

January 16, 2024

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Recommendation to adopt a Resolution authorizing the City Manager, or designee, to execute a contract and any necessary documents including any necessary subsequent amendments, with Motorola Solutions, Inc., of Chicago, IL, for the purchase, delivery, and implementation of an expanded 700 MHz Land Mobile Radio System inclusive of communications equipment and services, in a total amount not to exceed \$13,700,104, for a period of two years, with the option to renew for four additional one-year periods, at the discretion of the City Manager.

Authorize the City Manager, or designee, to execute a lease-purchase agreement and related financing documents with Banc of America Public Capital Corp, of San Francisco, CA, for the financing of 700 MHz Land Mobile Radio system, payable over a ten-year period at an interest rate to be determined when the agreement is executed. (Citywide)

**DISCUSSION**

City Council approval is requested to enter into a contract with Motorola Solutions, Inc. (Motorola), for the purchase, delivery, and implementation of an expanded 700 MHz Land Mobile Radio system and the extended four-year warranty and support services, and to execute a lease-purchase agreement through the City of Long Beach's (City) Master Lease Agreement with Banc of America Public Capital Corp (BAPCC), for the financing of the radio system.

Currently, the City's Technology and Innovation Department (TID) operates mission-critical Land Mobile Radio (LMR) systems for Police, Fire, Public Works, Disaster Preparedness, Harbor, Utilities, and Airport Departments on Very High Frequency (VHF) and Ultra High Frequency (UHF) systems and a limited 700 MHz system used minimally by Police and other City Departments due to limited coverage and reliability. It is necessary to significantly expand our current 700 MHz LMR system for the following reasons:

- to support enhanced user requirements,
- to mitigate challenges with aged radio equipment on VHF and UHF,
- to increase coverage both in-building and outdoors,
- to enhance the safety of our users and the public,

- to facilitate future regional interoperable communications, and
- to improve LMR system capabilities.

This project is essential for critical voice and data communications. It will enhance radio coverage in the City, provide additional essential features, and enhance functionality, redundancy, reliability, and resiliency of the existing 700 MHz LMR system for use by public safety and other City Departments. With this expansion, the 700 MHz LMR system will become the City's primary voice and data communications platform. It will facilitate future interoperability with other public safety agencies in the County of Los Angeles and beyond which now use the 700 MHz spectrum for LMR system communications.

Specifically, the expanded 700 MHz LMR system, as proposed by Motorola, will enhance the primary transmit (TX) and receive (RX) radio site at Signal Hill and add three additional radio sites at Dominguez Hills, Civic Center, and Reservoir Hill for coverage, reliability, and redundancy. The upgraded system project includes doubling the number of available channels from 14 to 28 for expanded user capabilities and capacity, replacing radio infrastructure at the Signal Hill radio site, enhancing indoor coverage at strategic City facilities (to be determined) with bi-directional amplifiers, assisting with creating a new fleet map/templates for the dispatch radio consoles, providing assistance with reprogramming of dispatch consoles and radios with the new radio template, enabling access to the 700 MHz LMR system by designated authorized users through an iPhone application anywhere there is cell phone or Wifi service, supplying a limited number of next-generation radios to select TID staff for performance testing for prospective future user scenarios, providing training to TID staff, and comprehensive 24/7 support and maintenance by Motorola after system acceptance.

The legacy VHF and UHF LMR systems will remain operational for City Departments to use as a backup to the expanded 700 MHz LMR system for tactical situational use, special operations, and strategic scenarios as needed. This proposal leverages the existing 700 MHz LMR system infrastructure where practical, including dispatch radio consoles and mobile and portable radios (consistent with City Council approval of Motorola APX radio equipment in December 2018), for significant cost savings and easier user adoption.

Motorola has agreed to offer the City the same terms and conditions as afforded to the County of Los Angeles (L.A. County) in the Motorola/L.A. County master contract (L.A. County Master Agreement) for a significant equipment discount of \$800,869 and additional discounts for infrastructure of \$1,220,790, subscriber discount of \$37,987 and Signal Hill radio site improvement discount of \$50,000. Motorola is offering \$2,109,646 in discounts to the City, in addition to the reduced pricing used in the L.A. County Master Agreement. The project's total cost, including equipment, services, support and maintenance for four years including estimated sales tax, is \$13,700,104.

This purchase is proposed without a competitive bid process because the City's existing Motorola portable/mobile radios can be integrated seamlessly with the upgraded 700MHz system. In addition, the City's upgrade will allow for better interoperability with regional resources and could play an essential role in the City's timely response and recovery in a major disaster.

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City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process when authorized by a Resolution adopted by the City Council.

City Council approval is also requested to authorize the City Manager to execute a ten-year lease-purchase agreement through the City's Master Lease Agreement with Banc of America Public Capital Corp., to finance the LMR system. The Master Lease Agreement was approved by the City Council on September 18, 2018, to provide lease financing for a variety of capital equipment purchases. The Master Lease Agreement streamlines the purchasing and financing process to provide a cost-effective approach to facilitate the purchase of essential capital assets. This allows the City to meet immediate service demands for maintaining level annual expenditures and spreading the acquisition costs over the term of the financing rather than budgeting a large one-time capital project expenditure.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony and Budget Management Officer Nader Kaamouh on December 29, 2023, and by Purchasing Agent Michelle Wilson on December 28, 2023.

#### TIMING CONSIDERATIONS

City Council action to adopt the Resolution and award a contract with Motorola concurrently, and execute a lease-purchase agreement with Banc of America Public Capital Corp, is requested on January 16, 2024, to ensure the contract is in place expeditiously.

#### LEVINE ACT

This item is subject to the Levine Act. The Mayor, Councilmembers, and Commissioners who have received a contribution of more than \$250 within 12 months prior from a party, participant, or their representatives involved in this proceeding may do either of the following: (1) disclose the contribution on the record and recuse themselves from this proceeding; OR (2) return the portion of the contribution that exceeds \$250 within 30 days from the time the elected official knew or should have known about the contribution and participate in the proceeding.

All parties, participants, and their representatives must disclose on the record of this proceeding any contribution of more than \$250 made to the Mayor or any Councilmembers within 12 months prior to the date of the proceeding. The Mayor, Councilmembers, and Commissioners are prohibited from accepting, soliciting, or directing a contribution of more than \$250 from a party, participant, or their representatives during a proceeding and for 12 months following the date a final decision is rendered.

#### FISCAL IMPACT

The total amount of the contract will not exceed \$13,700,104. Based on the indicative interest rate of 4.03 percent on December 15, 2023, the total amount for the lease purchase with Banc of America Public Capital Corp is estimated at \$16,668,277, which includes principal, interest, and escrow fees. This equates to approximately \$1,666,828 in annual debt service costs for the 10-year life of the financing. The amount is subject to change and will be finalized when the

agreement is executed. The lease purchase will be paid from the General Services Fund Group in the Technology and Innovation Department. The annual debt service payments will be funded by transfers from funds based on users of the system and is anticipated to be primarily funded through Measure A in the General Fund Group. In Fiscal Year 2024 (FY 24), anticipated lease cost is estimated to be \$972,316. Any cost to Measure A in FY 24 will be absorbed within the current Measure A plan using contingency set asides. Upon the execution of a final debt service agreement, staff will return to City Council to request the necessary appropriation adjustments for FY 24. The annual payments for FY 25 and beyond will be requested through the FY 25 budget development process and incorporated into the Measure A outyear plan. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Lea D. Eriksen  
Director  
Technology and Innovation

APPROVED:



THOMAS B. MODICA  
CITY MANAGER