

METRO REGION
800 MHz Trunked Regional Public Safety Radio System
Standards, Protocols, Procedures

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| Document Section: | 6 – Financial Policies & Procedures | Radio TOC Approval – Signature: |
| Sub-Section: | METRO 6.2.0 | |
| Procedure Title: | User Fees for Administration | |
| Date Established: | 8/27/01 | |
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1. Purpose or Objective

The purpose of this standard is to outline a procedure for determining costs of operation, administration, and maintenance of the first phase backbone system and for billing each agency its prorated share. The standard is governed by Minnesota Statutes 473.902, which grants the Metropolitan Emergency Services Board (MESB) the power to assess user fees, and by the various cooperative agreements between the Board and the governmental entities who are full participants in the region-wide system.

2. Technical Background:

▪ **Capabilities**

N/A

▪ **Constraints**

N/A

3. Operational Context:

Minnesota statutes provide for the MESB to assess each fully participating entity a user fee to cover the ongoing costs of administering, operating and maintaining the system. The MESB's Policy as adopted by resolution on June 1, 2001 states: “**Whereas**, all management and administrative costs of operating the Metropolitan Emergency Services Board previously borne by the Metropolitan Council will transfer to the MESB by July 1, 2002, and **whereas**, Minnesota Statutes 473.894 provides that the MESB shall determine how capital, operating and administrative costs of the first phase system will be spread across users of the system, **therefore**, the Board determines that fees shall begin being charged to users effective July 1, 2002 to cover operating and administrative costs not eligible to be paid by 9-1-1 surcharge revenues.. Fees to be set by the Board shall be based on the number of subscriber radios deployed by respective users and on the projected need of the MESB for funds. It shall be the policy of the Board to phase the user fees in as radios are deployed, and to use funds in the unrestricted operating account to make up any shortfall during the ramp-up period prior to full deployment.”

4. Recommended Protocol/ Standard:

The standard is governed by the cooperative agreement among the parties. The agreements require the Metropolitan Emergency Services Board to provide an estimated charge rate by August 1st of the year prior to the budget year. The agreement provides for quarterly billing. Current MESB policy is to bill each entity on the basis of the number of subscriber radio sets projected to be in use when the system is fully deployed. For purposes of budgeting, each entity must, upon request of the MESB, supply the MESB with information concerning the entity's projected use of subscriber radios.

To the extent possible, system maintenance costs, which are an eligible use of the Board's 9-1-1 revenues, shall be paid by the Board without being charged back as a part of the user fees. If and when 9-1-1 moneys are not available to the Board, system maintenance may become a cost to be allocated to users.

Each "Active Radio" on the system, regardless of ownership or intended use, will be assessed a user fee for the administrative costs of the Board. A radio is considered to be an "Active Radio" when all of the following conditions are present: (1) The unit has to be a two-way radio connecting with the system over the air via the control channel; (2) The unit has to be assigned a unique system user ID; and (3) Installation/deployment and commencement of use has occurred. Radios that are "cache radios," intended primarily for use in emergencies, but not used on a regular basis, shall be considered "active" only during each calendar month of use for purposes of assessing the fee. At other times such units shall be considered "inactive" and need not be reported as an active radio.

Radios purchased by Authorized Users but not yet deployed and/or installed, or radios that are no longer in service, are not considered "Active Radios" because they are not being used.

Initial functional tests on radios intended for future deployment conducted by a radio technician as part of inventorying, programming and bench testing does not constitute "commencement of use."

Any exception to this policy for specific radios or users will require a formal Waiver by the Board in accordance with Interim Standard 1.5b.

5. Recommended Procedure:

Each year, during the MESB's annual budgeting process, MESB staff shall prepare an estimate of the projected administrative costs to be covered by user fees for the upcoming calendar year. This procedure shall be accomplished by the regular June meeting of the Board. Administrative costs include salaries and benefits for MESB staff, rental of office space, the cost of office supplies, postage, travel, subscriptions, fees and dues; and services such as legal, financial, web site development and maintenance, general liability insurance, and intergovernmental relations.

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Each entity shall be informed of the fee projected to be charged for the following calendar year no later than August 1st of the year preceding the budget year.

Billings shall be prepared and submitted quarterly beginning with the third quarter of 2002.

6. Management

The Executive Director of the Board is responsible for managing this procedure.