund balance shall not exceed \$5,000,000 at the end of any fiscal year.

On March 13, 2018, the Board adopted a Business Impact Statement for a proposed 911 Telephone Line Surcharge Increase of \$0.60 per line (mobile and land line) and \$6.00 per trunk line, with a finding, based on staff's recommendation, that the proposed surcharge increase does not impose a direct and significant economic burden on a business; nor does it directly restrict the formation, operation or expansion of a business.

On February 20, 2018, the Board adopted the Washoe County Regional 911 Emergency Response Advisory Committee Five Year Master Plan Update, prepared by the Galena Group Incorporated, as recommended by the 911 Committee on January 18, 2018; and approved the 911 Committee's recommendation to increase the 911 telephone line surcharge to \$0.85 per month for each customer access line to the local exchange of a telecommunications provider; \$0.85 per month for each telephone number assigned a customer by a supplier of mobile telephone service; and \$8.50 per month for each customer trunk line to the local exchange of a telecommunications provider.

On January 16, 2018, the Board adopted the Washoe County Board of County Commissioners' Policy on the Use of 911 Surcharge Funds for the Body Camera Mandate Set Forth in Nevada Senate Bill 176 (2017).

On October 10, 2017, the Board adopted an Ordinance Number 1601, which amended Washoe County Code Chapter 65 to, among other things, expand the permissible use of the 911 telephone line surcharge to include the purchase and maintenance of portable event recording devices (body cameras) and vehicular event recording devices (vehicle

cameras) in accordance with the Nevada Legislature's enactment of Senate Bill ("SB") 176 (2017).

BACKGROUND

In 1995, the Nevada Legislature enacting SB 473 (1995), which authorized counties to impose a telephone line surcharge to enhance the 911 system for reporting an emergency. Surcharge monies are maintained in a special revenue fund ("911 Fund"). Counties imposing such a surcharge are required to establish and maintain an advisory committee ("911 Committee") to develop a plan to enhance the 911 system and to oversee expenditure of surcharge monies. Counties are also required to adopt a 5-year master plan. Washoe County implemented these provisions to ensure that the 911 system in the county is capable of providing the most efficient service available.

Since 1995, the Nevada Legislature has expanded the permissible use of 911 telephone line surcharge monies and has prioritized the expenditures of monies from the 911 Fund. Under state law, surcharge monies may be expended on the following items, in the following order of priority:

1. Paying the costs of adopting and reviewing the 911 5-Year Master Plan;
2. Paying costs associated with performing an analysis or audit of the 911 surcharge remittances collected by telecommunications providers.
3. Paying costs associated with enhancing the 911 telephone system for reporting an emergency. Such costs may only include:
 - Recurring and nonrecurring charges for telecommunication services necessary for the operation of the enhanced telephone system;
 - Costs for personnel and training associated with the routine maintenance and updating of the database for the system;
 - Purchasing, leasing or renting the equipment and software necessary to operate the enhanced telephone system, including, without limitation, equipment and software that identify the number or location from which a call is made; and
 - Costs associated with any maintenance, upgrade and replacement of equipment and software necessary for the operation of the enhanced telephone system.
4. Paying costs associated with the acquisition, maintenance, storage of data, upgrade and replacement of equipment and software necessary for the operation of portable event recording devices and vehicular event recording devices for certain agencies whose uniformed peace officers are required to wear body-worn cameras while on duty.
5. Paying costs for personnel associated with maintaining, updating, and operating the equipment, hardware and software necessary for portable event recording devices and vehicular event recording devices for certain agencies; and

6. Paying costs for training associated with maintaining, updating, and operating the equipment, hardware and software necessary for portable event recording devices and vehicular event recording devices for certain agencies.

See NV SB 12 (2019) and NV SB 176 (2017).

Currently, Washoe County's 911 telephone line surcharge is \$0.85 per month for each customer access line to the local exchange of a telecommunications provider; \$0.85 per month for each telephone number assigned to a customer of mobile telephone service; and \$8.50 per month for each customer trunk line to the local exchange of a telecommunications provider. Revenue from the current 911 surcharge is placed into a special revenue fund ("911 Fund") administered by Washoe County. Upon recommendation by the 911 Committee, the Board approves expenditures of 911 surcharge monies. Monies in the 911 Fund are currently used to cover costs associated with updating the Five-Year Master Plan, costs associated with 911 telecommunications services, equipment, software, personnel, and training necessary to operate and maintain the enhanced 911 telephone system; and reimbursement of allowable expenses for body-worn and vehicle-mounted camera systems for certain law enforcement agencies who are required under state law to utilize body-worn cameras. These agencies include the City of Reno Police Department, the City of Sparks Police Department, the Washoe County Sheriff's Office, the Washoe County School District, the Washoe County Department of Alternative Sentencing, and the Cities of Reno and Sparks' Municipal Courts' Marshals.

In order to impose a 911 telephone line surcharge, the Board must adopt a 5-Year Master Plan for the enhancement of the 911 system and/or for the purpose of purchasing portable event recording devices and vehicular event recording devices, as applicable. The Master Plan must include cost estimates for the enhancement (or improvement, as applicable) of the county's telephone system for reporting emergencies and/or for the purchase and maintenance of portable event recording devices and vehicular event recording devices. In 2021, Washoe County, upon the 911 Committee's recommendation, hired Federal Engineering, Inc. to provide an update to the 5-year Regional 911 Master Plan. The updated plan includes a five-year plan for the enhancement of the E911 telephone system, as well as the costs of purchasing and maintaining body-worn and in-vehicle video recording devices. The updated Master Plan also provides a thorough review of current operations, budgets, legal requirements, and future requirements of regional 911 emergency telephone systems, as well as the body-worn and in-vehicle event recording device programs for the City of Reno, City of Sparks and Washoe County.

After the Board adopted the updated plan on December 14, 2021, Galena Group, Inc. was commissioned to assist the County in implementing recommendations from the adopted 5-Year Master Plan. As part of the implementation services, Galena Group provided an updated projection of revenue and expenses to the 911 Committee on September 15, 2022. The Galena Group's projection included expenses related to updating the Computer Aided Dispatch (CAD) system, expansion of dispatch facilities, and additional staffing needs related to the 911 system database; and indicated that the 911 Fund would not be able to support all planned projects in the coming fiscal years, fiscal years 2023/2024 – 2025/2026. After thoroughly reviewing and deliberating over Galena Group's findings, the 911 Committee recommended that the Board of County Commissioners increase the

911 telephone line surcharge to the maximum amount allowed in state law-- \$1.00 per month for each customer access line to the local exchange of a telecommunications provider, \$1.00 per month for each telephone number assigned to a customer of mobile telephone service, and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider, in order to provide sufficient funding for the planned 911 telephone system enhancements as well as the purchase and maintenance of body cameras and in-vehicle cameras for approved law enforcement agencies. See attachments to this staff report.

If the 911 Committee's recommendation is ultimately approved by the Board, the 911 telephone line surcharge would be increased by \$0.15 per month for each customer access line to the local exchange of a telecommunications provider, increased by \$0.15 per month for each telephone number assigned to a customer of mobile telephone service, and increased by \$1.50 per month for each customer trunk line to the local exchange of a telecommunications provider.

If revenue from the 911 telephone line surcharge were to exceed the costs associated with supporting the enhanced 911 telecommunications system and the portable and vehicular event recording device programs, the 911 Fund may, as authorized by NRS 244A.7645, accrue to a balance of \$5,000,000. If the fund exceeds \$5,000,000 at the end of any fiscal year, the board of county commissioners shall reduce the amount of the surcharge imposed during the next fiscal year by the amount necessary to ensure that the balance in the fund at the end of the next fiscal year does not exceed \$5,000,000.

PROPOSED RESOLUTION

The proposed resolution is based on data and information provided in the updated 5 Year Regional 911 Master Plan, as adopted by this Board on December 14, 2021; the updated revenue and expenses projections from the Galena Group presented to the 911 Committee on September 15, 2022; and ongoing fund analysis by county staff. This recommendation is to adjust Washoe County's monthly 911 surcharge:

- From \$0.85 to \$1.00 for customer access lines to the local exchange of a telecommunications provider.
- From \$0.85 to \$1.00 for each telephone number assigned a customer by a supplier of mobile telephone service.
- From \$8.50 to \$10.00 for customer trunk lines to the local exchange of a telecommunications provider.

FISCAL IMPACT

All revenue collected from Washoe County's 911 surcharge is deposited into the Enhanced 911 Fund (208), a Special Revenue Fund which is dedicated solely to expenditures authorized by NRS 244A.7645, as recommended by the 911 Committee and approved by the Board of County Commissioners.

The proposed increase of the 911 telephone line surcharge of \$0.15 to \$1.00 per month for each customer access line to the local exchange of a telecommunications provider, of \$0.15 to \$1.00 per month for each telephone number assigned to a customer of mobile telephone service, and of \$1.50 to \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider will result in an estimated annual revenue increase of \$962,200. This projection is based on the total number of land, mobile, and trunk lines reported in 2022. The actual revenue may vary depending on demographic shifts, business formation/dissolution, and changes in telecommunications technology.

RECOMMENDATION

It is recommended that the Board adopt a resolution to set Washoe County's 911 telephone line surcharge to: \$1.00 per month for each customer access line to the local exchange of a telecommunications provider; \$1.00 per month for each mobile telephone number assigned to a customer by a supplier of mobile telephone service; and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider, to be effective July 1, 2023.

POSSIBLE MOTION

Should the Board of County Commissioners agree with the recommendation, a possible motion would be:

“Adopt a resolution to set Washoe County's 911 telephone line surcharge to: \$1.00 per month for each customer access line to the local exchange of a telecommunications provider; \$1.00 per month for each mobile telephone number assigned to a customer by a supplier of mobile telephone service; and \$10.00 per month for each customer trunk line to the local exchange of a telecommunications provider, to be effective July 1, 2023; and all other matters properly relating thereto.”