



David A. Edmunds
Executive Director
Utah Communications Authority
5215 Wiley Post Way, Suite 550
Salt Lake City, Utah 84116

To Whom It May Concern:

Utah Code Ann. § 63H-7a-205(9) requires that I, David Edmunds, as the Executive Director of the Utah Communications Authority (“UCA”), “make available to the public a report ... to the board, the Executive Offices and Criminal Justice Appropriations Subcommittee, and the Legislative Management Committee that includes” information relating to UCA's operations for fiscal year 2021, which ended June 30, 2021 (“FY2021”). A report of this information is included below:

A. The Total Aggregate Surcharge Collected by the State in the Last Fiscal Year Under Title 69, Chapter 2, Part 4, 911 Emergency Service Charges.

Based on reports provided to UCA from the Utah State Tax Commission during FY2021, the total aggregate surcharge collected by the State in FY2021 was \$30,728,197 comprised of \$13,631,107 for P25 upgrade purposes, \$7,217,574 for UCA's ongoing operations and maintenance, and \$9,879,516 for 911 purposes.¹

B. The Amount of Each Disbursement from the Restricted Accounts Described in Utah Code Ann. §§ 63H-7a-303, -304, and -403.

Utah Code Ann. § 63H-7a-303 creates the Computer Aided Dispatch Restricted Account. There were no disbursements from that account for FY2021.

Utah Code Ann. § 63H-7a-304 creates the Unified Statewide 911 Emergency Service Account. Disbursements from that account for FY2021 were as follows:

- \$8,208 was disbursed to the Bountiful Police Department for the maintenance of its 911 call taking equipment;
- \$97,673 was disbursed to Century Link on behalf of the PSAP in Emery County for the upgrade and maintenance of its 911 call taking equipment;
- \$106,026 was disbursed to Century Link on behalf of the PSAP in San Juan County for the upgrade and maintenance of its 911 call taking equipment;
- \$111,345 was paid to Century Link on behalf of the PSAP in Grand County for the upgrade and maintenance of its 911 call taking equipment;
- \$130,535 was paid to the City of St. George for the maintenance of its 911 call taking equipment;

¹ It is important to note that UCA's appropriations regarding the P25 and Radio funds were less than the amounts collected from the surcharge.

- \$260 was paid to the Grand County Sheriff’s Office for the upgrade of its 911 call taking equipment;
- \$72,331 was paid to Salt Lake City 911/Salt Lake City Corp. for the maintenance of its 911 call taking equipment;
- \$16,334 was paid to the Sanpete County Sheriff’s Office for the maintenance of its 911 call taking equipment;
- \$74,783 was paid to SLVECC for the maintenance of its 911 call taking equipment;
- \$28,380 was paid to the Tooele County Sheriff’s Office for the maintenance of its 911 call taking equipment;
- \$29,823 was paid to Weber Aea Dispatch 911 for the maintenance of its 911 call taking equipment.

In addition, distributions from this account were made to UCA’s operating accounts for permissible expenses under Utah Code Ann. § 63H-7a-304, including expenses in accordance with UCA’s strategic plan, as well as to cover administrative costs. UCA’s utilization of these funds was as follows:

Administration Costs	\$ 3,421
Insurance	\$ 1,506
Payroll Expenses	\$ 387,807
Professional Fees	\$ 45,154
911 Network Maintenance (Legacy Equipment, Text-to-911, Training, Travel, Website, Etc.)	\$ 622,370
NG911 Contract Costs and Consulting	\$ 3,666,997
Rents and Leases	\$ 11,529

Utah Code Ann. § 63H-7a-403 creates the Utah Statewide Radio System Restricted Account. Distributions from this account were made to UCA's operating accounts for two statutory purposes. First, \$12,795,639 was distributed for purposes related to the upgrade of the statewide radio network from its current analog technology to the P25 technology which is digital and provides an open architecture for greater end user competition. UCA's utilization of these funds was as follows:

Administration Costs	\$ 6,277
Insurance	\$ 2,238
Radio Network Maintenance and Upgrade	\$12,107,298
Payroll Expenses	\$ 656,892
Professional Fees	\$ 9,191
Non-Network Rents & Leases	\$ 13,743

Second, \$8,118,236 was utilized for UCA's ongoing operations, maintenance, and expansion of its existing network, as well as UCA’s statutory interoperability functions, in the following budget categories:²

Administrative Costs	\$ 262,411
Insurance	\$ 91,107
Radio Network Maintenance	\$ 1,327,222
Radio Network Expansion	\$ 1,041,691
Radio Network Upgrade	\$ 1,418,405
Payroll Expenses	\$ 2,996,886

² UCA will also be recognizing approximately \$1.7 to \$1.8 million of depreciation for FY21.

Professional Fees	\$ 207,007
Non-Network Utilities	\$ 11,658
Non-Network Rents & Leases	\$ 146,858
Other Capital Expenditures	\$ 614,991

C. The Recipient of Each Disbursement, the Goods and Services Received, and a Description of the Project Funded by the Disbursement.

See above, as this information is provided in response to part B. Other than as listed above, disbursements from UCA’s restricted accounts are only made to UCA’s operating accounts held at Wells Fargo Bank and Zion’s Bank. From there, UCA pays numerous vendors, landowners, parts suppliers, service providers, employees, etc.

UCA does have some notable projects, however, which warrant a discussion. UCA is currently upgrading the entirety of the State’s 700-800 MHz public safety radio system to the non-proprietary, digital, Project 25 standard. This project is expected to last several years and FY2021 saw a significant amount of planning as well as remediation of numerous UCA sites to prepare for the towers and shelters for the new P25 equipment. UCA also saw the installation of equipment on sites remediated last year, a meaningful step toward the completion of this project. During FY2021, UCA paid L3Harris Technologies a total of \$10,477,946. UCA is also consulting with Federal Engineering on this project and UCA paid Federal Engineering a total of \$123,238 for this work.³

In addition, UCA is in the process of upgrading Utah’s 911 emergency network and Utah’s PSAPs’ call-handling equipment to provide Next Generation 911, or NG911. The contract for this work was awarded to Vesta Solutions, a subsidiary of Motorola Solutions, and in FY2021, UCA paid Vesta a total of \$3,536,603. UCA is also consulting with Federal Engineering on this project and UCA paid Federal Engineering a total of \$117,894 for this work.⁴

D. Any Conditions Placed by the Authority on the Disbursements from a Restricted Account.

No conditions were placed on the above disbursement outside of those required by Utah law and those found in UCA's strategic plans located and available at www.uca911.org.

E. The Anticipated Expenditures from the Restricted Accounts Described in this Chapter for the Next Fiscal Year.

With respect to the funds left in the Computer Aided Dispatch Restricted Account, during FY2020 the Valley Emergency Communications Center (“VECC”) requested to have their CAD grant reaffirmed and UCA’s Governing Board did so. Accordingly, at present, all of these remaining funds are committed to VECC. With the expectation that VECC may return some of these funds, UCA has adopted administrative rules to address the distribution of such CAD funds for other projects. At present, UCA is aware of no other claims to such funds, however, we have budgeted for the possible expenditure of \$657,553 out of this account for PSAPs that qualify pursuant to the administrative rules, and assuming VECC releases claims to the funds.

It is anticipated that in FY2022, disbursements will be made from the Unified Statewide 911 Emergency Service Account up to the amounts existing in that account and/or appropriated by the Legislature:

³ These amounts are included in the calculations above in Part B and are noted here by way of information only.

⁴ These amounts are included in the calculations above in Part B and are noted here by way of information only.

- \$2,771,099.51 for the 911 Division's Administrative Costs, Operations, Insurance, Professional and Consulting Services, Maintenance, etc. including expenses related with the maintenance of the legacy statewide 911 network and statewide call counting services;
- \$250,000 to be distributed to PSAPs to reimburse these PSAPs for maintenance expenses associated with their 911 call taking equipment;
- \$1,539,723 has already been distributed to PSAPs pursuant to Utah Code Ann. §63H-7a-304.5, and UCA expects to distribute no additional funds for this purpose in FY2022; and
- \$12,000,000 for the statewide, NG911 ESInet, Next Generation Core Services, and Call-Handling solution for all PSAPs in Utah.

With respect to the Utah Statewide Radio System Restricted Account, UCA utilizes these funds, as well as other sources of income, to maintain the public safety communications network in accordance with the following categories and approximate amounts:

- Administrative Expenses - \$552,625
- Depreciation - \$2,250,000
- Insurance - \$176,569
- Interest Expense - \$15,000
- Non-Capital Radio Network Upgrade - \$1,745,400
- Radio Network Maintenance - \$1,666,900
- Non-Capital Radio Network Expansion - \$132,000
- Professional Services - \$405,100
- Personnel Costs - \$5,150,852.45
- Non-Network Rents and Leases - \$183,387
- Non-Network Utilities - \$13,350
- P25 Upgrade Contract - \$34,460,200
- Other P25 Upgrade Related Capital Expenses - \$3,543,360
- Capital Radio Network Expansion - \$3,334,292
- Other Capital Equipment - \$5,332,692

F. The amount of any unexpended funds carried forward.

The Utah Division of Finance has not provided UCA with access to FINET and/or a report showing the amounts in the 911 Fund, the Radio Fund, or the CAD fund in order for UCA to report on the amounts of unexpended funds carried forward.

G. The Goals for Implementation of the Authority Strategic Plan and the Progress Report of Accomplishments and Updates to the Plan.

During FY2021, UCA made significant advancements on the multi-year migration of the statewide, public safety radio network from its legacy state to the new P25 compliant equipment. Likewise, in FY2021, UCA made significant progress on the migration of Utah's 911 network and equipment to the NG911 standard. UCA continues to maintain the legacy radio network, expand this network, promote interoperability across the state, provide public safety communications trainings, and provide support to Utah's PSAPs. This is all in keeping with UCA's strategic plans.

H. Other Relevant Justification for Ongoing Support from the Restricted Accounts Created by Sections 63H-7a-303, 63H-7a-304, and 63H-7a-403.

At present, there is no ongoing appropriation to the Computer Aided Dispatch Restricted

Account. Through SB198, the Utah Legislature shifted the funds that had previously been deposited into the Computer Aided Dispatch Restricted Account to go directly to PSAPs around the state.


Utah Code Ann. § 63H-7a-304(2)(a) provides that UCA may disburse funds in the Unified Statewide 911 Emergency Service Account “for the purpose of enhancing the statewide public safety communications network in order to rapidly and efficiently deliver 911 services in the state.” As discussed above, UCA executed a contract with Vesta Solutions, a subsidiary of Motorola Solutions, to upgrade Utah’s 911 system. Specifically, UCA is replacing the emergency network (sometimes referred to as the ESInet), the routing and call services that manages the calls on that network (called core services), and all of the call handling equipment at all of Utah’s PSAPs. In addition, legislation requires UCA to provide a certain amount of funding annually to PSAPs that meet certain performance measures, which began in FY2022. Furthermore, UCA still has all of the anticipated 911 costs such as training and public awareness of NG911 that utilize these funds as well. UCA intends to utilize the funds in the 911 Restricted Account to the best of its ability for these purposes and does not believe there will be any material excess this year.

Utah Code Ann. § 63H-7a-403(2)(a) provides that UCA may “expend funds in the Utah Statewide Radio System Restricted Account for the purpose of acquiring, constructing, operating, maintaining, and repairing a statewide radio system public safety communications network.” Following SB198, \$.18 per line per month is meant to permit UCA to maintain and, where appropriate, to expand its statewide radio system public safety communications network. The current network is beyond “end of life” from its manufacturer, which means it is no longer supported by the manufacturer and takes a significant amount of maintenance by UCA. Furthermore, by necessity, to optimize service areas, the location of many of UCA's towers subjects them to numerous weather events, all of which require prompt attention to ensure Utah's emergency communications network remains operable and available for first responders. In addition, UCA is expanding its network by approximately 20% to provide greater coverage in rural Utah. Following SB198, \$.34 per line per month is intended to permit UCA to upgrade the state's 800MHz radio network to the latest P25 technology, which provides a digital signal, an open architecture (allowing multiple manufacturers equipment to be utilized), and, with the appropriate end user equipment, greater network capacity. As detailed above, this upgrade is well underway. UCA does not anticipate any material surplus of these funds this year. In fact, given inflationary pressures, UCA is concerned about the future of with these set funding amounts.

For these reasons, it is UCA's professional opinion that there is significant justification for ongoing support for these restricted accounts.

I hope this report complies with the requirements of Utah Code Ann. § 63H-7a-205(9) and provides you with the relevant information to assist in future decisions about UCA. Of course, I am happy to answer questions you may have about this information. Thank you for your consideration.

Sincerely,

	dotloop verified 11/30/21 4:22 PM MST KPPX-UH9I-00BK-VIEO
--	---

David A. Edmunds
Executive Director
Utah Communications Authority