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CITY MANAGER'S OFFICE
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DEPARTMENT OF
GENERAL SERVICES

OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

916-449-5548

DIVISIONS:

COMMUNICATIONS
FACILITY MANAGEMENT
FLEET MANAGEMENT
PROCUREMENT SERVICES

APPROVED
BY THE CITY COUNCIL

MAR 21 1989

OFFICE OF THE
CITY CLERK

AG 88 190

March 7, 1989

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: FIRE, GENERAL GOVERNMENT, AND POLICE MOBILE RADIO AND
MOBILE DIGITAL TERMINAL (MDT'S)
COMMUNICATION SYSTEMS - MAINTENANCE, REPAIR,
INSTALLATION, AND REMOVAL (MRIR) CONTRACT**

SUMMARY

This report requests that the City Council rescind Council's authorization of July 19, 1988 for the redistribution of budgeted funding to accommodate the development of in-house capability to assume the subject program and authorize the City to continue utilizing the services provided by Motorola Communications and Electronics, Inc. based on recently negotiated contract terms and conditions.

BACKGROUND

Based on the terms and conditions of contract (#45202) awarded to Motorola Communications and Electronics, Inc. (Bid #782) for five years - 7/1/85 through 6/30/90, along with the bid for maintenance recently acquired MTD's in July of 1988, staff presented to the City Council a two (2) year program plan for the City's Communications Division to develop and assume full responsibility for MRIR of City mobile voice and data communications systems. The proposed plan was estimated to result in a savings (i.e., in-house vs. contractual services) of approximately \$1.2 million over a 10 year period.

Motorola Communications and Electronics, Inc. management approached staff for discussions when it realized the City was moving forward with its plans for an in-house communications shop. Staff provided Motorola with the report presented to the City Council in July 1988.

On January 19, 1989, Motorola offered the City an all exclusive maintenance and installation contract for a five (5) year term, that will provide additional conditions which will be beneficial to the City over and above the terms and conditions of the present contract (see Exhibit I).

- o Base contract price includes installation and removals
- o One price for all services concept
- o Base contract includes batteries, antennas and radio programming
- o Contract will include all brands, GE, Midland, Ritron, etc.
- o All miscellaneous hardware, cable, wire, antennas, relays, fuses, etc. are included
- o City retains cancellation privileges

Frontier Radio was also asked to submit a competitive proposal to the City for radio maintenance. However, Frontier was unable to support the maintenance of the Mobile Data Terminals and declined.

ANALYSIS/FINDINGS

In reviewing Motorola's new reduced rate proposal of January 19, 1989, it would be in the City's best interest to accept their proposal and not develop an in-house capability for MRIR of City radio and data communications systems. This conclusion is based on the cost of providing the services in-house vs. contractor. The proposed in-house program projected an estimated savings of approximately \$1.2 million over a 10 year period. The Motorola reduced rate proposal projects \$675,000 savings over a 5 year period and start-up cost avoidance.

However, to assure that the City remains in full control of this program, the Communications Manager is requesting an additional (1.0 FTE) position titled Telecommunications Coordinator that would be funded from the \$134,894 savings (See Exhibit I), to provide the following contract management services:

- 1) Document and maintain radio and MDT inventory and equipment list to properly manage the maintenance contract;
- 2) Coordinate moves and changes;
- 3) Prepare a radio call directory to make more efficient use of the local government radio system;
- 4) Implement on-line Centrex call reporting system;
- 5) Coordinate telephone adds, moves and changes;
- 6) Document all City telephone systems for over 2,000 City telephones. This is required for cost cutting evaluation of maintenance and system efficiency;
- 7) Publish Citywide telephone directory;
- 8) Maintain pager inventory to properly manage the pager contract.

FINANCIAL IMPACT

The new contract with Motorola will result in a savings over the next five years of approximately \$675,000. For the current FY 88-89 the net operating budget savings will be \$45,550 or 15.7% (See Exhibit II). For FY 89-90 the net operating budget saving will be \$102,494 or 26.8% (See Exhibit I).

CONCLUSIONS

The ability for the City to reduce the operational costs of its radio communication systems did not happen by accident. With the development of bid specifications that resulted with the current Motorola contract in 1985, which lowered prior operating costs and the centralization of coordination and management of Fire, Local Government, and Police Communication Systems with the establishment of the Communications Division in July 1985, the City has gained a better understanding of the entire Citywide systems, thus enabling it to achieve additional savings along with improvement of contractual terms and conditions.

POLICY CONSIDERATIONS

Continue utilizing contracted services for MRIR of the City's radio and data communication systems, as opposed to in-house MRIR.

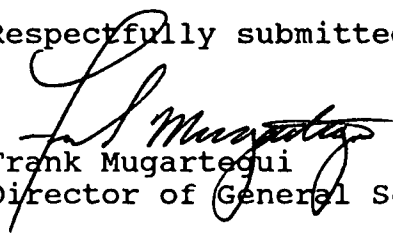
M/WBE EFFORTS

In this area neither of the companies capable of maintaining the systems qualifies as M/WBE.

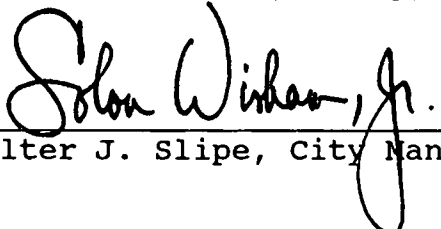
RECOMMENDATION

It is recommended that the City Council adopt the attached resolution authorizing and directing the City Manager to:
1) cancel Contract #45202 with Motorola Communications and Electronics, Inc.; 2) execute a new contract with Motorola Communications and Electronics Inc.; and 3) authorization of 1.0 FTE Communications Coordinator position for the management and control of the subject systems.

Respectfully submitted,


Frank Mugartegui
Director of General Services

RECOMMENDATION APPROVED:


For: Walter J. Slipe, City Manager

March 21, 1989
All Districts

Contact person to answer questions - Ron Costa - 449-2126

RESOLUTION No. 89-227

Adopted by The Sacramento City Council on date of

APPROVED
BY THE CITY CLERK

MAY 21 1989

OFFICE OF THE
CITY CLERK

RESOLUTION APPROVING THE REPORT
OF THE DIRECTOR OF GENERAL SERVICES,
AMENDING THE FY88-89 COMMUNICATIONS DIVISION
OPERATING BUDGET, AND APPROVING CONTRACT WITH
MOTOROLA COMMUNICATIONS AND ELECTRONICS

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. That the City Manager is hereby authorized and directed to cancel Contract No. 45202, with Motorola Communications and Electronics, Inc.;
2. That the City Manager is hereby authorized and directed to execute a new five (5) year contract for the maintenance, repair, installation, and removal of the City's radio communications equipment, with Motorola Communications and Electronics, Inc.; and
3. The FY 1988-89 Operating Budget is hereby amended to provide for 1.0 FTE Communications Coordinator position for management and control of the subject systems. Funding of this position is provided by program savings, and will not require any additional appropriation of the Operating Budget: 101-190-1961-0000-41XX \$5,400 Employee Services.

MAYOR

ATTEST:

CITY CLERK

FY 1989-90
City of Sacramento
Mobile & Digital Terminal Budget Info.
Maintenance, Repair, Installation & Replace (MRIR)
Old Contract

General Fund	Motorola	MDI Frontier	Totals	New Contract		Total	FY89-90	
				Bdgt Fig	+ Non-Std			
101-210-2151-4241 Police	\$157,181	\$92,805	\$249,986	\$144,042	\$14,400	\$158,442	\$91,544	
101-250-2530-4241 Fire	32,490	41,695	74,185	46,644	4,600	51,244	22,941	
101-190-1931-4241 Facility Mgmt.	3,251		3,251	2,103	210	2,313	938	
101-310-3122-4241 Traffic	1,463		1,463	1,011	100	1,111	352	
101-310-3124-4241 Parking	1,539	\$3,925	5,464	3,677	365	4,042	1,422	
101-310-3125-4241 Lighting	1,463	208	1,671	1,158	115	1,273	398	
101-310-3128-4241 Transport Div.	351		351	157	15	172	179	
101-310-3134-4241 PW Const.	5,657	117	5,774	1,758	175	1,933	3,841	
101-310-3170-4241 Animal Control	2,736		2,736	780	78	858	1,878	
101-310-3192-4241 Street Div.	3,046		3,046	2,177	215	2,392	654	
101-310-3540-4241 Nuisance Abate	2,113		2,113	1,398	140	1,538	575	
101-450-4584-4241 Tree Service	1,192	117	1,309	1,069	105	1,174	135	
101-450-4584-4241 Park Maint. Sout	130		130	79	10	89	41	
101-450-4621-4241 Zoo		722	722	511	50	561	505	
101-450-4622-4241 Zoo		344	344					
Sub-Total General Fund	\$212,612	\$134,500	\$5,433	\$352,545	\$206,564	\$20,578	\$227,142	\$125,403
ISF & Enterprise Funds								
420-190-1949-4241 Fleet	\$1,600		\$1,600	\$1,177	\$115	\$1,292	\$308	
412-310-3123-4241 Parking	130		130	79	10	89	41	
415-310-3142-4241 Solid Waste	2,210		2,210	2,070	200	2,270	+60	
415-310-3194-4241 Solid Waste	445		445	314	30	344	101	
413-310-3151-4241 Water Admin.	217		217	231	23	254	+37	
413-310-3152-4241 Water Prod.	4,606	703	5,309	1,931	190	2,121	3,188	
413-310-3153-4241 Water Dist.	5,419	1,054	6,473	4,242	420	4,662	1,811	
414-310-3162-4241 Sewer Maint.	1,626	762	2,388	1,166	115	1,281	1,107	
425-310-3165-4241 Storm Drain	1,626	762	2,388	2,254	225	2,479	+91	
414-310-3163-4241 Wste Water Disb.	1,251	609	1,860	835	85	920	940	
425-310-3164-4241 Regional Sewer	1,251	609	1,860	986	100	1,086	774	
425-310-3166-4241 Storm Drain Pump	1,137	609	1,746	1,065	100	1,165	581	
419-430-4330-4241 Convention Ctr.	70	3,859	3,929	2,821	280	3,101	828	
Sub-Total ISF & Enterprise	\$21,588	\$8,967	\$30,555	\$19,171	\$1,893	\$21,064	\$9,491	
Total	\$234,200	\$134,500	\$14,400	\$383,100	\$225,735	\$22,471	\$248,206	\$134,894
			(a)	(b)	(c)		(d)	

Recap of Exhibit I

FY89-90 M&R Cost	
Under Orig. Cont.	a) \$383,100
Under New Cont.	b) -225,735

Sub Total	\$157,365 /41%
Less Non-Std Repair	c) -22,471

Gross Opr Bdgt.	d) \$134,894 /35%
Sav/Cost Reduc.	
Less: 1 FTE	
Comm. Coord. Posit.	-32,400

Net Opr Bdgt	\$102,494 /27%
Savings/Reduct	

FY 1989-89
 City of Sacramento
 Mobile & Digital Terminal Budget Info.
 Maintenance, Repair, Installation & Replace (MRIR)

General Fund	FY 1988-89 Bdgt				FY 88-89 Est. Expend.				FY88-89	
	Motorola P.O.'s	Frontier P.O.'s	MDT Bdgt	Total	Motorola 8.5 Mos. Old Contr	Motorola 3.5 Mos. New Contract	Frontier	Total	Bdgt	Savngs
101-210-2151-4241	Police	\$145,000		\$35,180	\$180,180	\$102,805	\$47,198		\$150,003	\$30,177
101-250-2530-4241	Fire	30,000		25,000	55,000	21,270	14,025		35,295	19,705
101-190-1931-4241	Facili	3,000			3,000	2,127	829		2,956	44
101-310-3122-4241	Traffi	1,350			1,350	957	367		1,324	26
101-310-3124-4241	Parkin	1,420	\$3,865		5,285	1,006	386	\$3,865	5,257	28
101-310-3125-4241	Lighti	1,350	206		1,558	957	367	205	1,529	28
101-310-3128-4241	Transp	324			324	230	88		318	6
101-310-3134-4241	PW Con	5,220	115		5,335	3,701	1,423	115	5,239	96
101-310-3170-4241	Animal	2,525			2,525	1,790	688		2,478	47
101-310-3192-4241	Street	2,811			2,811	1,993	766		2,759	52
101-310-3540-4241	Nuisan	1,950			1,950	1,383	531		1,914	36
101-450-4584-4241	Tree S	1,100	115		1,215	780	299	115	1,194	21
101-450-4584-4241	Park M	120			120	85	32		117	3
101-450-4621-4241	Zoo		711		711			712	712	
101-450-4622-4241	Zoo		339		339			339	339	

Sub-Total General Fund	\$196,170	\$5,353	\$60,180	\$261,703	\$139,084	\$66,999	\$5,351	\$211,434	\$50,269	
ISF & Enterprise Funds										

420-190-1949-4241	Fleet	\$1,500			\$1,500	\$1,064	\$408		\$1,472	\$28
412-310-3123-4241	Parkin	120			120	85	32		117	3
415-310-3142-4241	Solid	2,040			2,040	1,446	554		2,000	40
415-310-3194-4241	Solid	411			411	291	199		490	-79
413-310-3151-4241	Water	200			200	142	54		196	4
413-310-3152-4241	Water	4,250	\$692		4,942	3,013	1,158	692	4,863	79
413-310-3153-4241	Water	5,000	1,038		6,038	3,545	1,362	1,038	5,945	93
414-310-3162-4241	Sewer	1,500	750		2,250	1,064	409	750	2,223	27
425-310-3165-4241	Storm	1,500	750		2,250	1,064	314	750	2,101	149
414-310-3163-4241	Waste	1,155	600		1,755	819	314	600	1,733	22
425-310-3164-4241	Region	1,155	600		1,755	819	285	600	1,733	22
425-310-3166-4241	Storm	1,050	600		1,650	744	17	600	1,361	289
419-430-4330-4241	Conven	65	3,800		3,865	46	15	3,800	3,861	4

Sub-Total ISF & Enterpris	\$19,946	\$8,830		\$28,776	\$14,142	\$5,121	8,830	\$28,095	\$681	

Total	\$216,116	\$14,182	\$60,180	\$290,479	\$153,226	\$72,120	\$14,181	\$239,529	\$50,950	
=====										

	(a)	(b)	(c)
RECAP OF EXHIBIT II			
FY 88-89 MRIR Budget Base on Original Contracts	\$290,479(a)		% Savings
Less New Motorola Contract Pricing	239,529(b)		
Gross Operating Budget Savings	\$50,950(c)	17.5%	
Less 1 FTE Communications Coord. Posit. (2 mos.)	5,400		
Net Opr. Budget Savings/Reduction	\$45,550	15.7%	