
Senate Budget and Fiscal Review—Holly J. Mitchell, Chair

SUBCOMMITTEE NO. 5

Agenda

Senator Nancy Skinner, Chair
 Senator John M.W. Moorlach
 Senator Jim Beall



Thursday, May 9, 2019
9:30 a.m. or upon adjournment of Session
State Capitol - Room 113

Consultant: Yong Salas

Part A

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Public Comment

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ITEMS PROPOSED FOR VOTE-ONLY

0690 OFFICE OF EMERGENCY SERVICES**Issue 1: Capital Outlay, Relocation of Red Mountain Communications Site, Del Norte County – Reappropriation**

Budget. The Governor’s Office of Emergency Services (OES) requests a re-appropriation of \$1.26 million (General Fund) for the working drawings phase of the Relocation of Red Mountain Communications Site project.

Background. The Red Mountain communications site hosts five communications vaults and towers needed to support critical radio communications for twelve government public safety agencies and private industry serving the western side of Del Norte and Humboldt counties. These facilities provide public safety communication services supporting a population of approximately 250,000 people and provide vital communication links to state, federal, and local law enforcement, transportation, and resource agencies.

However, in the 1990s, the United States Forest Service and the California Department of Forestry and Fire Protection entered into a lease agreement with a termination, vacate, and clear date of December 31, 2022. The Public Safety Communications Office of OES had identified three alternative sites at Alder Camp, Rodgers Peak, and Rattlesnake Mountain to relocate the Red Mountain Communications Site. However, in August 2017, the National Park Service notified OES of its intent to deny a permit for the use of Rodgers Peak, citing construction as a modern intrusion on national park land. An alternate site, Big Lagoon, was identified and a scope change for this project was approved by the Public Works Board in January 2018.

Delays for the working drawings phase were due to: (1) challenges securing an architectural and engineering contract and in securing long-term leases; (2) denial of required permitting by the federal government for the Rodgers Peak site, and the need to identify another site; and (3) challenges to access road acquisition and construction agreements for the three sites.

The current project schedule estimates preliminary plans to be completed in July 2019, with the working drawings phase to begin in August 2019 and completed in December 2019. Construction is scheduled to begin in April 2020 and completed in October 2022. Demolition of the Red Mountains communications site will be completed by December 2022, pursuant to the original agreement.

Below is a history of the various appropriations that were provided since 2014-15 for the relocation of the Red Mountains communications site.*

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (requested)
Preliminary Plans	2,683,000	<i>2,683,000</i>	<i>2,683,000</i>	<i>2,683,000</i>	<i>3,236,000**</i>	<i>3,236,000</i>
Working Drawings Phase	<i>1,261,000</i>	1,261,000	<i>1,261,000 - reapprop</i>	<i>1,261,000 - reapprop</i>	<i>1,261,000 - reapprop</i>	<i>1,261,000 - reapprop</i>
Equipment				1,856,000	<i>1,856,000</i>	<i>1,856,000</i>
Acquisition						1,517,000
Construction	<i>16,040,000</i>	<i>16,040,000</i>	<i>16,065,000</i>	<i>14,199,000</i>	15,382,000	<i>15,382,000</i>
TOTAL ESTIMATED COST	19,984,000	19,984,000	20,009,000	19,999,000	21,735,000	23,252,000

* *Bold font indicates when the money was appropriated. Italicized font indicates estimated costs or the amount that was appropriated for this phase (included for purposes to calculate the total estimated costs of that year).*

**\$553,000 was augmented for the preliminary plans phase pursuant to GC 13332.11, which allows the State Public Works Board to augment a major project up to 20 percent of capital outlay costs, with Joint Legislative Budget Committee notification required for augmentations that are more than 10 percent of capital outlay costs. These costs were for unforeseen geotechnical-related activities at the Rattlesnake Peak and Big Lagoon sites, and include the construction of a new forest road and site clearing of shrubs and trees to access these two sites for design purposes.

Staff Recommendation. Approve as requested.

Issue 2: Capital Outlay, Relocation of Red Mountain Communications Site, Del Norte County - Augmentation

Budget. OES requests \$1.5 million (\$1,517,000) General Fund for the acquisition phase of the Relocation of Red Mountain Communications Site project in Del Norte County.

Background. Background information for the relocation of the Red Mountains communications site is detailed in the item related to the re-appropriation request for funding to execute the working drawings phase.

During the preliminary plan phase of this project, it was determined that in order to proceed the construction phase on the three sites and to ensure long-term access to each communication facility, real estate rights would need to be secured for the roads necessary to reach each mountain top site. OES proposes to enter into agreements with the Green Diamond Lumber Company, which owns the Big Lagoon and Rattlesnake Peak and surrounding property, to acquire the necessary real estate rights for use and access to the sites. While the Alder Camp site is owned by the state, the surrounding property is also owned by Green Diamond Lumber Company.

The Department of Finance states that while the Department of General Services remains the managing entity over the relocation project on behalf of OES, the entity drafting the agreement between OES and the Green Diamond Lumber Company will shift from DGS to private entity with the hope of expediting the execution of necessary agreements. Acquisition of the real property rights is necessary prior to the completion of the working drawings phase, and Finance expects the acquisition to be approved by the State Public Works Board by July 2019. The rights acquired through the agreements will allow construction to be completed prior to the December 31, 2022 deadline.

Staff Recommendation. Approve as requested.

Issue 3: Proposition 1B Extension of Liquidation Period

Budget. OES requests to extend the liquidation period of Proposition 1B funds, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, from various prior fiscal years to enable cities, counties, and transit districts to continue to liquidate unexpended grant funds for transportation and security and improvement projects.

Background. Proposition 1B provides \$1 billion to OES for transportation security purposes. Although OES has allocated all of its apportioned Proposition 1B funds through grants to cities, counties, and local transit districts, grantees need additional time to liquidate their allocations. An extension of the liquidation period will allow local entities to complete their critical transportation security improvement projects.

The liquidation period for Proposition 1B funds appropriated in the Budget Acts of 2007, 2008, 2009, 2010, 2011, 2012, and 2013 will be extended until June 30, 2021. The liquidation period for funds appropriated in the Budget Acts of 2014, 2015, and 2016 will be extended until June 30, 2022.

Staff Recommendation. Approve as requested.

ITEMS PROPOSED FOR DISCUSSION/VOTE

0690 OFFICE OF EMERGENCY SERVICES**Issue 4: Broadband Communication, 9-1-1 Integration, and State Emergency Telephone Number Account Transfer and Trailer Bill Language**

Governor's Budget. The Governor's Office of Emergency Services (OES) requests ongoing \$1 million (\$1,003,000) State Emergency Telephone Number Account (SETNA) and six positions to support the implementation and ongoing workload associated with emergency communications coordination and First Responder Network Authority (FirstNet) broadband network services. The Administration is also proposing to transfer \$50 million General Fund to the SETNA with trailer bill language that would change its fee structure.

Background. In 2012, Congress created FirstNet within the Department of Commerce's National Telecommunications and Information Administration (NTIA). FirstNet is charged with creating a nationwide wireless broadband network for public safety; the Nationwide Public Safety Broadband Network (NPSBN), or FirstNet network, will be the first ever nationwide high speed broadband data communications network dedicated to public safety.

On March 30, 2017, FirstNet awarded a \$6.5 billion, 25-year agreement to AT&T to build the nationwide network. FirstNet and AT&T have developed "State Plans" for each state, including California. The NTIA awarded states funding through its State and Local Implementation Grant Program (SLIGP) to: (1) assist in planning for statewide deployment of the FirstNet network, and (2) assist with consultations with regional, tribal, and local entities. OES received \$5.7 million SLIGP, which had an award period from August 1, 2013 to January 31, 2018. Reverted funds from all states were combined and reallocated, and through this, OES was awarded \$1.2 million – this award period is from March 1, 2018 through February 29, 2020. Five of the six requested positions are currently funded by the SLIGP award.

After conducting outreach meetings and providing feedback, OES opted-in to FirstNet in December 2017. In 2018, AT&T began building out FirstNet in California. Prior to and during the release of the state plan, these positions have been primarily focused on outreach and information sharing as California gathered the data needed for FirstNet and AT&T to develop the plan. The positions will initially be used to support the deployment of FirstNet through 2020 and the ongoing management of FirstNet through the 25 year federal project timeline.

Chapter 1, Statutes of 2019 (AB 72, Committee on Budget) provides a \$10 million General Fund loan to the SETNA in the current fiscal year to begin upgrading the microwave network as part of Next Generation 9-1-1 system activities. The Administration is proposing to transfer \$50 million General Fund into SETNA to continue implementing improvements to the state's 9-1-1 system.

OES is providing statewide coordination to ensure the implementation meets public safety needs and is integrating FirstNet with Next Generation 9-1-1. While FirstNet and Next Generation

9-1-1 are separate and distinct systems, they must be integrated to allow data to be transferred from the 9-1-1 caller to the public safety answering point and finally to the emergency responder.

Trailer Bill Language. Currently, the 9-1-1 system is funded by fees assessed on a percentage rate of intrastate voice calls. OES is proposing trailer bill language that reflects modern technological advancements and consumer phone usage. Specifically, the language:

- Recasts the fee from a percentage rate surcharge of not less than 0.5% and not more than 0.75% on intrastate voice communications, to a flat rate fee based on appropriation, revenue need, and the number of access lines reported to OES. The new flat rate fee shall be no more than eighty cents (\$0.80) per access line per month.
- Expands the number of access lines from intrastate voice wireline, wireless, and Voice over IP communication to all wireline, wireless, Voice over IP, and Mobile Prepaid access lines.
- Expands the definition of a “basic system” that would be funded by the surcharge to include Next Generation 911, subsequent technologies and interfaces needed to send information, including alerts and warnings to potential 911 callers.
- Implements the operative date as January 1, 2020.

Staff Recommendation. Hold open.

LEGISLATIVE PROPOSALS**Issue 5: School Safety/Communications with Emergency First Responders**

The subcommittee has received a proposal requesting \$5 million General Fund for a grant program administered by OES for K-12 public schools, community colleges, and California State University campuses to purchase interoperability technology. This technology would give local first responders, who are responding to an incident such as a school shooting, immediate video and real-time audio access to possibly enhance their ability to quickly control the incident and either prevent or minimize casualties.

Issue 6: California Nonprofit Security Grant Program

The subcommittee has received a proposal for one-time \$15 million for the California Nonprofit Security Grant Program, administered by OES, to assist nonprofit organizations that are likely targets of hate-motivated violence. The funds are used by nonprofit groups for security improvements at their facilities such as community centers, synagogues, mosques, schools and similar locations. Since 2015, the state has provided \$4.5 million for the California Nonprofit Security Grant Program. As part of this funding, the 2018 Budget Act provided \$500,000 which funded eight applications, despite the program receiving 115 applications that totaled \$7.9 million in requested funding.

Issue 7: Emergency Preparedness and Hazard Mitigation Funding for City of San Jose

The subcommittee has received a proposal for one-time \$12 million General Fund to fund emergency preparedness and hazard mitigation for the City of San Jose. These funds would support: (1) the city's emergency operations center; (2) its fire training center; (3) establishing a grant program to assist in reducing risks from soft story structure collapse; (4) maintaining Coyote Creek; and (5) staff training and recruitment for planning and community resilience.

Issue 8: Funding for Local Modernizing Technologies

The subcommittee has received a proposal requesting ongoing \$13 million General Fund for modernizing and improving locator technologies to allow for more efficient and effective resource deployment. These funds would be used to upgrade antiquated systems for tracking mutual aid engines.

Issue 9: North State Public Safety Training & Emergency Operations Center

The subcommittee has received a proposal requesting one-time \$23.7 million General Fund for building infrastructure, site development, and live fire props and facility equipment for a North State Public Safety Training & Emergency Operations Center. The structure is proposed to be built on approximately 7.5 acres of City of Yuba City-owned property, and would provide a venue for emergency response and readiness training.

Issue 10: Human Trafficking Victim Services

The subcommittee has received a proposal requesting ongoing \$12.5 million General Fund for human trafficking services. The Governor's Budget included ongoing \$10 million General Fund for the Human Trafficking Victim Assistance Program, and this proposal would augment the Governor's Budget with an ongoing \$2.5 million for training and education purposes.

Issue 11: Santa Barbara County Emergency Systems

The subcommittee has received a proposal requesting \$4.05 million to support Santa Barbara County's emergency system, including: (1) the land mobile radio systems; (2) the expansion of its call center in the Emergency Operation Center; (3) supporting its "Whole Community Outreach" program; and (4) developing Community Wildlife Protection Plans.

Issue 12: Mobile Operations Satellite Emergency Systems (MOSES)

The subcommittee has received a request for \$8 million to the Santa Clara County Fire Department for the purchase of four Mobile Operations Satellite Emergency Systems (MOSES) to support communications services during emergencies. MOSES is a portable, interoperable, and secure technology that can be deployed to serve a variety of communications functions.

Staff Recommendation. Hold open all legislative proposals.