

Motorola Radio Lease Overview

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Why the need for an Emergency Ordinance?

- Entering into the lease agreement in 2021 will allow the city to save approximately 14%-19% of the cost of the radios verses if the radios were purchased in 2022/2023.
- The saving range is \$54,320-\$72,880 of tax payer's money.



Background

- In 2023, Motorola will no longer support (phasing out) their “AN” model of the APX handheld radios for First Responders
- The “BN” model is replacing the “AN” model.
- CCPD has 105 “AN” model radios
- 80 radios need to be replaced by 2023 to maintain operational readiness



Procurement Options

- Purchase Option: 80 radios in 2022/2023
 - Estimated price increase of 10%-15% for 2022/23
 - Cost range = \$407,704 (10% inflation) - \$426,236 (15% inflation). Using \$4,633 cost/radio.
- Lease/Buy Option: 5-year lease starting in 2021
 - Total cost (Principal and Interest) = \$380,920
 - **Cost saving range = \$26,800 - \$45,360**
 - Locks in cost using today's prices with an addition of a volume discount
 - Deadline is December 15, 2021



Benefits of the 5-Year Lease Option

- Cost savings = **\$26,800 - \$45,360**
- Transition all 80 radios at once instead of over two years
 - *All officers will have a higher capable radio at the same time which increases communication effectiveness
- Avoids the need for budget re-appropriate for the 2022 radio budget
- Recycle old radios to PW (additional cost savings to the city)



Financial Impact

- Cost savings with lease = **\$26,800 - \$45,360**
- If disapproved, **estimated cost increase to the city is \$54,320 - \$72,880 over the next two years (2022-2023).**
- Recycle old radios to PW (additional cost savings to the city)



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- Questions

