



Staff Report

TO: City Council
FROM: Sean Thuilliez, Chief of Police
DATE: September 7, 2021
SUBJECT: Approval of Lease and Installation of Motorola Radios for the Beaumont Police Department

Background and Analysis:

At its meeting of August 17, 2021, City Council approved Phase I of the Beaumont Police Department migration to the Riverside County Public Safety Enterprise Communication (PSEC) system with the purchase of 28 portable radios utilizing grant funding. Phase II of the migration is the lease of an additional 125 radios to complete a full department radio replacement. Of these radios, 62 are portable handhelds, and 63 are mobile to be installed in department vehicles.

The purchase cost for the additional 125 radios is \$1,092,137.60 excluding any financing costs or fees. City staff proposes the utilization of Public Safety CFD Reserve Funds as an initial funding source with the balance to be financed with a lease agreement through Motorola. The table below provides Motorola lease options and City staff recommends Lease Option Three as outlined.

	Option One	Option Two	Option Three	Option Four	Option Five
Lease Term:	Five Years	Seven Years	Three Years	Four Years	Six Years
Payment Frequency:	Annual	Annual	Annual	Annual	Annual
Payment Structure:	Arrears	Arrears	Arrears	Arrears	Arrears
Lease Rate:	2.79%	3.09%	2.69%	2.74%	2.95%
Lease Factor:	0.275146	0.190870	0.534259	0.361403	0.224475
Lease Payment:	\$170,687.54 4 payments	\$118,406.71 6 payments	\$331,428.98 2 payments	\$224,197.30 3 payments	\$139,253.66 5 payments

*Payment commencement: First payment due two years after contract execution, then annually thereafter.

City staff anticipates Beaumont will receive annual grant award of \$112,000 for the next two fiscal years that may be used to offset the lease payments.

A quote for installation of the 63 mobile radios in department vehicles of \$34,212.78 has been received.

Fiscal Impact:

The total cost of the radio purchase, lease interest rate, and installation of mobile radios is \$1,126,350.41. \$471,785 of Public Safety CFD Reserves will be used, leaving a remaining balance of \$620,352.63 to be financed using lease agreement Option Three. The first payment is due two years from execution of contract, then annually thereafter. City staff estimates the cost to prepare this staff report to be \$3,900.

Recommended Action:

Approve purchase of 125 Motorola radios in the amount of \$1,092,137.60 with an initial payment of \$471,785 from Public Safety CFD Reserve Funds. Approve Lease Option Three with Motorola for a financed amount of \$620,352.63 and approve the installation of 63 mobile radios in an amount not to exceed \$34,212.78 to 10-8 Retrofit.

Attachments:

- A. Motorola Solutions Quote
- B. Motorola Lease Options
- C. APX NEXT Radio Brochure
- D. Radio Installation Quote