

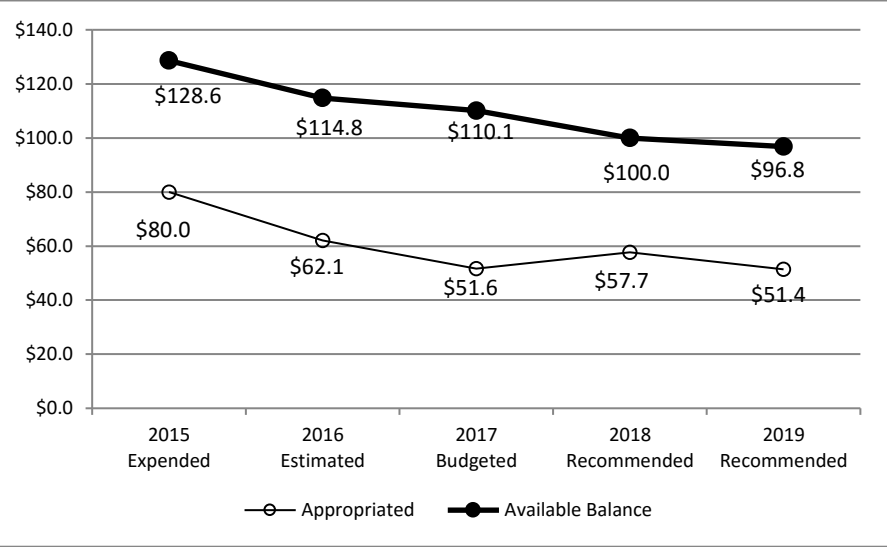
Commission on State Emergency Communications Summary of Recommendations - House

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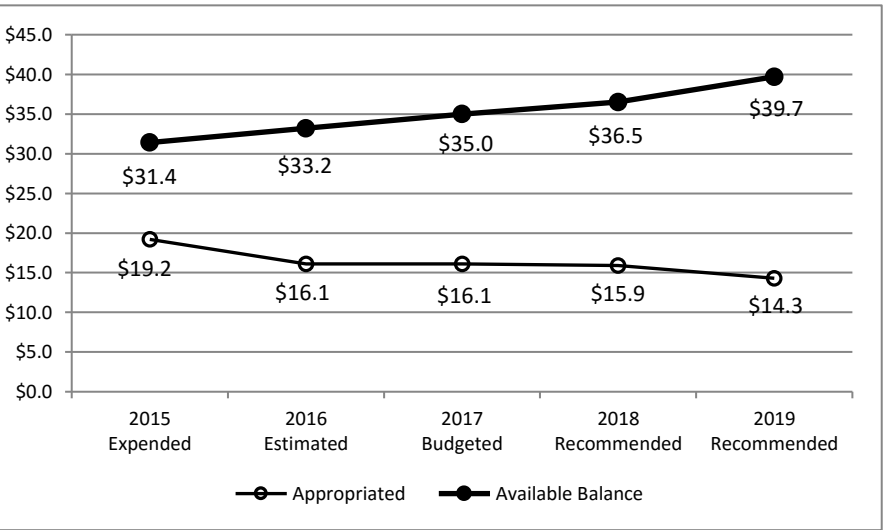
Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$0	\$0	\$0	0.0%
GR Dedicated Funds	\$145,994,626	\$138,925,822	(\$7,068,804)	(4.8%)
Total GR-Related Funds	\$145,994,626	\$138,925,822	(\$7,068,804)	(4.8%)
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$0	\$0	\$0	0.0%
All Funds	\$145,994,626	\$138,925,822	(\$7,068,804)	(4.8%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	25.0	25.0	0.0	0.0%

GR-D Account No. 5050 Historical Appropriations and Balances



GR-D Account No. 5007 Historical Appropriations and Balances



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Commission on State Emergency Communications
Summary of Funding Changes and Recommendations - House

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Removal of one-time funding for the Grant Management System.	\$0.0	(\$0.8)	\$0.0	\$0.0	(\$0.8)	C.1.1
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
B)	Reduction of 9-1-1 equipment replacement grants for Public Safety Answering Points, pursuant to the 4 percent reduction.	\$0.0	(\$5.8)	\$0.0	\$0.0	(\$5.8)	A.1.1, B.1.2
C)	Decrease of Data Center Services to align with current obligations.	\$0.0	(\$0.4)	\$0.0	\$0.0	(\$0.4)	B.1.2
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$0.0	(\$7.0)	\$0.0	\$0.0	(\$7.0)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		\$0.0	(\$7.0)	\$0.0	\$0.0	(\$7.0)	As Listed

NOTE: Totals may not sum due to rounding.

**Commission on State Emergency Communications
Selected Fiscal and Policy Issues - House**

1. **Grant Management System** – Recommendations include a decrease in General Revenue – Dedicated Acct. No. 5007 of \$63,254 and General Revenue – Dedicated Acct. No. 5050 of \$775,212 for the removal of one-time funding related to the implementation of a Grant Management System in the 2016-17 biennium. This project is scheduled to be completed by the end of fiscal year 2017. Ongoing costs related to maintenance and software licensing are estimated to be \$68,100 in 2018-19 biennium.

2. **State-level Emergency Services IP-Network Project (ESINet Project)**
 - Recommendations in the 2018-19 biennium include the agency request to allocate \$7.7 million in their base capital budget to begin Phase 3 of the project. Recommendations do not include the agency's request of \$27.4 million in the 2018-19 biennium which would provide the agency with the funding needed to migrate existing systems and scale the system operations.
 - The ESINet Project is the digital replacement of the current analog 9-1-1 system. The National Emergency Number Association (NENA) refers to the new system as Next Generation 9-1-1, or NG9-1-1. It is designed to provide access to emergency services from all connected communications sources, and provide multimedia data capabilities for Public Safety Answering Points (PSAPs) and other emergency services organizations.
 - The agency received \$7.1 million in GR-Dedicated 911 Services Fees Account No. 5050 in the 2014-15 biennium to fund Phase 1 of the project which allowed for planning, setting up a test lab to identify risks and issues, and establishing the core functionality for the digital network. Phase 2 of the project was appropriated \$7.7 million in the 2016-17 biennium (\$5.9 million in GR-Dedicated 9-1-1 Service Fees Account No. 5050 and \$1.8 million in GR-Dedicated Account No. 5007) to utilize the test lab to validate system design, planning activities, and acquiring the components to implement the first instance of the NG9-1-1 system.
 - Out year costs for capital costs beyond the 2018-19 biennium for ESINet implementation are estimated to be \$19.9 million, concluding in 2023. In this same period, from 2020 to 2023, operating costs are expected to be \$111.2 million. After 2023, operating costs for the NG9-1-1 system are expected to be \$35.1 million per year.
 - The full implementation of the ESINet Project in 2023 is expected to eliminate the need for purchased equipment replacement and on-going maintenance, due to the agency's plan to lease operations equipment from a vendor.

3. **General Revenue-Dedicated Account Balances**
 - According to the agency, General Revenue-Dedicated 9-1-1 Service Fees Account No. 5050 is projected to have a balance of \$110.1 million at the end of fiscal year 2017. Revenue collections from the 9-1-1 service fees are projected to be \$96.4 million for the 2018-19 biennium. Recommendations of \$108.3 million for the biennium would exceed these estimate revenue collections and spend down account balances by an estimated \$11.9 million.
 - According to the agency, General Revenue-Dedicated Commission on State Emergency Communications Account No. 5007 is projected to have a balance of \$35.0 million at the end of fiscal year 2017. Revenue collections from the equalization surcharge fee are projected to be \$39.7 million for the 2018-19 biennium. Recommendations of \$30.6 million for the biennium would not exceed these estimate revenue collections. The remaining projected revenue of \$9.1 million would be deposited into Account No. 5007.

Commission on State Emergency Communications
Contracting Highlights - House

Summary of Contracts Awarded in Fiscal Years 2015-2016 and Reported to LBB Contracts Database*

(Dollar values rounded to the nearest tenth of a million)

	Number	Total Value	Average Value	% of total
Procurement Contracts	47	\$ 142.2	\$ 3.0	100%

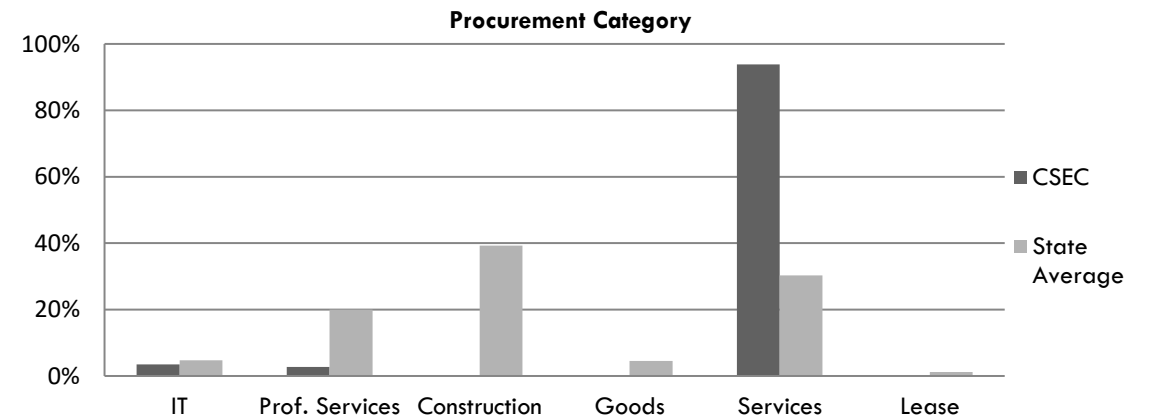
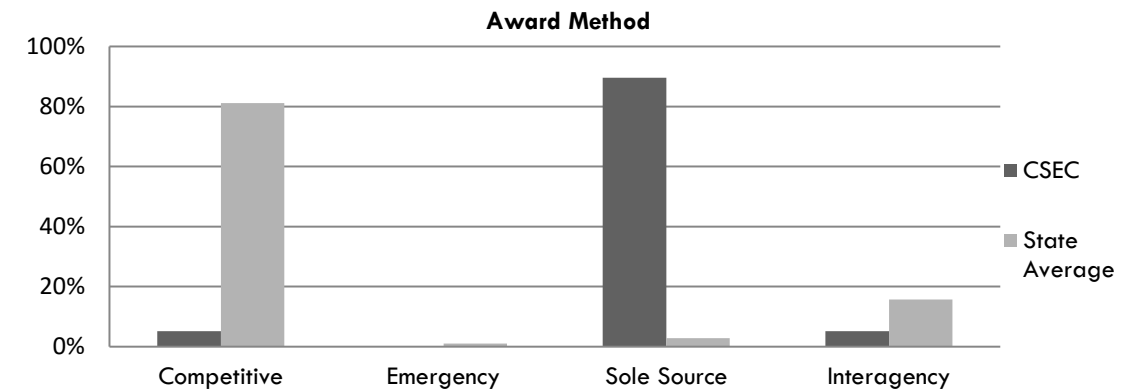
Award Method

Total Competitive Contracts	9	\$ 7.4	\$ 0.8	5.2%
Total Non-Competitive	38	\$ 134.8	\$ 3.5	94.8%
Emergency	0	\$ -	\$ -	0.0%
Sole Source	32	\$ 127.4	\$ 4.0	89.6%
Interagency Agreement	6	\$ 7.4	\$ 1.2	5.2%

Procurement Category

Information Technology	12	\$ 5.0	\$ 0.4	3.5%
Professional Services	3	\$ 3.8	\$ 1.3	2.7%
Construction	0	\$ -	\$ -	0.0%
Goods	0	\$ -	\$ -	0.0%
Other Services	32	\$ 133.4	\$ 4.2	93.8%
Lease/Rental	0	\$ -	\$ -	0.0%

Comparisons with State Averages



*Note: These figures reflect the total value of reported contracts awarded in FY 15-16 and reported to the LBB contracts database. Values can include planned expenditures for subsequent years and represent the amounts contracted which may include funds from sources other than appropriated or General Revenue Funds.

Commission on State Emergency Communications
Contracting Highlights

Largest Competitive Contracts Awarded in FY 15-16	Award Method	Total Value	% Change*	Award Date	Length	Renewals	Vendor
1 Test Lab Project Services	Competitive	\$ 2.8	39.4%	06/15/15	2 years	0	Luna Data Solutions Inc.
2 Database Management System	Competitive	\$ 1.7	-	09/01/15	2 years	0	West Safty Services Inc.
3 Data Center Services	Interagency	\$ 0.9	-	08/31/15	2 years	0	Department of Information Resources
4 Grant Management System	Competitive	\$ 0.7	-	11/09/15	1 year	0	Neos Consulting Group LLC
5 Data Center Services	Interagency	\$ 0.6	-	12/22/14	2 years	0	Department of Information Resources

Largest Non-Competitive Contracts Awarded in FY 15-16

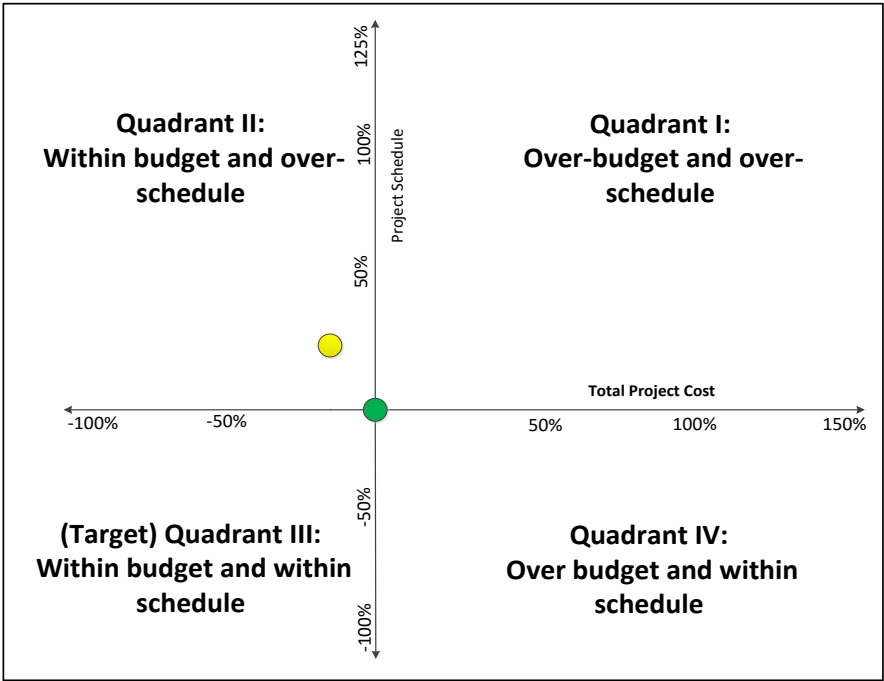
1 911 Service in North Central Texas Region	Sole Source	\$ 22.0	-	07/29/15	2 years	0	North Central Texas C.O.G.
2 911 Service in Lower Rio Grande Region	Sole Source	\$ 11.5	-	07/29/15	2 years	0	Lower Rio Grande Valley Dev. Council
3 911 Service in Houston-Galveston Region	Sole Source	\$ 8.3	-	07/29/15	2 years	0	Houston-Galveston Area Council
4 911 Service in South East Texas Region	Sole Source	\$ 7.3	-	07/29/15	2 years	0	S.E. Texas Regional Planning Comm.
5 911 Service in Central Texas Region	Sole Source	\$ 7.1	-	09/01/15	2 years	0	Central Texas C.O.G.
6 911 Service in Deep East Texas Region	Sole Source	\$ 6.3	-	07/29/15	2 years	0	Deep East Texas C.O.G.
7 911 Service in Concho Valley Region	Sole Source	\$ 5.3	-	07/29/15	2 years	0	Concho Valley C.O.G.
8 911 Service in East Texas Degion	Sole Source	\$ 5.2	-	07/29/15	2 years	0	East Texas C.O.G.
9 911 Service in South Texas Region	Sole Source	\$ 4.9	-	07/29/15	2 years	0	South Texas Dev. Council
10 911 Service in Ark-Tex Region	Sole Source	\$ 4.7	-	09/01/15	2 years	0	Ark-Tex C.O.G.

Commission on State Emergency Communications
Quality Assurance Team Highlights - House

Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team

Project Name	Original Projected Costs	Current Projected Costs	Difference in Costs	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Difference in Time	% Complete	
1 State-level Digital 9-1-1 Network (Phase 1 & 2)	\$14.8	\$14.8	\$0.0	\$7.6	35	35	0	15%	●
2 Emergency Services IP Network (ESInet) Project (Phase 3)	\$36.0	\$36.0	\$0.0	\$0.0	72	72	0	0%	
3 Texas Next Generation 9-1-1 Geospatial Database Project	\$11.3	\$10.0	-\$1.3	\$4.0	33	45	12	60%	●
Project Totals (2)	\$62.1	\$60.8	-\$1.3	\$11.6					

Major Information Resources Projects



*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Legislative Budget Board, the State Auditor's Office, and the Department of Information Resources.

Commission on State Emergency Communications
Quality Assurance Team Highlights - House

Significant Project Highlights

QAT Budget Highlights (in millions)

Project Name	2016-17 Base	2018-19 Requested	2018-19 Recommended
1 Digital 9-1-1 Network	\$7.7	\$0.0	\$0.0
2 (ESInet) Project	\$0.0	\$35.1	\$7.7
3 Next Generation 9-1-1	\$0.0	\$0.0	\$0.0
Total	\$7.7	\$35.1	\$7.7

* Note: Requested amounts for 2018-19 include all baseline and exceptional item funding requested by the agency. Recommended amounts for 2018-19 include baseline funding only.

1 State-level Digital 9-1-1 Network (Phase 1 & 2)

This project was authorized to begin in FY 2015 as a three year multi-phased approach project and was appropriated \$7.1 million for Phase 1 project development (GR Dedicated - 911 Service Fees Account No. 5050). In FY 2016, the agency was appropriated \$7.7 million for Phase 2 of the project. (5.9 million GR Dedicated - 911 Service Fees Account No. 5050 and \$1.8 million GR Dedicated - Commission on State Emergency Communications Account No. 5007)

The Commission on State Emergency Communications (CSEC) completed Phase 1 (July 2015) which included implementation of a state-level Emergency Services Internet Protocol Network called ESInets. ESInets are designed with a high level of redundancy and resiliency to ensure that the network can continue to operate (deliver 911 calls) even if some of the circuits or end points are no longer functioning.

Phase 2 will implement advanced security features, including border control functions (BCF), call handling capabilities, and adding additional Public Safety Answering Points (PSAPs). These PSAPs are staffed by call-takers who have been trained to field calls from the public and gather information related to an emergency situation. The network will eventually enable call access, transfers and backups among and between PSAPs within Texas, and eventually, across the nation.

In August 2016, CSEC communicated to QAT that Phase 2 was vastly under estimated regarding the scope. The agency altered Phase 2 to stay within the budget and duration and modified the scope to stay within the FY2016-17 budget. The modification to Phase 2 has re-purposed the plan for Phase 3 (ESInet Project), and will commence when phase 2 is complete.

With the rebaseline of the scope, Phase 2 will be completed within current estimated budget and duration. The scope was reduced to accomodate the original project estimates. Phase 2 will utilize the test lab to validate the NG911 system design, acquire the necessary components and implement the instance of the NG911 system at the Austin Data Center, and continue planning for the implementation of CSEC's NG9-1-1 system.

2 Emergency Services IP Network (ESInet) Project (Phase 3)

Phase 3 is an exceptional item request in fiscal year 2018-19 for the ESInet project. Phase 3 will acquire the necessary services and components to fully implement the Next Generation (NG9-1-1) system and begin connecting and migrating a small set of PSAPs to NG9-1-1.

**Commission on State Emergency Communications
Quality Assurance Team Highlights - House**

Section 3c

3 Texas Next Generation 9-1-1 Geospatial Database Project

This project was authorized to begin in FY 2014 as a three year project and was appropriated \$5.8 million for project development (GR Dedicated - 911 Service Fees Account No. 5050).

During the procurement phase the agency experienced obstacles during acquisition of services which delayed project finish date by one year to August 2017. The delay did not impact the overall project cost.

CSEC awarded a Deliverables-Based IT Services (DBITS) contract for database services for the Texas Next Generation portion to transition the state 9-1-1 service program from the current Enhanced 9-1-1 system to a National Emergency Number association (NENA) compliant Next Generation 9-1-1 system, starting with the data for detailed functional and interface standards.

The Geospatial Database portion consists of separately procuring two inter-related and inter-connected database components - Automatic Location Information (ALI) Database Management System (DBMS) and Enterprise Geospatial Database Management System (EGDMS). These services will also include, but are not limited to: project management; system design, development testing and implementation; quality assurance and quality control (QA/QC) plan development and implementation.

The agency is not requesting additional funds as the initial request has been obligated for the entire project duration. In December 2016, the agency experienced unanticipated project activities and acquisition services caused the project finish date to change to August 1, 2017, resulting in the project being 36% over-schedule.

**Commission on State Emergency Communications
Rider Highlights - House**

Modification of Existing Riders

2. **Capital Budget.** Recommendations revise this rider to update the removal of the completed Grant Management System capital project and to rename the ongoing digital 9-1-1 project to ESINet Project (CSEC State-level Emergency Services IP-Network). The ESINet is a multi-year and multi-phase project that will replace the current legacy 9-1-1 system with a digital 9-1-1 infrastructure and replace critical equipment. Recommendations include \$7.7 million in All Funds for the 2018-19 biennium and unexpended balance authority in FY 2019 for the agency to begin the implementation phase of phase 3 of the project.

New Riders

8. **Unexpended Balances: ESINet Project.** Recommendations include a new rider allowing for the transfer of unexpended and unobligated balances as of August 31, 2017 in General Revenue (estimated to be \$0) for the State-level Digital 9-1-1 Network (ESINet Project) to the fiscal year beginning September 1, 2018, for the same purpose.

Deleted Riders

8. **Contingency for Legislation Related to Regional Poison Control Center Consolidation.** Recommendations delete this rider. House Bill 479, 84th Legislature, Regular Session, relating to the transfer of the regional medical dispatch resource centers program to the Commission on State Emergency Communications, did not pass. Rider was vetoed as part of Governor's Veto Proclamation.

Commission on State Emergency Communications
Items Not Included in Recommendations - House

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included - In Agency Priority Order

1)	Texas Poison Control Network cybersecurity	\$391,378	\$391,378	0.0	Yes	Yes	\$800,000
2)	Replacement and Maintenance of Regional Planning Commissions Equipment	\$13,737,220	\$13,737,220	0.0	Yes	Yes	\$0
3)	Emergency Service IP Network Project (ESINet Project)	\$27,445,434	\$27,445,434	0.0	Yes	Yes	\$57,915,977
4)	American Association of Poison Control Centers (AAPC) Standardization Levels	\$5,134,314	\$5,134,314	0.0	No	Yes	\$5,134,314
5)	9-1-1 GIS Database and Network	\$8,241,239	\$8,241,239	0.0	Yes	Yes	\$0
6)	Text Services for the 9-1-1 System	\$1,368,106	\$1,368,106	0.0	Yes	Yes	\$0
7)	Poison Public Education and Awareness	\$1,289,576	\$1,289,576	0.0	No	Yes	\$1,289,576
8)	9-1-1 Call Center Center Support Services	\$1,053,628	\$1,053,628	0.0	No	Yes	\$0

TOTAL Items Not Included in Recommendations		\$58,660,895	\$58,660,895	0.0			\$65,139,867
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**Commission on State Emergency Communications
Appendices - House**

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* Appendix is not included - no significant information to report

Commission on State Emergency Communications
Funding Changes and Recommendations - House, by Strategy -- GR & GR DEDICATED FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
9-1-1 NTWK OPER & EQUIP REPLACEMENT A.1.1	\$118,069,600	\$111,254,815	(\$6,814,785)	(5.8%)	Recommendations include: 1) \$975,000 decrease in funding moved to Strategy B.2.1. 2) \$5,839,785 decrease in funding directed towards equipment replacement in order to implement agency 4 percent base reduction.
NEXT GEN 9-1-1 IMPLEMENTATION A.1.2	\$7,670,800	\$7,670,800	\$0	0.0%	
CSEC 9-1-1 PROGRAM ADMINISTRATION A.1.3	\$1,851,526	\$1,851,526	\$0	0.0%	
Total, Goal A, STATEWIDE 9-1-1 SERVICES	\$127,591,926	\$120,777,141	(\$6,814,785)	(5.3%)	
POISON CALL CENTER OPERATIONS B.1.1	\$13,100,743	\$13,100,743	\$0	0.0%	Recommendations include: 1) \$975,000 increase in funding moved from Strategy A.1.1 in order to implement Texas Poison Control Network Cybersecurity initiative. 2) \$390,553 decrease in funding related to Data Center Services to align with current obligations.
STATEWIDE POISON NETWORK OPERATIONS B.1.2	\$1,962,703	\$2,547,150	\$584,447	29.8%	
CSEC POISON PROGRAM MANAGEMENT B.1.3	\$559,380	\$559,380	\$0	0.0%	
Total, Goal B, POISON CONTROL SERVICES	\$15,622,826	\$16,207,273	\$584,447	3.7%	
INDIRECT ADMINISTRATION C.1.1	\$2,779,874	\$1,941,408	(\$838,466)	(30.2%)	Recommendations remove \$838,466 in one-time funding due to the completion of the Grant Management System funded in 2016-17.
Total, Goal C, INDIRECT ADMINISTRATION	\$2,779,874	\$1,941,408	(\$838,466)	(30.2%)	
Grand Total, All Strategies	\$145,994,626	\$138,925,822	(\$7,068,804)	(4.8%)	

**Commission on State Emergency Communications
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Cap	25.0	25.0	25.0	25.0	25.0
Actual/Budgeted	24.0	24.0	25.0	NA	NA

Schedule of Exempt Positions (Cap)

Executive Director, Group 2	\$93,473	\$117,874	\$117,874	\$117,874	\$117,874
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Notes:

a) Fiscal years 2015 and 2016 actual FTE figures are less than the FTE cap limits primarily due to staff vacancies and turnover.

b) The State Auditor's Office Reports, *Executive Compensation at State Agencies* (Report No. 16-706, August 2016), indicates a recommended salary range of \$114,999 to \$149,240 for the Executive Director position at the Commission on State Emergency Communications and does not recommend changing the classification for the position. The agency is not requesting any changes to its Exempt Position.

**Commission on State Emergency Communications
Performance Measure Highlights - House**

	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
<ul style="list-style-type: none"> Number of 9-1-1 Calls Received by State PSAPS 	11,788,484	9,614,788	9,573,101	5,381,692	5,650,777
<i>Measure Explanation: This measure reports the total number of 9-1-1 calls received by Public Safety Answering Points (PSAPs) operating in the state program. This number includes the 9-1-1 classes of service of wireline, wireless, and Voice over IP (VoIP). Reported calls received in 2018 and 2019 are expected to be lower than in past years due to changing data sources and collection used for this measure, which will result in greater accuracy. The older data collection methodology resulted in the double counting of wireless calls.</i>					
<ul style="list-style-type: none"> Total Number of Poison Control Calls Processed Statewide 	293,948	286,937	276,934	491,354	499,890
<i>Measure Explanation: This measure documents the total number of calls, both emergency and non-emergency, handled by all Regional Poison Control Centers (RPCCs). Calls are expected to greatly increase in 2018 and 2019 due to outbound, follow-up, calls now being recorded in this measure.</i>					
<ul style="list-style-type: none"> Average Statewide Cost per Poison Call Processed 	19.70	22.72	28.68	16.56	15.93
<i>Measure Explanation: This measure documents the efficiency of statewide poison control services. Costs are expected to be lower in 2018 and 2019 due to the increase in the measured poison control calls processed statewide.</i>					

Commission on State Emergency Communications
Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

Appendix E

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
			GR & GR-D	All Funds	FTEs			
1)	Local 911 Equipment Replacement	Replacement of regional and local 9-1-1 equipment usually occurs on a biennium basis. Reduction of the equipment would alter the equipment replacement plan, and require that only mission essential equipment be replaced when it fails.	\$7,007,742	\$7,007,742	0.0	\$0	5.0%	No
2)	Local 911 Equipment Replacement	Replacement of regional and local 9-1-1 equipment usually occurs on a biennium basis. Reduction of the equipment would alter the equipment replacement plan, and require that only mission essential equipment be replaced when it fails.	\$2,567,132	\$2,567,132	0.0	\$0	1.8%	No
3)	Cybersecurity Implementation	Funding will be removed from implementation of the Texas Poison Control Network cybersecurity initiative. Funding reductions would move this project into future years.	\$975,000	\$975,000	0.0	\$0	0.7%	Yes
4)	Call Center Support Services	Reduction of PSAP supplies, call taker training, and public education service for the biennium. This would result in anticipated future years appropriation need to increase funding to fill expected gaps.	\$3,465,610	\$3,465,610	0.0	\$0	2.5%	No
TOTAL, 10% Reduction Options			\$14,015,484	\$14,015,484	0.0	\$0		