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COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101
ceo.lacounty.gov

Chief Executive Officer
Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

June 17, 2025

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

13 June 17, 2025

EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST FOR DELEGATED AUTHORITY TO THE CHIEF EXECUTIVE OFFICER
TO NEGOTIATE AND EXECUTE A LOAN AGREEMENT WITH THE LOS ANGELES REGIONAL
INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY
APPROVE APPROPRIATION ADJUSTMENT FY 2024-25
(ALL DISTRICTS) (3-VOTES)**

SUBJECT

Request for delegated authority to the Chief Executive Officer (CEO), or her designee, to negotiate and execute a proposed loan agreement (funding agreement) with the Los Angeles Regional Interoperable Communications System (LA-RICS) Authority, to allow the LA-RICS the authority to continue to operate its Land Mobile Radio (LMR) System unencumbered and without further risk of claims resulting from the 12-year period to design, construct and implement the LMR System, and to approve an appropriation adjustment. The County of Los Angeles (County) is a member agency in the LA-RICS Authority's Joint Powers Authority (JPA), of which the LA-RICS Authority undertook the construction of the LMR System to benefit public safety users in the region. The LMR System is an important public safety communications system for the Fire Department (Fire), Sheriff's Department (Sheriff) and other LA-RICS users, and successfully provided critical public safety communications for the County during the recent January windstorm and fires event.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that this action is not a project under, or is otherwise exempt from, the California Environmental Quality Act (CEQA) because the activity is not included in the definition of a project under section 21065 of the Public Resources Code and is an administrative activity of government that is exempt from CEQA, pursuant to State CEQA Guidelines Section 15378(b);

2. Find that supporting the operations of the LA-RICS Authority through the contemplated funding agreement will serve a public purpose, pursuant to Government Code Section 26227;
3. Direct and delegate authority to the CEO, or her designee, to within the next 15 days:
 - a. Negotiate, on behalf of the County, a loan of \$23.0 million from the County to the LA-RICS Authority for resolution of claims related to the LMR System so that the system can remain unencumbered and continue to support public safety operations, subject to reasonable terms, including repayment over a 15-year period plus interest at the County's treasury pool interest rate;
 - b. Upon successful negotiation of the loan terms and after approval as to form by County Counsel, execute a funding agreement with LA-RICS Authority on behalf of the County substantially similar to Enclosure A; and
 - c. Upon execution of a loan agreement, approve an appropriation adjustment that transfers \$23.0 million within the County General Fund from the Judgments and Damages budget unit to the obligated fund balance Nonspendable for LT Loans Rec LARICS Settlement (15 Yr) for the loan from County to the LA-RICS Authority.
4. Authorize the CEO to administer the funding agreement on behalf of the County for the duration of the repayment period; and
5. Delegate authority to the CEO, or her designee, to execute amendments to the funding agreement to effectuate any needed changes or modifications; add or revise provisions; and to terminate the funding agreement, either in whole or in part; all with approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County is the largest member agency in the LA-RICS Authority since its formation as a JPA in 2009. In 2012, the LA-RICS Authority awarded a contract to Motorola Solutions, Inc. to design, construct and implement the LMR System. The LMR System was completed and achieved final acceptance in November 2023. Fire and Sheriff have since replaced the primary use of their end-of-life legacy systems with the LMR System.

The LMR System is a robust public safety grade system made up of a 58-site network, many of which are located on County-owned and/or controlled property. The construction of the system was almost entirely funded by federal grants. The LMR System was designed for countywide coverage and has an immense capacity for interoperability, while withstanding environmental and artificial threats. Each LMR site location is designed to withstand high winds and earthquakes, and utilizes an emergency backup generator in the event permanent power goes out because of a weather or fire event. For these reasons, the LMR System was able to remain online with 100% availability and fully operational for Fire and Sheriff during the January 2025 windstorms and fires. The system's features ensured reliable communication and interoperability during this public safety emergency.

As is typical with construction projects, and given that it took 12 years to complete the LMR System, delay claims arose along the way between the LA-RICS Authority and Motorola Solutions, Inc. Therefore, the LA-RICS Authority has agreed to settle delay claims with Motorola Solutions, Inc. Now that the LMR System is completed, it is in the best interest of the County, as the largest user of the LMR System, to support the LA-RICS Authority and to ensure that the LMR System remains

unencumbered and free from claims that may impact its continual operation. Since the LA-RICS Authority has limited funds, given that it has been in the construction phase over the last 12 years, a loan from the County is necessary.

The loan will draw interest payments for the County annually at the County Treasury Pool rate deposited into a budget unit managed by the CEO, upon Board approval, over the 15-year loan term. Assisting the LA-RICS Authority in this manner is not atypical, given that the County has provided assistance and services to the LA-RICS Authority since its inception. Most recently, on April 15, 2025, the Board approved an agreement for the Internal Services Department (ISD) to be reimbursed up to \$43.0 million for providing facilities maintenance and auxiliary services to the LA-RICS Authority for the LMR System. The JPA is also staffed by County personnel from Sheriff, Fire, ISD, Probation Department and other departments, with the JPA reimbursing the County for personnel via a previously Board-approved services agreement. County Counsel also serves as its legal counsel, and the Auditor-Controller as its fiscal agent.

Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan, North Star 3, Realize Tomorrow's Government Today, and North Star 2, Focus Area Goal C, Public Safety, Strategy ii, Operational Enhancement. The recommendation action supports enhancing organizational and administrative operations, and training of public safety entities, to better serve the community. The modern LMR System will enhance user operations by transforming their public safety communications through the integration of voice and data technologies that allow interoperable communication in any form, using any type of device, on any frequency, in all areas throughout the greater Los Angeles region on a single, modern platform with exceptional reliability.

FISCAL IMPACT/FINANCING

The funding for the \$23.0 million proposed funding agreement was set aside in the Judgments and Damages budget unit. Upon Board approval of the appropriation adjustment, the total interest to be received by the County for the \$23.0 million funding agreement over the entire term of 15 years shall be deposited into the Nondepartmental Special Accounts budget unit and principal payments shall offset the loan. The enclosed appropriation adjustment will transfer \$23.0 million from the Judgments and Damages budget unit to the obligated fund balance Nonspendable for LT Loans Rec-LARICS Settlement (15 Yr) within the County General Fund (Enclosure B).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed funding agreement to the LA-RICS Authority is authorized by Government Code Section 26227, which permits the Board to appropriate and expend money to fund programs to meet the social needs of the population of the County, including but not limited to, the areas of law enforcement and public safety.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are not subject to the CEQA because they do not constitute a project according to section 15378 of CEQA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Honorable Board of Supervisors

6/17/2025

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The recommended action will not affect any current services and will not compromise public safety missions or disrupt vital, existing communication services to the County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Fesia A. Davenport", with a stylized, flowing script.

FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:MRM:RCP

BH:SZ:cc

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Auditor-Controller
Fire
Internal Services
Probation

FUNDING AGREEMENT BETWEEN

COUNTY OF LOS ANGELES

AND

LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS

SYSTEM AUTHORITY

This Funding Agreement ("**Agreement**") is entered into on _____, 2025 ("**Effective Date**") by and between the County of Los Angeles ("**County**") and the Los Angeles Regional Interoperable Communications System Authority ("**LA-RICS Authority**"). The County and LA-RICS Authority are jointly referred to herein as the "Parties," and individually as "Party."

WHEREAS, LA-RICS Authority is a California joint powers authority formed under California Government Code section 6500 et seq., whose purpose is to engage in regional and cooperative planning and coordination of governmental services to establish a wide-area interoperable public safety communications network known as the LA-RICS' Land Mobile Radio System ("**LMR System**");

WHEREAS, County, as a member agency in LA-RICS Authority, desires to support the efforts of LA-RICS Authority and its continued operation of the LMR System for the benefit of public safety first and secondary responders who use the system for their critical communications needs in Los Angeles County;

WHEREAS, LA-RICS Authority's Board of Directors ("**Governing Board**") has approved a settlement with Motorola Solutions Inc. ("**MSI**"), its contractor who designed and built the LMR System, and of which such settlement will be funded with a loan from the County in the amount of \$23 million;

WHEREAS, the County Board of Supervisors ("**Board**") approved a loan of \$23 million to the LA-RICS Authority so that the LMR System remains unencumbered for use by public safety first and secondary responders for their communications needs; and

WHEREAS, the Board authorized the County's Chief Executive Officer ("**CEO**"), or designee to enter into an agreement with the LA-RICS Authority for the loan amount of \$23 million at the interest rate and loan terms set forth herein.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the Parties agree as follows:

1. **APPROVED FUNDING.** County will provide LA-RICS Authority a loan of twenty-three million dollars (\$23,000,000.00) ("**Loan**") subject to the terms and conditions specified below:
- a. Disbursal of the full Loan amount from County will be delivered to the LA-RICS Authority within fifteen (15) days of the Effective Date of this Agreement. The Loan will be used by the LA-RICS Authority for resolution of all issues with MSI related to the LMR System.
 - b. LA-RICS Authority will repay the Loan, including variable interest accrued on the Loan based on the County's yearly treasury pool rate, each year for the next fifteen (15) years as set forth below, with repayment to be completed in full by no later than June 30, 2040:
 - i. Years 1 through 5: LA-RICS Authority will make a variable interest-only payment for each respective year covering the period from July 1 through June 30. In addition, the first payment for Year 1 will also include any interest owed from the date that the principal is paid to the LA-RICS Authority through June 30, 2025.
 - ii. Years 6 through 15: LA-RICS Authority will pay the County \$2.3 million each year for ten (10) years towards the original loan principal, plus the variable interest payment based on the County's yearly treasury pool rate for the respective year. The annual principal payment in Years 6 through 15 is structured as 1/10th of the total Loan amount to ensure an even principal payment amount is paid annually over the ten (10) years.
 - iii. LA-RICS Authority may make additional principal payments at any time during the repayment term of this Loan, which will shorten the 15-year term.
 - iv. The outstanding Loan balance will bear interest at the yearly County treasury pool rate in effect from the date that principal is paid to LA-RICS Authority until the date of repayment to the County. Interest will accrue daily based on the outstanding principal loan amount.
 - v. County will invoice LA-RICS Authority yearly in arrears for the amount owed in each prior year covering the period from July 1 through June 30. LA-RICS Authority will thereafter have forty-five (45) days to pay such invoice.
 - d. LA-RICS Authority's failure to make the payment specified in this Section 1 (Approved Funding) will constitute an event of default. Upon occurrence of this event of default, the entire outstanding Loan amount, accrued interest, and all reasonable County costs of collection, including but not limited to, attorneys fees and costs, will automatically become immediately due and

payable. LA-RICS Authority understands and acknowledges the County is statutorily permitted to offset any delinquent amounts against any amount reciprocally owing pursuant to California Government Code section 907.

2. **TERM.** The term of the Agreement will commence upon the Effective Date and terminate when the Parties' obligations under the Agreement are fully satisfied as determined by the County.
3. **REPORTING.** LA-RICS Authority will notify the County when it has released the Loan funds to MSI in exchange for a full and final settlement and release of the LA-RICS Authority and its member agencies. LA-RICS Authority agrees to maintain financial accounts, documents, and records consistent with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board and to make them available to the County for inspection. LA-RICS Authority also agrees to retain such financial accounts, documents, and records in compliance with the approved records retention policy of LA-RICS Authority.

At any time during this Agreement or at any time within five (5) years after the repayment of the Loan, authorized representatives of the County may conduct an inspection of LA-RICS Authority records to verify that the Loan expenditures were used for the purpose specified in this Agreement.

4. **INDEMNIFICATION.** In contemplation of the provisions of California Government Code section 895.2 imposing certain tort liability jointly upon public entities solely by reason of such entities being Parties to this Agreement, as defined by California Government Code section 895. The Parties hereto, as between themselves, pursuant to the authorization contained in California Government sections 895.4 and 895.6, will each assume the full liability that would be imposed upon it, or any of its officers, agents or employees by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such a liability would be imposed in the absence of California Government Code section 895.2. To achieve the above-stated purpose, each Party indemnifies and holds harmless the other Party for any loss, cost, or expense that may be imposed upon such other Party solely by virtue of California Government Code section 895.2. The Parties agree to indemnify, defend and hold harmless each other against any and all liability, expense and claims arising from their respective acts or omissions. The provisions of California Civil Code section 2778 are made hereof as if fully set forth.
5. **AMENDMENTS.** Except as otherwise provided herein, any amendment(s) to this Agreement will be at the mutual consent of the County and LA-RICS Authority and will be executed by an authorized designee of both the County and LA-RICS Authority, and approved as to form by County Counsel.
6. **DISPUTE RESOLUTION.** Whenever the County and LA-RICS Authority disagree as to any matter governed by this Agreement, the dispute resolution process set forth in this Section will govern. Until the dispute is resolved or unless this Agreement

is terminated by its terms, LA-RICS Authority will repay the Loan amount, accrued interest, and all reasonable County costs of collection to the County as set forth in this Agreement.

If after thirty (30) days, the Parties cannot resolve any dispute, either Party may give the other Party a written request for a meeting between LA-RICS Authority's authorized representatives and the County's CEO for the purpose of resolving a disagreement between the Parties.

If such meeting is requested, the meeting will be held within ten (10) business days of the receipt of such request. If after the meeting between the LA-RICS Authority's authorized representative and the County's CEO the dispute between the Parties is not resolved, the dispute may be submitted to the LA-RICS Authority's Governing Board and separately to the County Board, subject to compliance with applicable Ralph M. Brown Act requirements.

7. **ASSIGNMENTS.** LA-RICS Authority will not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of the County, in its sole discretion, and any attempted assignment or delegation without such consent will be null and void.

For purposes of this Section, the County consent will require a written amendment to this Agreement, which is formally approved and executed by the Parties. In the event a transfer, exchange, assignment, or divestment results in a change in the person or entity with majority control of LA-RICS Authority at the time of execution of this Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

8. **NOTICES AND APPROVALS.** All notices and approvals will be directed to and made by the following representatives of the Parties via U.S. Mail with a copy sent to the e-mail address provided below:

To the County:

Chief Executive Officer
Kenneth Hahn Hall of Administration, 7th Floor
500 West Temple Street
Los Angeles, CA 90012
Attn: Brian Hoffman
Email: bhoffman@ceo.lacounty.gov

To LA-RICS Authority:

Scott Edson
Executive Director
LA-RICS Authority
2525 Corporate Place, Suite 100
Monterey Park, CA 91754
Office: (323) 881-8291
Email Address: Scott.Edson@LA-RICS.ORG

With a copy to County Counsel:

Michael Simon
Truc L. Moore
Office of the County Counsel
500 W. Temple St., 6th Floor
Los Angeles, CA 90012
Email Address: msimon@counsel.lacounty.gov
tlmoore@counsel.lacounty.gov

9. **SEVERABILITY.** If any provision of this Agreement, or the application thereof, is held to be invalid, then that invalidity will not affect other provisions or applications of the Agreement that can be given effect without the invalid provision or application, and to this end the provisions of the Agreement are severable.
10. **ENTIRE AGREEMENT.** This Agreement contains the entire and complete understanding of the Parties with respect to the Loan provided to LA-RICS Authority and terms set forth in this Agreement.
11. **COMPLIANCE WITH LAW.** Notwithstanding anything to the contrary contained in this Agreement, the Parties agree that no provision of this Agreement will require any Party to violate any applicable statute, rule of law or regulation.
12. **AUTHORIZED AND ELECTRONIC SIGNATURES.** The Parties to this Agreement represent that the signatories executing this document are fully authorized to enter into this Agreement and bind the respective Parties. This Agreement may be executed by electronic signature(s) and transmitted either by facsimile or in a portable document format version by email and such electronic signature(s) will be deemed as original for purposes of this Agreement and will have the same force and effect as a manually executed original.
13. **COUNTERPARTS.** This Agreement may be executed in two or more counterpart copies, each of which will be deemed as an original and all of which, when taken together, will constitute one and the same instrument.

[Signatures on the following page]

IN WITNESS WHEREOF, LA-RICS Authority has executed this Agreement, or caused it to be duly executed by its authorized representative, and the County of Los Angeles by order of its Board of Supervisors, has delegated to its Chief Executive Officer, or her designee, the authority to execute this Agreement on its behalf on the date and year written below.

LA-RICS Authority:

Los Angeles Regional Interoperable
Communication Systems Authority

COUNTY:

County of Los Angeles

By: Scott Edson, Executive Director

By: Fesia A. Davenport, Chief Executive
Officer

Date: _____

Date: _____

APPROVED AS TO FORM:

Dawyn R. Harrison
County Counsel

APPROVED AS TO FORM:

Dawyn R. Harrison
County Counsel

By:

By:

Principal Deputy County Counsel

Principal Deputy County Counsel

PINK

BA FORM 10142022

BOARD OF SUPERVISORS
OFFICIAL COPY

June 17, 2025

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2024-25****3 - VOTES****SOURCES****USES****JUDGMENTS AND DAMAGES**

A01-JD-5500-13630

OTHER CHARGES

DECREASE APPROPRIATION**23,000,000****GENERAL FUND**

A01-302J

NONSPENDABLE FOR LT LOANS REC-LARICS SETTLEMENT (15 YR)

INCREASE OBLIGATED FUND BALANCE**23,000,000****SOURCES TOTAL****\$ 23,000,000****USES TOTAL****\$ 23,000,000****JUSTIFICATION**

Reflects the transfer of \$23 million in appropriation within the County General Fund from the Judgement and Damages budget to the obligated fund balance Nonspendable for LT Loans Rec-LARICS Settlement (15 Yr) effective upon approval by the Board of Supervisors and execution of the loan agreement between the County of Los Angeles and the Los Angeles Regional Interoperable Communication Systems Authority.

ADOPTEDBOARD OF SUPERVISORS
COUNTY OF LOS ANGELES**13 June 17, 2025****Brian Hoffman**Digitally signed by Brian Hoffman
Date: 2025.05.13 14:40:24 -07'00'**AUTHORIZED SIGNATURE****BRIAN HOFFMAN, MANAGER, CEO**

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

EDWARD YEN
EXECUTIVE OFFICERREFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION



RECOMMENDATION

AUDITOR-CONTROLLER

Andrea
BY TurnerDigitally signed by Andrea
Turner
Date: 2025.05.13 15:25:38
-07'00'B.A. NO. **232**DATE **5/13/25**

APPROVED AS REQUESTED



APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

**Yolanda
Reyes**Digitally signed by
Yolanda Reyes
Date: 2025.05.14
08:39:25 -07'00'

DATE