



Mayor Lisa Brown

August 24, 2024

SREC
1620 North Rebecca Street
Spokane, WA 99217

Dear SREC Board Members:

Three months ago, you decided to grant the City of Spokane (City) a three-month extension following your initial April communication, requiring the City to either place both of our public safety agencies into SREC, or pull Spokane Fire out of SREC and create a City public safety answering point (PSAP). Over those three months, my team and I have been hard at work, endeavoring to find solutions that will keep our community safe by being fair, equitable, and judicious with taxpayer resources. As you know, the 911 system is critical to our collective safety, so to assist our effort, the City entered into contract with ADCOMM Engineering (ADCOMM), an outside consultant that specializes in emergency communications. ADCOMM, which has worked previously with SREC, conducted a feasibility assessment of the City's options.

Their work included a robust document review of relevant operational and financial records related to City-specific and regional emergency communications. Additionally, ADCOMM traveled to Spokane for a week-long site visit which included interviews with City public safety leadership, relevant City bargaining units, and SREC leadership and staff, as well as the opportunity to observe both SREC and Spokane Police Department dispatch. I am pleased ADCOMM was able to produce a detailed report within the tight timeframe (see attachment).

Based on ADCOMM'S assessment and recommendations, I would like to move forward with a regional PSAP for both of the City's public safety agencies if we can satisfactorily address the critical recommendations outlined in the report and highlighted below.

I. Current Operations

SREC currently provides call taking and dispatch services for SFD, plus a CAD upgrade that will continue and enhance records integration for SFD. ADCOMM notes that the regional participation also provides coordination and resource allocation in the event of a critical or county-wide incident. For SPD, SREC provides initial call taking. SPD otherwise serves as a separate, secondary PSAP for emergency calls for law enforcement within the City of Spokane. Finally, SREC is responsible for providing radio equipment and maintenance, as well as crime check call handling and reporting for the City. SPD manages a separate online crime check reporting system.

II. Governance Model

SREC's current board structure affords the City two seats on a 10-member board, which requires a two-thirds vote for final action. **ADCOMM recommends adjusting the board structure to ensure representation that accurately reflects the proportional use and needs of participating jurisdictions.**

A Better Way Starts Here

808 W. Spokane Falls Blvd. • Spokane, Washington 99201-3335
Phone: 509.625.6250 FAX: 509.625.6563



Mayor Lisa Brown

ADCOMM identifies the King County model as a possible solution that is designed to address the diverse needs of the rural and urban participating agencies (see Attachment 27)

We are open to exploring the King County model, as well as other governance proposals that ensure the needs of all participating jurisdictions – including the City’s – are recognized through the Board structure.

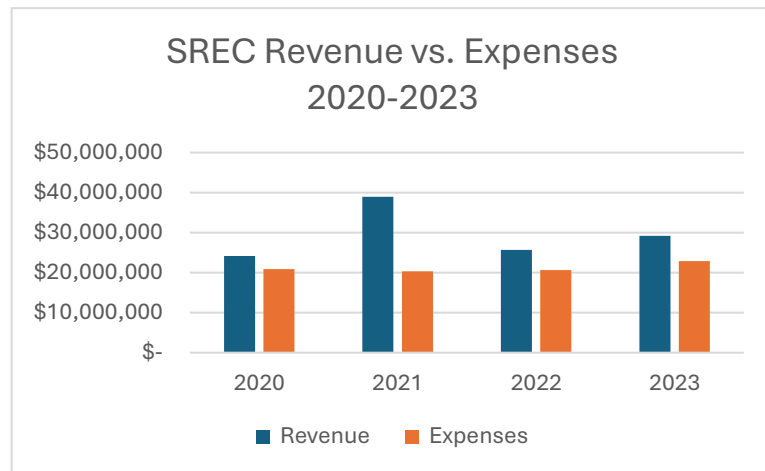
III. Financial Model

As you know, SREC operates from three primary revenue streams: the 1/10 of 1% communication sales tax, a 911 excise tax, and user fees. While the City of Spokane accounts for just over 42% of the County population, data from the Department of Revenue included in the ADCOMM report shows that taxes generated within the City of Spokane make up roughly 65% of SREC’s annual tax revenue.

The report corroborates the City’s preliminary finding – which my team and I have repeatedly identified – that SREC’s tax revenues alone are sufficient to cover SREC’s expenditures. Therefore, as we have consistently maintained, the user fees charged to the City and other jurisdictions are unnecessary and excessive.

ADCOMM found that in addition to SREC’s capital line item, the organization consistently overestimates expenditures and underestimates revenue which increases reserves year over year. In fact, even without user fees over the last four years, SREC would have realized \$10 million in reserves. With user fees, however, SREC has accumulated approximately \$33 million in reserves from 2020 to 2023.

These reserves are allocated for new facility construction, however, this allocation is not included in the current Service Level Agreement (SLA) with the City. ADCOMM recommends that the accrual and expenditure of capital reserves be formally adopted in SLAs, and that SREC improve its financial transparency and oversight. Eliminating user fees and developing a transparent, formal process for financial oversight and capital planning will responsibly conserve taxpayer resources and achieve the economies of scale promised by SREC’s establishment.



ADCOMM Table SREC Revenue vs. Expenses

IV. Transparency, Accountability, and Collaboration

A Better Way Starts Here

808 W. Spokane Falls Blvd. • Spokane, Washington 99201-3335
Phone: 509.625.6250 FAX: 509.625.6563



Mayor Lisa Brown

In addition to governance and financial adjustments, ADCOMM identifies the need for enhanced transparency, accountability, and collaboration across all facets of emergency communications, including:

- Regular reviews and adjustments of Service Level Agreements
- Transparent communication and planning
- Long-term strategic planning and collaboration

The recommendations outlined here are necessary in light of ADCOMM's ultimate conclusion that:

Regionalization of 9-1-1 services makes sense academically and can achieve cost and operational efficiencies over time. **However, the current structure of SREC is not one we currently recommend the City of Spokane join. There are some integral changes required of SREC and the City to resolve the issues mentioned in this report prior to full participation by the City of Spokane (Attachment 31).**

If the SREC board is willing to adopt and implement ADCOMM's recommendations, I am confident that we will enhance public safety service delivery across the region and properly steward precious taxpayer resources. Thank you for your willingness to engage with ADCOMM. I am hopeful that we can resolve these issues and move to a fully regional system, and I look forward to your response.

Your partner in public safety,

Lisa Brown
Mayor, City of Spokane

Cc: Chris Jordan, Spokane County Commissioner
Amber Waldref, Spokane County Commissioner
Josh Kerns, Spokane County Commissioner
Mary Kuney, Spokane County Commissioner
Al French, Spokane County Commissioner
Spokane City Council
City of Spokane Valley City Council
John Hohman, City of Spokane Valley City Manager
Erik Lamb, City of Spokane Valley Deputy City Manager
Cheney City Council
Chris Grover, Cheney Mayor

A Better Way Starts Here

808 W. Spokane Falls Blvd. • Spokane, Washington 99201-3335
Phone: 509.625.6250 FAX: 509.625.6563



Mayor Lisa Brown

Albert Tripp, Airway Heights City Manager

Liberty Lake City Council

Mark McAvoy, Liberty Lake City Administrator

A Better Way Starts Here

808 W. Spokane Falls Blvd. • Spokane, Washington 99201-3335

Phone: 509.625.6250 FAX: 509.625.6563