

TRWC Board of Directors Meeting

Wednesday, March 23, 2011 9:30 – 11:30 Location: Town of Gilbert – Room 300 50 E. Civic Center Drive Gilbert, AZ 85296

Agenda

1) Agenda Review

Topic Leader: Chairman Kross

2) Action on the 02/23/11 TRWC Board Meeting Minutes

Topic Leader: Chairman Kross

3) Action on Fiscal Year 2011/2012 Budget

Topic Leaders: Dale Shaw and Denny Fulton

- TRWC Roadmap Presentation
- 4) Rio Verde FD/TRWC Agreement Insurance/Risk Management Review

Topic Leader: Barry Hegrenes - Mesa City Attorney's Office

5) Region-to-Region Interoperability Discussion

Topic Leaders: Dale Shaw and Randy Thompson

6) Status Updates

Topic Leader: Dale Shaw and Randy Thompson

- Membership Requests and Inquiries
- TRWC/RWC Discussions
- LTE Status
- 7) Meeting Actions Summary

Topic Leader: Leslie Dibble (Recorder)

8) Adjournment



TRWC Board of Directors Meeting

Wednesday, March 23, 2011 9:30 – 11:30 Location: Town of Gilbert – Room 300 50 E. Civic Center Drive Gilbert, AZ 85296

<u>Members Present:</u> Mesa: Dale Shaw, Alex Deshuk; Queen Creek: John Kross; Gilbert: Ajay Joshi; AJFD: Chuck Zanella; Apache Junction: Kathy Jeter; TRWC Attorney: Bill Anger (Engelman Berger)

<u>Guests Present:</u> *Mesa*: Randy Thompson, Denny Fulton, Bruce McGregor, Wilfredo Miranda, Darin Douglass, Barry Hegrenes, Jim Bloomer; *AJFD*: Dave Montgomery, *Motorola*: Mike Sumnicht; *Apache Junction*: Dave Montgomery; *Gilbert*: John Glorioso, Kimberly Scott; *Queen Creek*: Van Summers; *Phoenix:* Doug Mummert; *RWC Liaison*: Paul Wilson; *Creative Communications*: Nick Spino; *ASU*: Izzy Murguia (Guest of John Kross)

Minutes

Review of TRWC Board Minutes from 2/23/11 Meeting

Alex Deshuk motioned to accept the 2/23/11 minutes, seconded by Ajay Joshi. All were in favor. Motion passes.

TRWC Roadmap Presentation

- Randy Thompson provided some highlights year by year instead of reviewing in detail. Those items discussed were:
 - A second tower at the Twin Knoll's site
 - Another project that's a work in process data line high performance data. Not quite ready to discuss in detail vet.
 - The data component will be introduced at a later point for consideration to the board members for budgeting purposes, (special assessment) and will only apply to those who will participate.
 - Brief descriptions of each of these projects are being written up should be available within the next couple of weeks. This should provide more background on any of these items.
 - In order to keep system current and supportable, FY 11/12 upgrade of system to 7.9 software has been postponed another option to look at go with 7.9 and stay there for awhile or go straight to 7.11 direct result of the ongoing contract w/Motorola to provide upgrades.
 - System of Systems Networking ISSI discussions are ongoing with various groups
 - Capital for years beyond 11/12, some items going on in future years, power plant replacements not as much to do as estimated
 - VHF Fire Infrastructure is aging and needs to be replace, not part of TRWC at present time
 - Forklift upgrade is projected out in FY15/16

Final Board Approval for Fiscal Year 2011/2012 Budget

Change in ISSI - the upper end of the ISSI has been adjusted

Alex Deshuk motioned to approve the FY 2011/2012 capital and operational budget at \$37 per subscriber unit and for a total of \$2,452,377, seconded by Kathy Jeter. All were in favor. Motion passes.

Rio Verde FD/TRWC Agreement - Insurance/Risk Management Review

Barry Hegrenes of Mesa City Attorney's Office – Risk Manager has reviewed the TRWC agreement to assure the framework for procurement of insurance is feasible and to assure there is equitable "cost recovery" for insurance procurement from the IGA members. He presented his findings to the board via a prepared report.

Region-to-Region Interoperability Discussion

Dale Shaw and Randy Thompson shared with the board the results of a regional meeting that they attended in the City of Yuma. The purpose of the meeting was to consider connectivity among Yuma's Regional System, (who host DPS), Maricopa County, TRWC and possibly the RWC into an arrangement from a technical standpoint, for multiple talk groups to propagate throughout all the systems for interoperability purposes. This could provide for multi-regional communication in the case of a major incident.

Status Updates

Topic Leader: Dale Shaw and Randy Thompson

- Membership Requests and Inquiries
 - Progress is being made on several fronts;
 - MCC's membership request in progress with Legal
 - Rio Verde is still on track for a summer time joining of the TRWC
 - The AZCHER is considering contract options
- TRWC/RWC Discussions
 - Making good progress with the group. Dealing with interoperability and operational coverage issues through the joint Executive Committee. Continuing to meet with joint Chairs to work on broader items.
- LTE Status (Long Term Evolution)
 - Responses for request for proposals have been received. Still reviewing and evaluating costs.
 Dale reassured the board that members will be included in all future decisions that may be made regarding this issue and that they will be involved in all decisions.

Meeting Actions Summary

There were two action items taken from this meeting.

- Concerning agenda topic number three, Insurance/Risk Management Denny Fulton suggested that we come up with three options. These options should be discussed at the TRWC Executive Committee level and then be presented to the TRWC Board for their review.
- 2. Dale Shaw was also asked to inquire in an upcoming RWC meeting what the RWC is doing with their insurance/risk management.

Adjournment

Chairman Kross called for a motion for adjournment. Kathy Jeter motioned to adjourn and Chairman Kross seconded.



To: Dale Shaw – Chief Technology Officer

Dennis Fulton – Senior Accountant

Through: Donna Bronski – Deputy City Attorney

From: Barry Hegrenes – Risk Management

Date: 03-15-2011

Subject: TRWC Agreement- Risk Management Assessment

BACKGROUND

The City of Mesa (COM) is engaged in various Inter-governmental agreements (IGA's). The TRWC Agreement is a communications network sharing agreement amongst various agencies, of which the COM is one. The most recent addition to the IGA (proposed) is the Rio Verde Fire Department.

The purpose of my involvement in reviewing the TRWC agreement(s) is to assure the framework for procurement of insurance is feasible and to assure there is equitable "cost recovery" for insurance procurement from the IGA members.

It is important to note there are two (2) working documents – the GOVERNANCE AGREEMENT (GA) and the INTER-GOVERNMENTAL AGREEMENT (IGA) Provisions. Many terms within these agreements are similar and/or duplicative.

GENERAL OVERVIEW OF THE "GA" AND THE "IGA"

As for the funding/financing mechanisms for "insurance-related" losses and contingencies, the language in the GA and IGA is broad, giving the decision powers (for financing and/or payouts) to the Executive Director and/or the Board. This is acceptable and preferred. One could draft an extensive schedule of pro-rated percentages on how to contribute to a Risk Management Contingency Fund. However, the GA and IGA, again, currently delegate the authority to the Director and/or Board to determine if "equal or unequal" contributions are required – and the amounts of those contributions. Insofar as there will probably be a fair amount of membership addition and subtraction over the years (Rio Verde being the newest member coming on board soon), the proposed model is probably best. Otherwise, you would find yourself "amending" various financing schedules with changing membership as opposed to making it a policy/procedural issue (as it is now).

REVIEW OF RISK MANAGEMENT PROVISIONS IN THE "GA"

In the **GA**, I focused on Section 5.6 (Special Assessments). This is a good location to address the issue of "casualty loss contingency financing." I would recommend the added language (in **UNDERLINED BOLD CAPS**):

5.6. Special Assessments (including Disaster Recovery, <u>UNINSURED CASUALTY LOSSES</u>, Additional

Subscriber Units and Talk Groups, Roaming and Other Special Assessments)

5.6.1. The Board of Directors may assess other fees on an as-needed basis to pay the costs of disaster recovery, <u>PAYMENT FOR UNINSURED CASUALTY LOSSES</u>, <u>REGULATORY FINES OR INSURANCE DEDUCTIBLES</u>, the use of the Network by an Interoperability Participant,

Conditional Participant, or Associate or to pay the costs of special projects that do not benefit all Members in a reasonably proportionate manner. Such fees may be assessed in any manner as approved by the Board of Directors and need not be equal among Members.

Additionally, there could be a small addition to the very limited language speaking directly to INSURANCE in Section 10.4 as follows:

10.4. Insurance

The Area Managers, subject to the Board of Director's approval, shall determine the appropriate insurance coverage for <u>TRWC's INSURABLE ASSETS AND LIABILITY EXPOSURES.</u>

REVIEW OF RISK MANAGEMENT PROVISIONS IN THE "IGA"

In the **IGA**, I focused on Section 4.8 (MANNER OF FINANCING). I believe this section is fine – again – sticking with the "broad powers" approach with the Director and/or Board.

4.8. The TRWC's Board of Directors shall determine what insurance coverage is appropriate to protect the Parties from risks concerning the TRWC and the Network. The Board of Directors shall obtain such insurance on behalf of the TRWC. In deciding what insurance coverage and indemnities are appropriate, the Board of Directors may elect to self-insure for all or a portion of the risks. (NO CHANGES)

EXISTING INSURANCE COVERAGE AND CLAIM /LOSS / EXPOSURE SCENARIOS

It is important to note (currently) if there is any "hardware" (transmitting stations etc) which are NOT listed on the City of Mesa's property insurance schedule (and I am not aware of any that are listed), we would be limited in coverage to \$1MIL (with a \$50K deductible) and I have not read the policy in detail to determine if there may be a sub-limit on "communication equipment" which could possibly lessen the coverage limit to below \$1MIL. The \$1MIL coverage applies to "miscellaneous unnamed locations."

If/when the TRWC wishes to formalize the insurance terms for the members, then COM (as the managing agent) can receive the direction of the Board and act accordingly. Until that time, property and liability insurance is in force (\$50K deductible for property – as noted) and \$3MIL self insured retention (SIR) – which is pretty much the same as a deductible – for liability claims (e.g. an adventurous citizen dies while climbing a communication tower). Any such claim (if there is TRWC negligence and the claim is

compensable) would indeed be a financial burden to all the members. Hence, practical implementation of GA Section 5.6 and IGA Section 4.8 are critical. In other words, the "broader powers" of the Board and/or the Executive Director to spread insurance costs as defined in 5.6 and 4.8 are necessary to allow quick and efficient recovery of insurance costs from the IGA members.

SUMMARY OF RISK MANAGEMENT OVERVIEW OF THE "GA AND THE "IGA"

With this format, similar to what is being implemented with the Greenfield Plant (or "GWRP" – an IGA with Gilbert and Queen Creek), Mesa's Finance Division could come to Risk Management and get a "rate" carve-out from COM's liability and/or property insurance policy premiums (annually) – then provide those numbers to the Board so cost allocation can go forward. In other words, the TWRC's COM's annual premiums for liability and property exposures are wrapped into COM's insurance program. COM does have a way to "un-bundle" those costs so COM's Finance Division can charge back the TRWC insurance costs to the IGA members.

If the Board sought input from Risk Management (myself and/or other Risk Managers from the participant agencies), we could surely present something for the Board to review, including "stand alone" insurance options if that would be the pleasure of the Board.

Given the size of the operation (small/medium), my suspicion is Risk Management's involvement would be more in reporting premium numbers for members (through the Finance Division) to contribute toward payment and/or to provide guidance on what a good number might be to "stockpile" in a contingency fund for uninsured losses/regulatory fines etc.

Hopefully this review has been beneficial for you. If you seek any additional feedback or have additional documentation for me to review, please feel free to contact me.



PROPOSED FISCAL YEAR 2011 / 2012 BUDGET OPERATIONS, MAINTENANCE AND CAPITAL AS OF FEBRUARY 17, 2011 VOICE

TOPAZ SUBSCRIBER UNITS, OPERATIONS, MAINTENANCE, CAPITAL, AND REVENUE ESTIMATES FISCAL YEAR 2011 - 2012

TOTAL FISCAL YEAR 2011 / 2012 OPERATIONS, MAINTENANCE AND CAPITAL COSTS

FISCAL YEAR 2011 - 2012	RATIONS, MAINTENANCE, CAPITAL, AND REVENUE ESTIM	MATES	VOICE
TOPAZ OPERATIONS AND MAIN	TENANCE COSTS		
TOTA	L LABOR SUPPORT COSTS		\$701,352
TOTA	L NON-LABOR OTHER SERVICES AND COMMODITIES		\$959,525
		Total O&N	\$1,660,877
SUBSCRIBER UNITS [AS OF FEBR	UARY 1, 2011]		
MESA	·		2,728
NWOT	N OF GILBERT		681
APAC	HE JUNCTION FIRE DISTRICT		84
	OF APACHE JUNCTION		166
TOWN	N OF QUEEN CREEK		49
		Total Units	3,708
ANNUAL FEE PER SUBSCRIBER U	INIT - TOPAZ OPERATIONS AND MAINTENANCE COSTS		\$448
MONTHLY FEE PER SUBSCRIBER	UNIT - TOPAZ OPERATIONS AND MAINTENANCE COSTS		\$37
ANNUAL REVENUE FROM SUBSO	CRIBER UNITS - OPERATIONS AND MAINTENANCE		
MESA	·		\$1,221,918
WOT	N OF GILBERT		\$305,032
APAC	HE JUNCTION FIRE DISTRICT		\$37,625
CITY (OF APACHE JUNCTION		\$74,354
TOWN	N OF QUEEN CREEK		\$21,948
		O&M Rev	\$1,660,877
TRWC CAPITAL NETWORK RELIA	BILITY IMPROVEMENTS		\$791,500
1. DC	power plant equipment, reached end of useful life	\$150,000	
	in Knolls Second Tower	\$190,000	
3. Rep	place Spread Spectrum MW Radios	\$75,000	
4. ISSI	I (Inter Sub Site Interface)	\$376,500	
ANNUAL FEE PER SUBSCRIBER U	INIT - TOPAZ CAPITAL COSTS		\$213
MONTHLY FEE PER SUBSCRIBER	UNIT - TOPAZ CAPITAL COSTS		\$18
ANNUAL REVENUE FROM SUBSO	CRIBER UNITS - CAPITAL COSTS		
MESA			\$582,312
	N OF GILBERT		\$145,364
APAC	HE JUNCTION FIRE DISTRICT		\$17,930
CITY C	OF APACHE JUNCTION		\$35,434
NOT	N OF QUEEN CREEK		\$10,459
		Capital Re	\$791,500

\$2,452,377

TRWC Operating & Maintenance Budget And Capital Improvement Costs RECONCILIATION BETWEEN FY 10/11 BUDGET AND 11/12 BUDGET

	FY 10	0/11		FY 11/12	Change
1. LABOR Positions		18		20	2
Cost	\$80	61,147		\$701,352	-\$159,795
2. NON LABOR	\$90	05,099		\$959,525	\$54,426
3. TOTAL OPERATING & MAINTENANCE BUDGET	\$1,70	66,246		\$1,660,877	-\$105,369
	'				
4. SUBSCRIBER UNITS		3,699		3,708	9
5. RECONCILIATION OF BUDGET INCREASE:					
a. Based on average of 2 years labor actuals					-\$159,795
b. Software Maint(Mainsaver, Juniper)	\$	10,000		\$29,077	\$19,077
c. Full Costing Allocation					\$35,349
TOTAL RECONCILIATION					-\$105,369
6. Cost Per Subscriber Unit	\$	40	\$	37	
6. Cost Fer Subscriber Offit	Φ	40	Ф	31	-\$3
7. Capital Network Reliability Improvements	\$6	25,000		\$791,500	\$166,500
[NOTE: DC PWR PLT EQUIP BILLED OVER MULTIPLE		23,000		Ψ191,300	Ψ100,300
8. Capital Network Reliability Improvements					
Cost Per Subscriber		\$14		\$18	\$4

DRAFT FEBRUARY 17, 2011

TRWC Operating & Maintenance Budget		FY11/12			DRAFT FEBRUA	RY	17, 2011					
VOICE		Labor	Data	% TRWC	A		Data		\$ TRWC	A -I		
VOICE		Budget	Data	Systems	Administration		Data	•	Systems	Adr	ninistration	
Personnel Allocations												
Position Description	Position #											
Communications Project Liasion	0185	\$ 127,027			15%	· •				\$	19,054	
Communications Project Liasion	0528	\$ 111,811			25%)				\$	27,953	
Communications Project Liasion	2397	\$ 133,278			30%)				\$	39,983	
Administration Support Assistant III	1098	\$ 67,936			15%	•				\$	10,190	
Administration Support Assistant I	1779	\$ 56,693			7%)				\$	3,969	
Information Tech Purch & Contract Coordinator	1778	\$ 98,228			2%	•				\$	1,965	
Lead Parts & Supply Specialist	1598	\$ 61,960			10%	•				\$	6,196	
Parts & Supply Specialist	3936	\$ 47,392			10%	•				\$	4,739	
Communications Administrator	2931	\$ 123,067			50%	•				\$	61,534	
Wireless Communications Administrator	3358	\$ 98,978			50%	•				\$	49,489	
Executive Director	3833 ITD	\$ 152,737			50%	•				\$	76,369	
Communications Dispatcher - Encryption	2868 PD	\$ 112,658			10%	•				\$	11,266	
Communications Techican III	0982	\$ 94,877	50%			\$	47,439					
Communications Network Technologist	1671	\$ 103,360	50%			\$	51,680					
Sr. Communications Network Technologist	4669	\$ 99,318	50%			\$	49,659					
Communications Techican III	3432	\$ 71,722		30%				\$	21,517			
Communications Techican III	1167	\$ 73,849		30%				\$	22,155			
Communications Techican III	0804	\$ 59,790		30%				\$	17,937			
Communications Network Technologist	1168	\$ 80,302		35%				\$	28,106			
Communications Systems Coordinator	0805	\$ 83,596		30%				\$	25,079			
Total Persor	nal Services	\$ 1,858,579				\$	148,778	\$	114,793	\$	312,706	
	Overtime	\$ 34,275		25%		\$	-	\$	8,569	\$	-	
	Overhead											
	Gen Svc	19.89%				\$	29,595	\$	24,539	\$	59,963	\$ 114,098
	Encription	21.39%								\$	2,409	\$ 2,409

DRAFT FEBRUARY 17, 2011 Page 1 of 3

178,373 \$

TRWC Operating & Maintenance Budget Summary of Labor and Non-labor

Total Operating & Maintenance

VOICE

FY11/12 Communications

3,053,904

Percentage

Budget Based on FY10/11 Assigned to TRWC TRWC FY 12/13 TRWC FY 13/14 TRWC FY 14/15 TRWC FY 15/16 TRWC FY 16/17 TRWC FY 17/18 TRWC FY 18/19 TRWC FY 11/12 **ESCALATION FACTOR** 1.79% 2.23% 2.43% 2.61% 2.81% 3.04% 3.25% Object Code Description Labor Data Systems Admin 71000 Personal Services (less OT) \$ 1.858.579 Attachment 1 \$ 148,778 \$ 114.793 \$ 312.706 71120 Overtime 34,275 Attachment 1 \$ 8,569 Overhead 24,539 59,963 29,595 \$ \$ \$ Overhead - Encription 2,409 **Total Labor** \$ 1,892,854 \$ 178,373 \$ 147,901 \$ 375,078 \$ 713,907 \$ 729,827 \$ 747,561 \$ 767,073 \$ 788,628 \$ 812,602 \$ 839,011 37.05% **ESCALATION FACTOR** 1.67% 1.49% 1.90% 1.76% 1.74% 1.40% 1.16% Non Labor **GENERAL & ADMINISTRATIVE - OTHER SERVICES** 641,000 100% \$ 653,179 \$ 72813 Contract - Preventative UAP/Tech 641,000 664,675 \$ 676,240 \$ 687,534 \$ 697,778 \$ 707,547 \$ 715,754 33.787 \$ 72510 Utilities-Communications Bldg 63.000 50% \$ 31.500 \$ 32.099 \$ 32.663 \$ 33.232 \$ 34.290 \$ 34.770 \$ 35.174 72510 Utilities-Sites[50%TOPAZ,25%MW] 54,439 57,150 \$ \$ 70,000 75% \$ 52,500 \$ 53,498 \$ \$ 55,386 \$ 56,311 \$ 57,950 \$ 58,623 72360 Repairs & Maint Outside 40.000 50% \$ 20.000 \$ 20.380 \$ 20.739 \$ 21.100 \$ 21,452 \$ 21.772 \$ 22.076 \$ 22.332 72260 Equipment Usage (Vehicles) \$ 21,000 50% \$ 10,500 \$ 10,700 \$ 10,888 \$ 11,077 \$ 11,262 \$ 11,430 \$ 11,590 \$ 11,725 5.443 \$ 72820 Training (Education) 10.000 50% \$ 5.000 \$ 5.095 \$ 5.185 \$ 5.275 \$ 5.363 \$ 5.519 \$ 5.583 8,044 \$ 8,164 \$ 72180 Prof Services - Other 15,000 50% \$ 7,500 \$ 7,643 \$ 7,777 \$ 7,912 \$ 8,279 \$ 8,375 100% 50.950 \$ 51.847 \$ 52.749 \$ 53.630 54.429 \$ 55.191 \$ 72813 Contract - Preventative Generators \$ 50.000 \$ 50.000 \$ 55.831 100% 6,330 \$ 6,436 72160 Prof Services - Legal 6,000 \$ 6,000 6,114 \$ 6,222 \$ \$ 6.531 \$ 6,623 \$ 6,700 72160 Prof Services - Grant Writing 15,000 100% 15,000 15,285 \$ 15,554 \$ 15,825 \$ 16,089 \$ 16,329 \$ 16,557 \$ 16,749 4.407 \$ 4.484 \$ 4.559 \$ 4.626 \$ 4,691 \$ 4,746 72210 Telephone - Local 8.500 50% 4 250 4.331 \$ \$ \$ \$ 72430 Thompson Peak Land Rental 11,000 100% 11,000 11,209 \$ 11,406 \$ 11,605 \$ 11,799 \$ 11,974 \$ 12,142 \$ 12,283 \$ \$ \$ All Other Services 14.895 50% 7,448 7,589 \$ 7.723 \$ 7,857 \$ 7.988 \$ 8.107 \$ 8,221 \$ 8.316 \$ \$ \$ TOTAL OTHER SERVICES 965.395 878,070 \$ 893.524 \$ 909.071 \$ 924.253 \$ 938.024 \$ 951.156 \$ \$ \$ 861.698 \$ 962,190 **GENERAL & ADMINISTRATIVE - COMMODITIES** 58,154 74255 Software Maint-Mainsaver, Juniper \$ 50% \$ 29,077 \$ 29,629 \$ 30,151 \$ 30,676 \$ 31,188 \$ 31,653 \$ 32,096 \$ 32,468 52,825 \$ 74220 Repair Parts - Outside 98,500 50% 49,250 50,186 \$ 51,069 \$ 51,958 \$ 53,612 \$ 54,363 \$ 54,994 \$ \$ \$ 74240 Non Cap Assets \$ 20,000 50% \$ 10,000 \$ 10,190 \$ 10,369 \$ 10,550 \$ 10,726 \$ 10,886 \$ 11,038 \$ 11,166 74210 Materials - Outside 14,000 50% 7,000 7,133 \$ 7,259 \$ 7,385 \$ 7,508 \$ 7,620 \$ 7,727 \$ 7,816 \$ \$ \$ All Other Commodities \$ 5,001 50% \$ 2,501 \$ 2,548 \$ 2,593 \$ 2,638 \$ 2,682 \$ 2,722 \$ 2,760 \$ 2,792 TOTAL COMMODITIES \$ 195,655 \$ 97,828 99,686 \$ 101,441 \$ 103,206 \$ 104,929 \$ 106,493 \$ 107,984 \$ 109,236

147,901 \$ 1,660,877

1,691,662 \$

1,724,791 \$ 1,759,838 \$ 1,796,255 \$

1,833,144 \$ 1,871,742 \$

DRAFT FEBRUARY 17, 2011 Page 2 of 3

TRWC Operating & Maintenance Budget Summary of Labor and Non-labor

APACHE JUNCTION FIRE DISTRICT

SUBSCRIBER UNIT PERCENTAGE

Description

ESCALATION FACTOR

ESCALATION FACTOR

Object Code

APACHE JUNCTION

QUEEN CREEK

MESA

TOTAL

GILBERT

FY11/12 Communications Percentage Budget Based on FY10/11 Assigned to TRWC TRWC FY 11/12 TRWC FY 12/13 TRWC FY 13/14 TRWC FY 14/15 TRWC FY 15/16 TRWC FY 16/17 TRWC FY 17/18 TRWC FY 18/19 1.79% 2.23% 2.43% 2.61% 5.00% 5.00% 5.00% 5.00% 5.00% 5.00% 5.00% SUBSCRIBER UNITS [AS OF FEBRUARY 1, 2011] 2,728 2,864 3,008 3,158 3,316 3,482 3,656 3,839 681 715 751 788 828 869 913 958 84 88 93 97 102 107 113 118 174 183 192 212 166 202 222 234 54 69 49 51 57 60 63 66 3,708 3,893 4,088 4,292 4,507 4,732 4,969 5,218 73.57% 73.57% 73.57% 73.57% 73.57% 73.57% 73.57% 73.57%

MESA GILBERT APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION QUEEN CREEK		73.57% 18.37% 2.27% 4.48% 1.32%		73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%	73.57% 18.37% 2.27% 4.48% 1.32%
TOTAL		100.00%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ANNUAL REVENUE OPERATING & MAINTENANCE MESA GILBERT APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION QUEEN CREEK TOTAL		\$ 1,221,918 \$ 305,032 \$ 37,625 \$ 74,354 \$ 21,948 \$ 1,660,877	\$\$\$\$\$	1,244,567 \$ 310,686 \$ 38,322 \$ 75,732 \$ 22,355 \$ 1,691,662 \$	1,268,940 \$ 316,770 \$ 39,073 \$ 77,216 \$ 22,793 \$ 1,724,791 \$	1,294,725 \$ 323,207 \$ 39,867 \$ 78,785 \$ 23,256 \$ 1,759,838 \$	1,321,516 \$ 329,895 \$ 40,692 \$ 80,415 \$ 23,737 \$ 1,796,255 \$	336,670 \$ 41,528 \$ 82,066 \$ 24,224 \$ 1,833,144 \$	1,377,053 \$ 343,758 \$ 42,402 \$ 83,794 \$ 24,734 \$ 1,871,742 \$	1,405,521 350,865 43,279 85,527 25,246 1,910,437
MONTHLY FEE PER SUBSCRIBER UNIT OPERATING & MAINTENANCE		\$ 37	\$	36 \$	35 \$	34 \$	33 \$	32 \$	31 \$	31
CAPITAL IMPROVEMENT COSTS NETWORK RELIABILITY IMPROVEMENTS: 1. DC power plant equipment, reached end of useful life 2. Twin Knolls Second Tower 3. Replace Network Backbone MW radio equipment, reached end of useful life 4. Replace Spread Spectrum MW Radios (AJ area reliability improvement) 5. ISSI (Inter Sub Site Interface)	\$945k FY10/11 TO FY 15/16 escalated Completed FY10/11 [\$175K per year escalated]	\$ 150,000 \$ 190,000 \$ 75,000 \$ 376,500	\$	152,850 \$ 76,425	155,540 \$	158,247 \$	208,787	186,949 \$	189,566 \$	191,765
TOTAL		\$ 791,500	\$	229,275 \$	155,540 \$	158,247 \$	208,787 \$	186,949 \$	189,566 \$	191,765
ANNUAL REVENUE CAPTIAL MESA GILBERT APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION QUEEN CREEK TOTAL		\$ 582,312 \$ 145,364 \$ 17,930 \$ 35,434 \$ 10,459 \$ 791,500	\$\$\$\$\$\$	168,679 \$ 42,108 \$ 5,194 \$ 10,264 \$ 3,030 \$ 229,275 \$	114,432 \$ 28,566 \$ 3,524 \$ 6,963 \$ 2,055 \$ 155,540 \$	116,423 \$ 29,063 \$ 3,585 \$ 7,084 \$ 2,091 \$ 158,247 \$	153,606 \$ 38,345 \$ 4,730 \$ 9,347 \$ 2,759 \$	137,540 \$ 34,334 \$ 4,235 \$ 8,369 \$ 2,470 \$ 186,949 \$	139,465 \$ 34,815 \$ 4,294 \$ 8,487 \$ 2,505 \$ 189,566 \$	141,083 35,219 4,344 8,585 2,534 191,765
MONTHLY FEE PER SUBSCRIBER UNIT CAPITAL		\$ 18	\$	5 \$	3 \$	3 \$	4 \$	3 \$	3 \$	3

TRWC Operating & Maintenance Budget Summary of Labor and Non-labor

ESCALATION FACTOR

DRAFT FEBRUARY 17, 2011 Page 3 of 3

FY11/12

Communications Percentage
Budget Based on FY10/11 Assigned to TRWC

TRWC FY 11/12

TRWC FY 12/13 TRWC FY 13/14 TRWC FY 14/15 TRWC FY 15/16 TRWC FY 16/17 TRWC FY 17/18 TRWC FY 18/19 2.43% 1.79% 2.23% 2.61% 2.81% 3.04% 3.25%

Object Code Description		1.7970	2.23 /0	2.43/6	2.0176	2.0176	3.0476	3.23 /6
SPECIAL ASSESSMENT PROJECTS TO BE DISCUSSED BY BOARD OF DIRECTORS A. Upgrade all 9 sites for Base Station Replacements B. Far Northeast Mesa Transmitter Site Including MW Connectivity	2010 Estimated Cost \$ 15,565,000 \$ 1,815,000				\$ 16,694,944		\$ 2,003,428	
TOTAL ESTIMATED SPECIAL ASSESSMENT PROJECTS	\$ 17,380,000				\$ 16,694,944		\$ 2,003,428	
ANNUAL REVENUE SPECIAL ASSESSMENT PROJECTS MESA GILBERT APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION QUEEN CREEK					\$ 12,282,580 \$ 3,066,143 \$ 378,203 \$ 747,400 \$ 220,618		\$ 1,473,935 \$ 367,943 \$ 45,385 \$ 89,690 \$ 26,475	
TOTAL					\$ 16,694,944		\$ 2,003,428	
MONTHLY FEE PER SUBSCRIBER UNIT FOR SPECIAL ASSESSMENTS					\$ 309		\$ 34	

CASH FLOW FOR FISCAL YEAR 2011 / 2012

		OPER	RATING AND MAINTEN	ANCE	E EXPENSES					CA	PΤΙ	AL EXPENSE	S			
MONTH	MESA		GILBERT		AJFD	CAJ	QL	JEEN CREEK	MESA	GILBERT		AJFD		CAJ	QUE	EN CREEK
January	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
February	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
March	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
April	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
May	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
June	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
July	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
August	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
September	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
October	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
November	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
December	\$ 101,	327 \$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
Total	\$ 1,221,	18 \$	305,032	\$	37,625	\$ 74,354	\$	21,948	\$ 582,312	\$ 145,364	\$	17,930	\$	35,434	\$	10,459

Page 1 of 3 TRWC Operating & Maintenance Budget DRAFT FEBRUARY 17, 2011

FY11/12 VOICE

Budget Based on FY10/11 Assigned to TRWC TRWC FY 11/12 TRWC FY 12/13 TRWC FY 13/14 TRWC FY 15/16 TRWC FY 16/17 TRWC FY 16/17	C FY 17/18 TRWC FY 18/19 3.04% 3.25%
Object Code Description Labor Data Systems Admin	3.04% 3.25%
Labor	
71000 Personal Services (less OT) \$ 1,858,579 Attachment 1 \$ 148,778 \$ 114,793 \$ 312,706	
71120 Overtime \$ 34,275 Attachment 1 \$ - \$ 8,569 \$ -	
Overhead \$ 29,595 \$ 24,539 \$ 59,963	
Overhead - Encription \$ 2,409	
Total Labor \$ 1,892,854 \$ 178,373 \$ 147,901 \$ 375,078 \$ 713,907 \$ 729,827 \$ 747,561 \$ 767,073 \$ 788,628 \$	812,602 \$ 839,011
37.05%	
ESCALATION FACTOR 1.90% 1.76% 1.74% 1.67% 1.49%	1.40% 1.16%
Non Labor	
72030 Advertising-Recruiting \$ 1,200 50% \$ 600 \$ 611 \$ 622 \$ 633 \$ 644 \$ 653 \$	662 \$ 670
72140 Prof Services - Consulting \$ - 0% \$ - \$ - \$ - \$ - \$ - \$	- \$ -
72150 Prof Services - Lab/Drug Test \$ 50 50% \$ 25 \$ 26 \$ 26 \$ 27 \$ 27 \$	28 \$ 28
72160 Prof Services - Legal \$ 6,000 100% \$ 6,000 \$ 6,114 \$ 6,222 \$ 6,330 \$ 6,436 \$ 6,531 \$	6,623 \$ 6,700
72180 Prof Services - Other \$ 15,000 50% \$ 7,500 \$ 7,643 \$ 7,777 \$ 7,912 \$ 8,044 \$ 8,164 \$	8,279 \$ 8,375
72180 Prof Services - Grant Writing \$ 15,000 100% \$ 15,000 \$ 15,285 \$ 15,554 \$ 15,825 \$ 16,089 \$ 16,329 \$	16,557 \$ 16,749
72210 Telephone - Local \$ 8,500 50% \$ 4,250 \$ 4,331 \$ 4,407 \$ 4,484 \$ 4,559 \$ 4,626 \$	4,691 \$ 4,746
72211 Telephone - Cellular \$ 4,200 50% \$ 2,100 \$ 2,140 \$ 2,178 \$ 2,215 \$ 2,252 \$ 2,286 \$	2,318 \$ 2,345
72212 Telephone - Long Distance \$ 65 50% \$ 33 \$ 33 \$ 34 \$ 35 \$ 35 \$	36 \$ 36
72220 Postage \$ 30 50% \$ 15 \$ 16 \$ 16 \$ 16 \$ 16 \$	17 \$ 17
72240 Print Shop \$ 50 50% \$ 25 \$ 26 \$ 26 \$ 27 \$ 27 \$	28 \$ 28
72260 Equipment Usage (Vehicles) \$ 21,000 50% \$ 10,500 \$ 10,700 \$ 10,888 \$ 11,077 \$ 11,262 \$ 11,430 \$	11,590 \$ 11,725
72265 Mileage \$ 800 50% \$ 400 \$ 408 \$ 415 \$ 422 \$ 429 \$ 435 \$	442 \$ 447
72270 Travel (Education) \$ 4,000 50% \$ 2,000 \$ 2,038 \$ 2,074 \$ 2,110 \$ 2,145 \$ 2,177 \$	2,208 \$ 2,233
72360 Repairs & Maint Outside \$ 40,000 50% \$ 20,000 \$ 20,330 \$ 20,739 \$ 21,100 \$ 21,452 \$ 21,772 \$	22,076 \$ 22,332
72430 Thompson Peak Land Rental \$ 11,000 100% \$ 20,000 \$ 20,000 \$ 21,402 \$ 21,172 \$ 21,172 \$	12,142 \$ 12,283
72510 Utilities-Communications Bldg \$ 63,000 50% \$ 31,500 \$ 32,099 \$ 32,663 \$ 33,232 \$ 33,787 \$ 34,290 \$	34,770 \$ 35,174
72510 Utilities-Sites[50%TOPAZ,25%MW] \$ 70,000 75% \$ 52,500 \$ 53,498 \$ 54,439 \$ 55,386 \$ 56,311 \$ 57,150 \$	57,950 \$ 58,623
72720 Subscriptions-APCO Membership \$ 800 50% \$ 400 \$ 408 \$ 415 \$ 422 \$ 429 \$ 435 \$	442 \$ 447
72813 Contract - Preventative UAP/Tech \$ 641,000 100% \$ 641,000 \$ 653,179 \$ 664,675 \$ 676,240 \$ 687,534 \$ 697,778 \$	707,547 \$ 715,754
72813 Contract - Preventative Generators \$ 50,000 100% \$ 50,000 \$ 50,950 \$ 51,847 \$ 52,749 \$ 53,630 \$ 54,429 \$	55,191 \$ 55,831
72820 Training (Education) \$ 10,000 50% \$ 5,000 \$ 5,095 \$ 5,185 \$ 5,275 \$ 5,363 \$ 5,443 \$	5,519 \$ 5,583
72821 Tuition (Education) \$ 1,500 50% \$ 750 \$ 764 \$ 778 \$ 791 \$ 804 \$ 816 \$	828 \$ 837
72835 Linens & Laundry \$ 2,200 50% \$ 1,100 \$ 1,121 \$ 1,141 \$ 1,160 \$ 1,180 \$ 1,197 \$	1,214 \$ 1,228
72850 Sundry \$ - 0% \$ - \$ - \$ - \$ - \$ - \$	- \$ -
72857 Bus Passes \$ - 0% \$ - \$ - \$ - \$ - \$ - \$	- \$ -
74110 Materials - Warehouse \$ 1,000 50% \$ 500 \$ 510 \$ 518 \$ 527 \$ 536 \$ 544 \$	552 \$ 558
74210 Materials - Outside \$ 14,000 50% \$ 7,000 \$ 7,133 \$ 7,259 \$ 7,385 \$ 7,508 \$ 7,620 \$	7,727 \$ 7,816
74220 Repair Parts - Outside \$ 98,500 50% \$ 49,250 \$ 50,186 \$ 51,069 \$ 51,958 \$ 52,825 \$ 53,612 \$	54,363 \$ 54,994
74240 Non Cap Assets \$ 20,000 50% \$ 10,000 \$ 10,190 \$ 10,369 \$ 10,550 \$ 10,726 \$ 10,886 \$	11,038 \$ 11,166
74250 Software \$ - 0% \$ - \$ - \$ - \$ - \$ - \$	- \$ -
74255 Software Maint-Mainsaver, Juniper \$ 58,154 50% \$ 29,077 \$ 29,629 \$ 30,151 \$ 30,676 \$ 31,188 \$ 31,653 \$	32,096 \$ 32,468
74280 Uniform \$ 3,501 50% \$ 1,751 \$ 1,784 \$ 1,815 \$ 1,847 \$ 1,878 \$ 1,906 \$	1,932 \$ 1,955
74290 Safety Shoes \$ 400 50% \$ 200 \$ 204 \$ 207 \$ 211 \$ 215 \$ 218 \$	221 \$ 223
74292 Safety Glasses \$ 100 50% \$ 50 \$ 51 \$ 52 \$ 53 \$ 54 \$ 54 \$	55 \$ 56
74299 Recognition Awards(STAR Prog) \$ 300 0% \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	- \$ -
74321 Automotive Fuel - Outside \$ 50 0% \$ - \$ - \$ - \$ - \$ - \$	- \$ -
7-02-1 Automotivo Fuci. Outouto gi do 07/0 gi	Ψ
\$ 959,525 \$ 977,756 \$ 994,964 \$ 1,012,277 \$ 1,029,182 \$ 1,044,517 \$	1,059,140 \$ 1,071,426
Total Operating & Maintenance \$ 3,054,254 \$ 178,373 \$ 147,901 \$ 1,660,877 \$ 1,691,662 \$ 1,724,791 \$ 1,759,838 \$ 1,796,255 \$ 1,833,144 \$	1,871,742 \$ 1,910,437

TRWC Operating & Maintenance Budget DRAFT FEBRUARY 17, 2011 Page 2 of 3

FY11/12
VOICE Communications Percentage

VOICE	Communications	Percentage										
	Budget Based on FY10/1		WC FY 11/12		тр	WC EV 12/13 TD	WC EV 13/1/ TP	WC EV 14/15 TP	WC FY 15/16 TR	WC EV 16/17 TP	WC EV 17/18 TE	DWC EV 18/10
ESCALATION FACTOR	budget based on F110/1	Assigned to TRWC TR	WC F1 11/12		110	1.79%	2.23%	2.43%	2.61%	2.81%	3.04%	3.25%
Object Code Description						1.7 5 70	2.2570	2.4370	2.0170	2.0170	3.0478	3.2370
ESCALATION FACTOR						5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
SUBSCRIBER UNITS [AS OF FEBRUARY 1, 2011]						0.0070	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070
MESA				2,728		2.864	3,008	3.158	3,316	3,482	3,656	3.839
GILBERT				681		715	751	788	828	869	913	958
APACHE JUNCTION FIRE DISTRICT				84		88	93	97	102	107	113	118
APACHE JUNCTION				166		174	183	192	202	212	222	234
QUEEN CREEK				49		51	54	57	60	63	66	69
QUEEN ONLEN						01	04	01	00	00	00	00
TOTAL				3,708		3.893	4,088	4.292	4.507	4,732	4.969	5,218
				-,		-,	.,	-,	.,	.,	.,	-,
SUBSCRIBER UNIT PERCENTAGE												
MESA				73.57%		73.57%	73.57%	73.57%	73.57%	73.57%	73.57%	73.57%
GILBERT				18.37%		18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%
APACHE JUNCTION FIRE DISTRICT				2.27%		2.27%	2.27%	2.27%	2.27%	2.27%	2.27%	2.27%
APACHE JUNCTION				4.48%		4.48%	4.48%	4.48%	4.48%	4.48%	4.48%	4.48%
QUEEN CREEK				1.32%		1.32%	1.32%	1.32%	1.32%	1.32%	1.32%	1.32%
does ones				1.0270		1.0270	1.0270	1.0270	1.0270	1.0270	1.0270	1.0270
TOTAL				100.00%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TOTAL				100.0070		100.0070	100.0070	100.0070	100.0070	100.0070	100.0070	100.0070
ANNUAL REVENUE OPERATING & MAINTENANCE												
MESA			\$	1,221,918	\$	1.244.567 \$	1.268.940 \$	1,294,725 \$	1,321,516 \$	1.348.656 \$	1,377,053 \$	1.405.521
GILBERT			\$	305,032	\$	310,686 \$	316.770 \$	323,207 \$	329,895 \$	336,670 \$	343,758 \$	
APACHE JUNCTION FIRE DISTRICT			\$	37.625	\$	38.322 \$	39.073 \$	39.867 \$	40.692 \$	41.528 \$	42.402 \$	
APACHE JUNCTION			\$	74,354	\$	75,732 \$	77,216 \$	78,785 \$	80,415 \$	82,066 \$	83,794 \$	
QUEEN CREEK			\$	21,948	\$	22,355 \$	22,793 \$	23,256 \$	23,737 \$	24,224 \$	24,734 \$	
QUELIVORLER			Ψ	21,340	Ψ	22,555 ψ	22,735 ψ	25,250 \$	25,757 ψ	24,224 V	24,754 ψ	25,240
TOTAL			•	1,660,877	\$	1,691,662 \$	1,724,791 \$	1,759,838 \$	1,796,255 \$	1,833,144 \$	1,871,742 \$	1.910.437
TOTAL			Ψ	1,000,077	Ψ	1,001,002 ψ	1,72-1,701 ψ	1,700,000 ψ	1,700,200 ψ	1,000,144 ψ	1,071,742 ψ	1,010,401
MONTHLY FEE PER SUBSCRIBER UNIT OPERATING & MA	AINTENANCE		\$	37	\$	36 \$	35 \$	34 \$	33 \$	32 \$	31 \$	31
			•	0.	•	σσ ψ	00 Q	σ. ψ	σο ψ	0 <u>2</u> ψ	σ. ψ	0.
CAPITAL IMPROVEMENT COSTS												
NETWORK RELIABILITY IMPROVEMENTS:												
DC power plant equipment, reached end of useful life		\$945k FY10/11 TO FY 15/16 escalated	\$	150,000	\$	152,850 \$	155.540 \$	158,247 \$	208,787			
2. Twin Knolls Second Tower		Completed FY10/11	\$	190,000	•	, *	,	, •				
Replace Network Backbone MW radio equipment, reached	end of useful life	[\$175K per year escalated]	•	.00,000					\$	186,949 \$	189,566 \$	191,765
Replace Spread Spectrum MW Radios (AJ area reliability in		[* · · · · · · · · · · · · · · · · · · ·	\$	75,000	\$	76,425			•	,	,	,
5. ISSI (Inter Sub Site Interface)			\$	376,500	•	,						
			•	,								
TOTAL			\$	791.500	\$	229,275 \$	155.540 \$	158,247 \$	208.787 \$	186,949 \$	189.566 \$	191,765
			•	,	•	, +	,	,= •	, +	,	,	,
ANNUAL REVENUE CAPTIAL												
MESA			\$	582,312	\$	168,679 \$	114,432 \$	116,423 \$	153,606 \$	137,540 \$	139,465 \$	141,083
GILBERT			\$	145,364	\$	42,108 \$	28,566 \$	29,063 \$	38,345 \$	34,334 \$	34,815 \$	35,219
APACHE JUNCTION FIRE DISTRICT			\$	17,930	\$	5,194 \$	3,524 \$	3,585 \$	4,730 \$	4,235 \$	4,294 \$	4,344
APACHE JUNCTION			\$	35,434	\$	10,264 \$	6.963 \$	7,084 \$	9.347 \$	8,369 \$	8.487 \$	8.585
QUEEN CREEK			\$	10,459	\$	3,030 \$	2,055 \$	2,091 \$	2,759 \$	2,470 \$	2,505 \$	2.534
			· ·	,	~	-, 🗸	-, •	_,	_, 🗸	-, · · · · · ·	-, V	-,
TOTAL			\$	791,500	\$	229,275 \$	155,540 \$	158,247 \$	208,787 \$	186,949 \$	189,566 \$	191,765
			•		•	· · · ·					,	- ,
MONTHLY FEE PER SUBSCRIBER UNIT CAPITAL			\$	18	\$	5 \$	3 \$	3 \$	4 \$	3 \$	3 \$	3
			*		•		. •		•		. •	

Page 3 of 3 TRWC Operating & Maintenance Budget DRAFT FEBRUARY 17, 2011

FY11/12

VOICE Communications

Percentage

		Budget Based on FY10/11 Assigned to TRWC	TRWC FY 11/12	TRWC FY 12/13	TRWC FY 13/14	TRWC FY 14/15	TRWC FY 15/16	TRWC FY 16/17	TRWC FY 17/18	TRWC FY 18/19
ESCALATION FACTOR				1.79%	2.23%	2.43%	2.61%	2.81%	3.04%	3.25%
Object Code	Description									
SPECIAL ASSESSMENT PROJE	CTS TO BE DISCUSSED	BY BOARD OF DIRECTORS	2010 Estimated Cost							
A. Upgrade all 9 sites for Base Sta	ation Replacements		\$ 15,565,000				\$ 16,694,944			
B. Far Northeast Mesa Transmitte	r Site Including MW Conne	ectivity	\$ 1,815,000						\$ 2,003,428	
TOTAL ESTIMATED SPECIAL AS	SSESSMENT PROJECTS		\$ 17,380,000				\$ 16,694,944		\$ 2,003,428	
ANNUAL DEVENUE ODEOLAL AC	OFFICIAL PROJECTS									

ANNUAL REVENUE SPECIAL ASSESSMENT PROJECTS					
MESA	\$	12,282,580	\$ 1.	,473,935	
GILBERT	\$	3,066,143	\$	367,943	
APACHE JUNCTION FIRE DISTRICT	\$	378,203	\$	45,385	
APACHE JUNCTION	\$	747,400	\$	89,690	
QUEEN CREEK	\$	220,618	\$	26,475	
TOTAL	\$	16,694,944	\$ 2,	2,003,428	
MANUFUL VICE DED GUIDODURES UNIT FOR REPOUL LOCADARENTO	_	000		24	
MONTHLY FEE PER SUBSCRIBER UNIT FOR SPECIAL ASSESSMENTS	\$	309	\$	34	

CASH FLOW FO	R FISCAL YEA	R 2011 / 2012															
			OPER	ATING AND MAINTEN	ANC	E EXPENSES					С	APT	TAL EXPENSE	S			
MONTH		MESA		GILBERT		AJFD	CAJ	QL	JEEN CREEK	MESA	GILBERT		AJFD		CAJ	QUE	EN CREEK
January	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
February	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
March	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
April	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
May	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
June	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
July	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
August	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
September	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
October	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
November	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
December	\$	101,827	\$	25,419	\$	3,135	\$ 6,196	\$	1,829	\$ 48,526	\$ 12,114	\$	1,494	\$	2,953	\$	872
Total	\$	1,221,918	\$	305,032	\$	37,625	\$ 74,354	\$	21,948	\$ 582,312	\$ 145,364	\$	17,930	\$	35,434	\$	10,459

TRWC VOICE SUMMARY DRAFT FEBRUARY 17, 2011 FISCAL YEAR 2011 / 2012

FISCAL YEAR 2011 / 2012	т	RWC FY 11/12	TDI	NC EV 12/12	TDWC EV 12/14	TRWC FY 14/15	TDWC EV 15/16	TDWC EV 16/17	TDWC EV 17/10	TDW/C EV 19/10
SUBSCRIBER UNITS [AS OF FEBRUARY 1, 2011]	11	WC F1 11/12	IKV	NCF1 12/13	TRWCF1 13/14	TRWCF1 14/15	IRWCF1 15/16	IRWCF1 10/17	IRWCF1 1//16	IRWCF1 10/19
MESA		2,728		2,864	3,008	3,158	3,316	3,482	3,656	3,839
GILBERT APACHE JUNCTION FIRE DISTRICT		681 84		715 88	751 93	788 97	828 102	869 107	913 113	958 118
APACHE JUNCTION		166		174	183		202	212	222	
QUEEN CREEK		49		51	54	57	60	63	66	69
TOTAL		3,708		3,893	4,088	4,292	4,507	4,732	4,969	5,218
SUBSCRIBER UNIT PERCENTAGE										
MESA		73.57%		73.57%	73.57%	73.57%	73.57%	73.57%	73.57%	73.57%
GILBERT APACHE JUNCTION FIRE DISTRICT		18.37% 2.27%		18.37% 2.27%	18.37% 2.27%	18.37% 2.27%	18.37% 2.27%	18.37% 2.27%	18.37% 2.27%	18.37% 2.27%
APACHE JUNCTION		4.48%		4.48%	4.48%	4.48%	4.48%	4.48%	4.48%	4.48%
QUEEN CREEK		1.32%		1.32%	1.32%	1.32%	1.32%	1.32%	1.32%	1.32%
TOTAL		100.00%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Labor	\$	701,352	\$	713,907	\$ 729,827	\$ 747,561	\$ 767,073	\$ 788,628	\$ 812,602	\$ 839,011
Non Labor TOTAL OTHER SERVICES	\$	861,698	\$	878,070	\$ 893,524	\$ 909,071	\$ 924,253	\$ 938,024	\$ 951,156	\$ 962,190
TOTAL COMMODITIES	\$	97,828	\$	99,686	\$ 101,441	\$ 103,206	\$ 104,929	\$ 106,493	\$ 107,984	\$ 109,236
Total Operating & Maintenance	\$	1,660,877	\$	1,691,662	\$ 1,724,791	\$ 1,759,838	\$ 1,796,255	\$ 1,833,144	\$ 1,871,742	\$ 1,910,437
ANNUAL REVENUE OPERATING & MAINTENANCE	_									
MESA GILBERT	\$ \$	1,221,918 305,032	\$ \$		\$ 1,268,940 \$ 316,770	\$ 1,294,725 \$ 323,207	\$ 1,321,516 \$ 329,895		\$ 1,377,053 \$ 343,758	\$ 1,405,521 \$ 350,865
APACHE JUNCTION FIRE DISTRICT	\$	37,625	\$		\$ 39,073	\$ 39,867	\$ 40,692	\$ 41,528	\$ 42,402	\$ 43,279
APACHE JUNCTION	\$	74,354	\$	75,732	\$ 77,216	\$ 78,785	\$ 80,415	\$ 82,066	\$ 83,794	\$ 85,527
QUEEN CREEK	\$	21,948	\$	22,355	\$ 22,793	\$ 23,256	\$ 23,737	\$ 24,224	\$ 24,734	\$ 25,246
TOTAL	\$	1,660,877	\$	1,691,662	\$ 1,724,791	\$ 1,759,838	\$ 1,796,255	\$ 1,833,144	\$ 1,871,742	\$ 1,910,437
MONTHLY FEE PER SUBSCRIBER UNIT OPERATING & MAINTENANCE	\$	37	\$	36	\$ 35	\$ 34	\$ 33	\$ 32	\$ 31	\$ 31
CAPITAL IMPROVEMENT COSTS NETWORK RELIABILITY IMPROVEMENTS:	\$	791,500	\$	229,275	\$ 155,540	\$ 158,247	\$ 208,787	\$ 186,949	\$ 189,566	\$ 191,765
ANNUAL REVENUE CAPTIAL										
MESA	\$	582,312	\$	168,679					\$ 139,465	
GILBERT	\$	145,364	\$		\$ 28,566	\$ 29,063	\$ 38,345		\$ 34,815	\$ 35,219
APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION	\$ \$	17,930 35,434	\$ \$		\$ 3,524 \$ 6,963	\$ 3,585 \$ 7.084	\$ 4,730 \$ 9,347	\$ 4,235 \$ 8,369	\$ 4,294 \$ 8,487	\$ 4,344 \$ 8,585
QUEEN CREEK	Š	10,459	\$		\$ 2,055	\$ 2,091	\$ 2,759	\$ 2,470	\$ 2,505	\$ 2,534
TOTAL	\$	791,500	\$	229,275						
MONTHLY FEE PER SUBSCRIBER UNIT CAPITAL	\$	18	\$	5	\$ 3	\$ 3	\$ 4	\$ 3	\$ 3	\$ 3
SPECIAL ASSESSMENT PROJECTS TO BE DISCUSSED BY BOARD OF DIRECTORS			\$	-			\$ 16,694,944	\$ -	\$ 2,003,428	
ANNUAL REVENUE SPECIAL ASSESSMENT PROJECTS										
MESA			\$	-			\$ 12,282,580		\$ 1,473,935	
GILBERT ADACUS IN MOTION SIDE DIGITALIST			\$	-			\$ 3,066,143		\$ 367,943	
APACHE JUNCTION FIRE DISTRICT APACHE JUNCTION			\$ \$	-			\$ 378,203 \$ 747,400		\$ 45,385 \$ 89,690	
QUEEN CREEK			\$	-			\$ 220,618		\$ 26,475	
TOTAL			\$	-			\$ 16,694,944	\$ -	\$ 2,003,428	
MONTHLY FEE PER SUBSCRIBER UNIT FOR SPECIAL ASSESSMENTS			\$	-			\$ 309	\$ -	\$ 34	
CASH FLOW FOR FISCAL YEAR 2011 / 2012										
OPERATING AND MAINTENANCE EXPEN				MECA		CAPTIAL EXPENSE		OHEEN OBEEN		
MONTH MESA GILBERT AJFD CAJ January \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19	QUEEN CREEK 3 \$ 1.829		\$	MESA 48,526	GILBERT \$ 12,114	AJFD \$ 1.494	CAJ \$ 2,953	QUEEN CREEK \$ 872		
February \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$				\$ 2,953	\$ 872		
March \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19	\$ 1,829		\$		\$ 12,114	\$ 1,494	\$ 2,953	\$ 872		
April \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$				\$ 2,953	\$ 872 \$ 872		
May \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19 June \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$ \$		\$ 12,114 \$ 12.114	\$ 1,494 \$ 1,494	\$ 2,953 \$ 2,953	\$ 872 \$ 872		
July \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$		\$ 12,114	\$ 1,494	\$ 2,953	\$ 872		
August \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$			\$ 1,494	\$ 2,953	\$ 872		
September \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19 October \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$ \$		\$ 12,114 \$ 12,114	\$ 1,494 \$ 1,494	\$ 2,953 \$ 2,953	\$ 872 \$ 872		
November \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$		\$ 12,114 \$ 12,114		\$ 2,953	\$ 872		
December \$ 101,827 \$ 25,419 \$ 3,135 \$ 6,19			\$		\$ 12,114		\$ 2,953	\$ 872		
Total \$ 1,221,918 \$ 305,032 \$ 37,625 \$ 74,35	\$ 21,948		\$	582,312	\$ 145,364	\$ 17,930	\$ 35,434	\$ 10,459		

TRWC Communications Roadmap Revised: 3/22/2011									
	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	
System Software	V 7.9 Available	V 7.11 Available Q1 V 7.12 Available Q3 Upgrade to V 7.9 Q2 OR Upgrade to V 7.11 Q3	V 7.13 Available Q1 V 7.14 Available Q3 Upgrade to V 7.13 Q3	V 7.15 Available Q1 V 7.16 Available Q3	V 7.17 Available Q1 V 7.18 Available Q3 Upgrade to V 7.17 Q3	V 7.19 Available Q1 V 7.20 Available Q3 Upgrade to V 7.19 Q3	V 7.21 Available Q1 V 7.22 Available Q3 Upgrade to V 7.21 Q3	V 7.23 Available Q1	Lifecycle Maintenance Other Initiatives Bond Items BAR or other Items
7/800 MHz Infrastructure	Replace DC power plant equipment @ EOL Current Est. \$125,000 Budgeted @ \$150,000 FY10/11	Replace DC power plant equipment @ EOL Current Est. \$125,000 Budgeted @ \$150,000 Prop. FY11/12 System of Systems Networking Current Est. \$376,500 Budgeted @ \$376,500 Prop. FY11/12		South Mountain Repeater \$260,000 Sacaton Peak Repeater \$247,000		Quantar, STR3000 & AstroTAC 9600 Final Release Q1 TOPAZ Voice Radio Network Replacement Current Est. \$20,000,000 2nd TOPAZ Radio Master Site Current Est. \$2,250,000			Ancillary Projects & Initiatives Version Availability Dependency- Sequence Deferred
Network Backbone (Microwave)	Replace spread spectrum microwave radios (AJ area) Current Est. \$75,000) Budgeted @ \$75,000 FY10/11	Replace spread spectrum microwave radios (AJ area) Current Est. \$75,000 Budgeted @ \$75,000 Prop. FY11/12		Fiber To Network Backbone Sites Current Est. \$2,000,000			Microwave Network Replacement, 2 year effort Current Est. \$1,300,000 FY 16/17 Replace Radio Sites Emergency Power Current Est. \$400,000	Microwave Network Replacement, 2 year effort Current Est. \$1,300,000 FY17/18	Color Legend Regulatory Compliance Voice/Data Convergence Reliability Capacity/ Coverage Other
Other TRWC Related	Tkompson Peak Radio Site Improvement Current Est. \$400,000 Budgeted @ \$400,000 FY10/11 Twin Knolls 2nd Tower Project Complete \$187,384 Budgeted @ \$190,000 Prop. FY11/12	VHF Fire Infrastructure Replacement Current Est. \$100,000 Backup Comm. Ant. Mesa Disp. Center Current Est. \$50,000							Upgrade Assurance Plan & SW Subscription
Data	Long Term Evolution Infrastructure Current Est. \$TBD High Performance Data Infa. Budgeted @ \$842,704 FY10/11	Long Term Evolution Infrastructure Current Est. \$TBD		Public Safety Data Network Expansion Current Est. \$4,100,000				Public Safety Data Network Expansion Current Est. \$4,000,000	
Consoles	New consoles MCC 7500 VPM or equiv	New consoles MCC 7500 VPM or equiv	New consoles MCC 7500 VPM or equiv	CENTRACOM Gold Elite final release Q3	Replace existing consoles with Motorola MCC7500 VPM or equivalent – 1/1/2015 deadline Current Est. \$3,400,000 New consoles MCC 7500 VPM or equiv				
Subscribers	New public safety subs Moto APX or equiv Recommend non- Pub Safety Subs Moto APX or equiv	New public safety subs Moto APX or equiv Recommend non- Pub Safety Subs Moto APX or equiv	New public safety subs Moto APX or equiv Recommend non-Pub Safety Subs Moto APX or equiv	New public safety subs Moto APX or equiv Recommend non- Pub Safety Subs Moto APX or equiv	New public safety subs Moto APX or equiv Recommend non- Pub Safety Subs Moto APX or equiv	Replace existing public safety subscribers with 700 MHz/6.25 kHz TDMA capable (Moto APX or equiv) – 1/1/2017 deadline Current Est. \$18,500,000 New public safety subs Moto APX or equiv Recommend non-Pub Safety Subs Moto APX or equiv	New public safety subs Moto APX or equiv Recommend non- Pub Safety Subs Moto APX or equiv		
Other Initiatives			FCC Mandate for <512 MHz Narrowbanding 1/1/2013				FCC Mandate for 700 MHz/6.25 kHz Equivalent 1/1/17		
Totals	Current Est. \$787,384+ FY10/11 Budget \$1,467,704	Current Est. \$676,500+ Prop. FY11/12 Budget \$791,500 Current Est.\$50,000		Current Est.\$6,607,000	Current Est. \$3,400,000	Current Est. \$38,500,000 Current Est. \$2,250,000	Current Est. \$1,700,000	Current Est. \$1,300,000 Current Est.\$4,000,000	