

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

134



FROM: Public Safety Enterprise Communication Project Executive Steering Committee

SUBMITTAL DATE:
June 2, 2010

SUBJECT: Lease purchase of portable and mobile radios with associated Motorola contract amendment

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the attached contract Fifth Amendment with Motorola Inc. decreasing the contract amount from \$114,057,692 to \$99,876,977.91;
2. Approve and execute the attached Lease Agreement with Motorola for the lease purchase of mobile and portable radio equipment;
3. Approve the Communications Product and Service Agreement with Motorola for the purchase of the mobile and portable radios units through the lease arrangement; and
4. Direct Riverside County Information Technology (RCIT) to manage the County lease arrangement for all county mobile and portable radio units to ensure radio equipment life-cycle/replacement.

<i>Stan Sniff</i> Stan Sniff Sheriff-Coroner-PA	<i>John Hawkins</i> John Hawkins Chief, County Fire	<i>Matthew W. Frymire</i> Matthew W. Frymire Chief Information Officer
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FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	No
	Annual Net County Cost:	\$	For Fiscal Year: 12/13	

SOURCE OF FUNDS: Lease Payments will be made by user departments	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

Reviewed by
Christopher Hans
Christopher Hans

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

FORM APPROVED BY COUNTY COUNSEL
DATE: 5/2/10
BY: NEAL R. KIPNIS
Purchasing: *Mark Seiler*
Departmental Concurrence

Dept't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 01/30/07 3.42b.
03/31/09 3.33.; 02/09/10 3.41

District:

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.20

April 28, 2010

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SUBJECT:

BACKGROUND:

In January 2007 the Board of Supervisors awarded Motorola, Inc. a contract to enhance the County's 800 MHz radio system to meet public safety and general government radio communication needs. As completion and refinement in the project design work occurred, the Board has been presented with various updates to the Motorola contract, yet the overall project budget has held firm. In summary, the Motorola contract provides for the implementation of the project including site/tower construction, equipment installation at 76 sites, and replacement of portable and mobile radios.

Motorola recently advised the county of a leasing option for the purchase of all portable and mobile radios. Under a lease purchase option, county departments could enter into a 10-year, fixed-rate lease (currently 4.19%; final fixed rate to be determined upon execution of lease document) with a dollar buyout for their needed radios; including the radios they had on hand at the start of this project in 2007 (total of 3200), as well as for the growth in units since that time (1507).

The advantage to the lease purchase option is that departments can budget for a set monthly payment, rather than being faced with large capital outlays for replacement units, or for additional units over time. Also, as surrounding municipalities who wish to utilize the county's radio system, the lease option provides a financing option to do so without a large capital outlay. This provides for a keen advantage when promoting interoperability.

Lease purchasing equipment is a technology best practice that ensures life-cycle replacement of aging equipment – without the need for a large capital outlay. As such, the PSEC Steering Committee, with Executive Office concurrence, recommends lease purchasing of all radios to ensure the continual replacement of equipment to support public safety and other critical governmental services.

By entering into a lease agreement, the overall PSEC project implementation contract with Motorola will be reduced by \$14,180,714.09 and move the responsibility of the radio purchase to the user subscribers through the lease arrangement. The monthly budgeting of replacement equipment currently occurs within the Sheriff's department and RCIT; the lease payment will be a new monthly expense for eight other county departments. Following is a breakdown of the subscriber units and estimated monthly lease costs:

	Portables	Mobiles	Monthly Lease Costs	Source of Funding
Sheriff	2299	1514	\$164,080	General Fund*
CHA – Bioterrorism	101	40	7,225	General Fund
CHA – Animal Control	4	92	5,174	General Fund
Clerk of the Board	2		100	General Fund
District Attorney	97	188	18,092	General Fund
Fire	27	33	3,968	General Fund
Parks		11	595	Non- General Fund
Probation		1	54	General Fund
TLMA – Code Enforcement	54	2	2,815	General Fund
Waste Management	2		81	Non-General Fund
RCIT	95	145	14,873	ISF Rates
Total	2681	2026	\$217,057	

*A portion of the radio costs are recovered through contract cities' fees.

The above monthly lease costs are reduced by the \$5.6 million from the rebanding credit (pending Amendment #4 to be returned to the Board) that will be made available from Sprint/Nextel, as well as the discount credit offered by Motorola in February 2010.

As previously reported to the Board, full implementation of the new radio system will occur in 2012. The Motorola lease agreement before you today will commence upon execution, however the lease payments from county departments would only begin in FY12/13, when the radios become fully operational. This provides for two years of advanced planning for departments that are not accustomed to budgeting for life-cycle replacements.

It is recommended that RCIT handle the master lease purchase agreement with Motorola and pass-through the direct lease costs to the departments. The lease payment will be a separate RCIT charge to the department and will not be included in the radio system operational support fee. This allows for transparency of actual equipment lease costs and keeps separated the costs associated with supporting the entire radio system (the backbone support).

Radio System Operational Support Costs

The current MA-COM radio system includes 26 radio sites that support both voice and data using a circuit based switch system. The new Motorola system will include approximately 76 radio sites, 101 Fire facilities, 52 high priority buildings and be comprised of two separate networks (voice and data) and is based upon state of the art computing platforms (servers) to make calls, route data, and provide interoperability.

The PSEC system will be the first system operational in the nation that utilizes multiple frequencies, including 700MHz, 800MHz, VHF and the latest in Motorola land mobile radio technology. There are no other governmental agencies that have implemented a system of the size and scope of Riverside County's – due to the sheer size of our county's boundaries and the technology being deployed. The new Motorola system is nearly three times the size of the current system; the initial estimated cost to support the radio system is \$15 million annually, or 60% more per annum than the existing MA-COM system during peak operations.

The PSEC Team has formed user support groups to identify the various staffing efforts needed to support the Motorola system, and has been working with the State of Michigan and other agencies who have implemented a similar Motorola system in the past couple of years. The MA-COM system was primarily supported by County radio engineers and technicians; the new system will also require the effort of many other technical staffs for support. During the next fiscal year, the team will work to identify all anticipated costs to support the system. During FY11/12, a new rate will be established to support the system. The rate will be submitted to the Auditor Controller and the Executive Office for review and approval. Departments will be advised as soon as possible of the magnitude of the rate. The new radio system operational support rates will be implemented in FY12/13 when the radios become fully operational.