



COUNTY ADMINISTRATOR
220 NORTH MAIN STREET, P.O. BOX 8645
ANN ARBOR, MICHIGAN 48107-8645
(734)222-6850
FAX (734)222-6715

To: Barbara Levin Bergman, Chair
Ways and Means Committee

From: Marc C. Breckenridge
Emergency Management Director

Through: Robert E. Guenzel
County Administrator

Date: January 23, 2008

Subject: Resolutions to adopt Public Act 164 of 2007 (the Emergency 9-1-1 Service Enabling Act), and to establish a standardized Washtenaw County Enhanced 9-1-1 surcharge.

Board Action Requested

It is requested that the Board of Commissioners adopt the provisions of P.A. 164 of 2007 by resolution, and adopt a second resolution to establish a Washtenaw County standardized surcharge on all communications devices with access to 9-1-1.

Background

Washtenaw County currently has twenty-nine emergency response agencies including fifteen fire departments, twelve police agencies, one ambulance agency, and one Hazardous Materials team. Together, these agencies provide emergency response services to more than 322,770 residents and to an estimated 70,000 non-residents who commute for employment. The agencies are dispatched to emergencies by one of our nine Public Safety Answering Points (9-1-1 dispatch centers or "PSAP's").

In 1986 the Michigan Legislature passed Public Act 32, allowing 9-1-1 services within the state. The Board of Commissioners adopted Washtenaw County's first 9-1-1 Plan on February 1, 1989. This enabled Washtenaw County to establish 9-1-1 as the universal number for emergency services.

Public Act 196 of 1991 amended Public Act 32, creating a funding mechanism for emergency communication technologies. The Washtenaw County Enhanced 9-1-1 Plan was then amended on July 8, 1992 with these funding provisions. This allowed for the collection of a 4% surcharge on the highest monthly flat rate charged by a service supplier for a one-party access line. This surcharge is allocated quarterly to each of the Primary Public Safety Answering Points for operational expenses and is calculated based on the number of telephone lines serviced in that jurisdiction.

Public Act 29 of 1994 further amended Public Act 32, and repealed Public Act 196. Changes included alteration of the funding mechanism, additions and changes to various definitions, addition of requirements pertaining to the disbursement and usage of monies collected, and the composition of local Emergency Telephone District Boards. Pursuant to these amendments, Emergency Management asked the Board of Commissioners to recreate the 9-1-1 Task Force as the Emergency Telephone District Board (ETDB) and specify representation pursuant to the new legislation. The board approved this request on September 20, 1995.

The Board of Commissioners approved an additional update to the Enhanced 9-1-1 Plan on April 18, 2001. The Plan was amended to include language required by the State Emergency Telephone Service Committee to address new funding and service related issues pertaining to the provision of cellular 9-1-1 services. The Plan established Washtenaw Central Dispatch as the county's primary answering point for all wireless 9-1-1 calls in Washtenaw County. Washtenaw Central Dispatch was allocated 75% of all wireless surcharges for this purpose and this fund is referred to as the Wireless 9-1-1 Operational Fund. A formula was also established to provide funding for any of the other Primary Public Safety Answering Points in Washtenaw County that choose to receive initial wireless 9-1-1 calls in their jurisdiction.

In 2005, the City of Ann Arbor began receiving wireless 9-1-1 calls initiated inside of their jurisdiction. Washtenaw Central Dispatch and Ann Arbor Police Dispatch currently share the 75% Operational Fund based on the wireless 9-1-1 call volume to their dispatch centers reported quarterly. In the third quarter of 2007, Ann Arbor city answered 23.13% of the wireless 9-1-1 calls and Washtenaw Central Dispatch received the remaining 76.87% of wireless 9-1-1 calls.

The remaining 25% of the wireless surcharge is held in a separate account for the purpose of funding future wireless 9-1-1 technologies pursuant to the direction of the Emergency Telephone District Board. A total of \$220,194.02 has been allocated to the Primary Public Safety Answering Points for upgrades to their 9-1-1 telephone equipment. These upgrades included technology to receive and map wireless 9-1-1 calls. An additional \$275,113.63 has been approved for 2007 costs related to the Courts and Law Enforcement Management Information System (CLEMIS).

The Board of Commissioners also adopted additional amendments to the Enhanced 9-1-1 Plan on October 6, 2004 to add language allowing for the collection of an additional 16% surcharge (\$3.20 per month) over and above the existing 4% surcharge (\$.80 per month) for a surcharge total of 20% (\$4.00 per month) on a one-party access line. This surcharge increase, which required voter approval under the Public Act 32, would have been allocated in its entirety to fund the Business Plan recommended by the 800 MHz Consortium Board. However, on May 8, 2006, the voters approved a separate ballot proposal to fund the 800 MHz Business Plan and an increase to the 9-1-1 surcharge was no longer pursued.

Discussion

Currently, Washtenaw County collects a local surcharge of \$.80 on landline telephone service which provides some funding to the nine primary Public Safety Answering Points (PSAPs) in Washtenaw County. The annual revenue generated from this surcharge in 2006 was \$1,517,930. In contrast, the total of the operating budgets for our nine PSAP's in Washtenaw County exceeded \$6.3M. The revenue generated under the current landline surcharge is distributed to each of the primary PSAPs based on the number of lines in service in their jurisdiction.

The State of Michigan currently collects a surcharge of \$.29 on all Commercial Mobile Radio Services (CMRS, commonly referred to as cell phones). Under the provisions of the new act (P.A. 164), the State of Michigan has established a statewide surcharge of \$.19 on all devices with access to 9-1-1 and a billing address within the boundaries of Michigan. This surcharge is proposed to continue baseline funding for counties, dispatcher training programs, the State 9-1-1 office, common 9-1-1 Network elements, and billing and collection services. Washtenaw County received \$423,286.00 in 2006 and is projected to receive approximately the same level of funding from this new funding mechanism.

In addition to the statewide revenue stream outlined above, P.A.164 also provides for a County-based 9-1-1 surcharge on all communications devices with access to 9-1-1 and a billing address in Washtenaw County. Washtenaw County currently collects \$.80 on each landline service under the existing legislation, which generated \$1.8M in revenues in 2003, followed by \$1.6M in 2005 and \$1.5M in 2006. This decline in revenues is directly attributed to the increased use of other communications services such as cell phones and Voice over Internet Protocol (VoIP) service, which utilizes the Internet to provide telephone service.

For the first half of 2007, 63.5% of all 9-1-1 calls received by Washtenaw County's Primary Public Safety Answering Points were made from cellular telephones. This figure demonstrates the impact that wireless communications has had on dispatch operations and the unequal application of a County 9-1-1 surcharge placed only on landline telephone bills.

The Public Safety Answering Point Committee (the Emergency Telephone District Boards' technical advisory group) met on August 28, 2007 and recommended to the ETDB that the existing \$.80 surcharge should remain on landline service; and the same \$.80 should be assessed on all other devices with access to 9-1-1. This recommendation would enhance revenue stability between wireline surcharges and surcharges that are collected from other communications devices with access to 9-1-1 service. It would also provide fairness in surcharge collections between wireline and non-wireline users. Both of these features were lacking in the previous 9-1-1 legislation.

The Emergency Telephone District Board then held a special meeting on August 30, 2007 to review the recommendations from the PSAP Committee. The ETDB voted unanimously to recommend to the Board of Commissioners the adoption of a resolution

to include the terms of P.A. 164, and to adopt a second resolution, which establishes a County-based monthly surcharge of \$.80 on all devices with access to 9-1-1 beginning on July 1, 2008. This surcharge is projected to generate \$1.8M annually, less a 5% administrative fee to pay for actual staff support and cost allocation expenses.

Impact on Personnel

None.

Impact on Budget

It is projected that this change will increase the county's portion of the collected revenue by approximately \$120K over the current budgeted amounts.

Impact on Other County Departments

As our constituents continue to embrace new technologies, so must our 9-1-1 centers. Accordingly, the technological and subsequent financial demands of these technologies are often overwhelming for local governments. Public expectations are that our 9-1-1 centers possess the best technology and conform to nationally established standards of professionalism, regardless of the communications device being used. The even application of Washtenaw County's 9-1-1 surcharge will provide a more stable funding mechanism for these services and not place the financial burden on any singular form of technology.

The Washtenaw County Public Safety Answering Point Committee has already begun discussions to revise the County's 9-1-1 Plan to address changes required by P.A. 164. Once drafted, the 9-1-1 Plan will be submitted to the Emergency Telephone District Board for review and recommendation to the Board of Commissioners later this year.

Conformance to County Policies and Procedures

These Resolutions conform to all Washtenaw County policies and procedures.