
DEBT ADVISORY COMMITTEE MEETING

MEETING MINUTES

December 6, 2023 at 1:00 p.m.

Members Present:

Don Kent
Giovane Pizano
Darrylenn Prudholme-Brockington
Ben Benoit
Minh Tran

County Executive Office (Chair)
Treasurer-Tax Collector
Flood Control and Water Conservation District
Auditor-Controller
County Counsel

Members Absent:

Amber Jacobson
Jarvyk Punzalan

Office of Economic Development
Community Facilities District/Assessment District

Staff and Guests Present:

Edwin Quinonez
Undersheriff Don Sharp
Amanda Bennett
Claudia Preciado-Arroyo
Jon Gutierrez
Michelle Paradise
Rebecca Cortez
Katie Ponce

Flood Control and Water Conservation District
Sheriff's Department
Sheriff's Department
Sheriff's Department
Executive Office
Executive Office
Executive Office
Executive Office

1. Call to Order and Self-Introductions

The special Debt Advisory Committee meeting was called to order at 1:00 p.m. Those present made self-introductions.

2. Approval of the DAC Meeting Minutes for October 12, 2023

MOTION: Ben Benoit moved to approve the DAC meeting minutes from October 12, 2023.

Darrylenn Prudholme-Brockington seconded this.

The motion passed unanimously.

3. Review and Recommend – Approval to the Board of Supervisors usage of the County’s Master Lease Purchase Agreement Line of Credit with JPMorgan Chase Bank, N.A. for the Sheriff’s Department Purchase of Communications Equipment of Motorola Radios

Chairman Don Kent, with the Executive Office, introduced item three on the agenda, the usage of the County’s Master Lease Purchase Agreement Line of Credit with JPMorgan Chase Bank, N.A. for the Sheriff’s Department Purchase of Communications Equipment of Motorola Radios. This is for a review and recommend by the Debt Advisory Committee to the Board of Supervisors (BOS). After today’s meeting this financing is set to be on the BOS agenda on December 12, 2023. Chairman Kent explained that typically this committee reviews financings submitted by the Executive Office, but this one today comes from our Sheriff’s Department.

Chairman Kent further explained that this item is coming to the committee to be in compliance with the county debt management Policy B-24, which states that the Debt Advisory Committee will review proposed county related financings and act on them with a review and file or review and recommend and is for financings of \$5 million and above. The requested financing today is for a lease line of credit for equipment in the amount of \$17.3 million. He then introduced Undersheriff Sharp, with RSO, to present the item.

Undersheriff Sharp, with the Riverside Sheriff’s Office (RSO), shared that the department’s radios, that are used by the patrol officers, the jails and volunteers, are currently at their end of life. Parts in need of repair are no longer available and vendor support has been discontinued. The new radios will have the necessary upgrades, including support and parts, and will also allow for remote programming and WI-FI capabilities. This will enhance the user experience and decrease Public Safety Enterprise Communications (PSEC) System programming time by allowing remote programming. These devices will be deployed across patrol and in other specialized areas across the organization. Undersheriff Sharp asked Amanda Bennett, with RSO, to explain the financing element further.

Ms. Bennett, with the Sheriff’s office, explained that they will be purchasing 2500 radios and the reason for the large purchase, instead of getting them in smaller increments over time, is that Motorola is offering a \$2.4 million credit to purchase them all at once. RSO does not have enough funds to cover purchasing them all now, which is the purpose of this financing request. What RSO will fund is \$6 million of the purchase and another \$3.75 million for the Smart Features. The financing is for the remainder of the purchase and will be financed over five years at 4.2 percent

interest (today's estimate) and this will be utilizing the county's line of credit provided by JPMorgan Chase Bank, N.A. The lease payments will be made with RSO funds. The estimated interest cost based on a five-year financing is approximately \$1.9 million, which is subject to change under financial market conditions.

Giovane Pizano, with the Treasurer-Tax Collector's office, asked what the terms would be with an alternate option of financing.

Ms. Bennett said that Motorola did offer their own financing terms, but they were higher. The last one received was a five-year for 4.9 percent interest. Both options were considered.

Mr. Pizano stated that in the last four weeks, the rates have dropped about 2/3s of a percent, so the market is moving in your favor and the line of credit with JPMorgan is very competitive.

MOTION: Ben Benoit moved to approve the Approval to the Board of Supervisors usage of the County's Master Lease Purchase Agreement Line of Credit with JPMorgan Chase Bank, N.A. for the Sheriff's Department Purchase of Communications Equipment of Motorola Radios

Don Kent seconded.

All were in favor. The motion passed unanimously.

4. Public Comment

None

5. Other Business

6. Next Meeting(s)

The next regularly scheduled Debt Advisory Committee Meeting is scheduled for Thursday, January 11, 2024, or as needed.

7. Adjourn

With no further business, Chairman Don Kent, adjourned the Debt Advisory Committee Meeting at 9:12 a.m.