

December 5, 2006

Board of Supervisors  
County of Marin  
Room 329, Civic Center  
San Rafael, CA 94905

**SUBJECT:** Approval of Resolution for Public Safety and Emergency Radio System Project Financing

Dear Board Members:

**RECOMMENDATION**

Adopt the Attached Resolution Approving Public Safety and Emergency Radio System Project Financing

**SUMMARY**

On February 28, 1998, the County of Marin entered into a Joint Powers Agreement (JPA) with 25 other agencies establishing the Marin Emergency Radio Authority (MERA). MERA's mission was to design, acquire, develop and operate a state-of-the-art radio communications system. With development of the system nearly completed, there is a recognized need to raise additional capital funds to finalize the project.

At its Aug 31, 2006 meeting, the MERA Board of Directors approved the additional funding request. Under California law concerning joint powers agencies, the issuance of debt by a JPA requires the approval of the Board of Supervisors. Your Board acted in this capacity in 1999 when MERA issued its original bond obligation to build the system.

The recommended financing plan is to issue a 2006 Operating Project Note (the "Note") in the amount of \$2,250,000 through Citizen's Business Bank. Annual appropriations in the MERA operating budget will be used to pay the Note. While this note is capital funding for equipment and site improvement rather than for operating costs, the terms of the original 1999 bond issuance require that the new loan be paid as an "operating" expense.

Under California state law, your Board is being asked to make the following finding:

The Board of Supervisors hereby finds that the financing of the Operating Costs through the issuance of the Note will result in savings in effective interest rates, underwriting costs and issuance costs and thereby result in significant public benefits to the citizens of the County within the contemplation of Section 6586 of the California Government Code.

## **FISCAL IMPACT**

The County's share of \$43,420 was included in the County's 2006-07 payment to MERA. The County's ongoing payments are estimated to be \$86,840 for the seventeen year term of the debt issuance.

<b>REVIEWED BY:</b>	<input type="checkbox"/> Auditor Controller	<input checked="" type="checkbox"/> N/A
	<input checked="" type="checkbox"/> County Counsel	<input type="checkbox"/> N/A
	<input type="checkbox"/> Human Resources	<input checked="" type="checkbox"/> N/A

Sincerely,

Matthew H. Hymel  
County Administrator

Attachment