



**Request for City Council Committee Action
From the Department of Public Works**

Date: May 20, 2003

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: Motorola Change Order Request

Recommendation:

That proper City Officials are authorized to execute Change Order #5 for the 800 MHz Project to Contract No. 14248 with Motorola, Inc. The Change Order will extend the end date of the contract to December 31, 2006 and will increase the contract by \$350,000; therefore, the new contract amount is \$5,734,540.50.

Prepared by: Steve Kotke, Director of Property & Equipment Services, 673-2402

Approved: Klara A. Fabry, Director of Public Works

By: Steve Kotke _____

Presenter: Steve Kotke, Director

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.

(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

In July 1999 the City entered into a contract with Motorola Inc. to provide a Digital Trunked 800 MHz Regional Radio System. The 800 MHz project is a joint project with several other jurisdictions, such as the State of Minnesota and Hennepin County, to upgrade the City's current radio system with an 800 MHz regional trunk radio system. The new system will allow for more channels and better coverage for the 3000 city radio subscribers. The system will also allow City personnel to share channels and communicate directly with other jurisdictions during emergencies. The project is progressing on schedule. The system is now operational and we are in the process of rolling out radio units to our users. We are nearing the point of Final Acceptance on the 800 MHz project with Motorola.

The Motorola contract will allow for the City to purchase products at a discount from a list price (Section 3 of the Scope of Agreement). These products are electronic hardware devices for the infrastructure portion of our Public Safety Communication System (not radio units). Change Order #5 would allow the City the opportunity to continue purchasing these discounted products on an as needed basis over the next few years. The 800 MHz project is budgeted to purchase approximately \$250,000 of products this year. The additional \$100,000 increase would be for the purchase of products in future years only as required. Therefore, we would like to exercise the contract option by increasing the amount of the contract by \$350,000 and extending the end date of the contract to December 31, 2006.