

Date: December 10, 2014

From: John Voorhees, Executive Director
Pima County Wireless Integrated Network

To: Chuck Huckelberry
Pima County Administrator

CHH
12/10/14

Re: Motorola Contract Amendment – Contract # MA-PO-1200000000000000284

The purpose of this memo is to provide justification for an amendment to the Motorola Master Agreement (MA-PO-1200000000000000284). The original contract was executed in April 2009 for a Motorola Astro25 digital voice radio system for the Pima County Wireless Integrated Network (PCWIN) Project. The contract provides for equipment, installation and maintenance services.

In the original contract, Pima County had selected several post-warranty maintenance services for the network. The contract provided an avenue to change, delete, or add services during the contract period. This amendment reflects the changes to the original post warranty maintenance services offered. PCWIN has elected to retain the Land Mobile Radio (LMR) Technical Support Service as well as the NICE Logging Recorder Service. Additionally, the Cooperative has elected to add the System Upgrade Agreement (SUA II) service, which was not offered at the time of original contract execution. The SUAII service provides software, hardware, and implementation to execute up to one system infrastructure upgrade upon major system releases.

This amendment request comes after significant deliberation over the terms of the contract and the cost to the 55-member and participant Cooperative; comprised of the various public safety and public service agencies throughout Pima County. The formal conversation on the terms of the amendment began in August 2014. On December 9, 2014 the two governing bodies of PCWIN (the 7-member Executive Committee and the 21-member Board of Directors) held a special joint session to discuss the agreement in significant detail. The result was that the PCWIN Executive Committee and Board of Directors unanimously voted to support this amendment and recommend its approval by the Pima County Board of Supervisors. This vote represents the desires of the majority of Pima County's first responders and emergency medical service providers. This is a financial and political success for Pima County.

There are three services featured in the contract amendment. The LMR Technical Support Service is a phone system support service from Motorola's main customer service hub. Like tech support for your personal computer, Motorola technicians answer questions from customers and can even remote into the radio network to troubleshoot faults in the network. This service will reduce technician troubleshooting time and increase system "up time". The NICE Logging Recorder Service is a hardware and software maintenance solution for the recording feature of PCWIN's voice radio and Pima County's 9-1-1 systems. Because of the nature of the audio logging system and the extreme importance of those audio records, the PCWIN staff sees the need to keep Motorola in the maintenance loop for the system.

The System Upgrade Agreement (SUA II) warrants special consideration. It is a lifecycle maintenance program that ensures the PCWIN voice radio hardware, firmware, and software will be current, compatible, and serviceable for the lifetime of the network. PCWIN, like most new LMR networks, can be viewed as a business system. Typical business

system lifecycle maintenance plans can cost well over 10% of the system's market value annually. This SUA II provides business system lifecycle maintenance at about 2% of the network's assessed value annually. The biennial maintenance cycle would keep the PCWIN voice radio network on the leading edge of technological innovation, without causing excessive interference with the daily operations of our public safety and public service officers.

The negotiations over cost have been extensive and began before my tenure with Pima County. The PCWIN project sponsor initially negotiated terms with Motorola in 2011 and decided to table the discussion until PCWIN became operational. Today the SUAII is being offered with some significant discounts. Since negotiations began in 2011 the cost of the SUAII to PCWIN has been reduced by nearly 30%. Motorola requests that the cost be kept close hold, but I will make the specific costs available to you at your request. They have offered additional discounts if they can book the sale of the SUA II in calendar year 2014.

In an effort to mitigate impact to the PCWIN members' budgets, the PCWIN staff reduced the number of post warranty services in the contract to the three specified above. This saves the PCWIN Cooperative nearly \$130K annually in operating expenses while providing a more holistic approach to maintaining the network. PCWIN intends to leverage the knowledge and capabilities of Pima County Information Technology staff as well as that of the City of Tucson to maintain the voice radio network. This also gives the PCWIN Network Managing Member and Cooperative a very responsive workforce that understands and is vested in the success of public safety interoperable communications in Pima County.

The resulting changes have increased the term of the contract by sixteen years to December 31, 2035. The changes have also resulted in a net increase of \$8,777,846.92 in contract value. The increase in contract value is primarily related to the increased term of maintenance services (20 years versus 5 years). The source of funding for the post warranty maintenance services will be the PCWIN Special Revenue Fund. There will be no direct impact to the Pima County General Fund.

If you require any additional information, please let me know.

Respectfully,



Cc: Jan Leshner, Deputy County Administrator

Mike Hein, Director of the Office of Emergency Management and Homeland Security