

## Memorandum

**To:** Talisa R. Clark, Director/Chief Procurement Officer

**From:** Tracy Hutchinson, Division Director 

**Cc:** Tina T. Phan 

**Date:** April 2, 2019

**Re:** Two-Way Radio Equipment and Accessories

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The Sanitation Division respectfully requests assistance from Purchasing & Contracting (P&C) on piggybacking of a GA State contract (SWC980-2800008) for the purchase of two-way radio equipment.

The Division is seeking to purchase 45 new portable radios, 203 new mobile radios, and 20 chargers. These are essential equipment for our drivers to stay communicated with their supervisors while on the job. The equipment will also be utilized for route updates, critical on-duty security and safety reporting. Due to the County policy cell phones are prohibited for Sanitation Collection drivers, hence the two-way radio equipment for alternative solution.

Motorola Solutions has submitted a proposal under the GA State contract for a total equipment purchase amount of \$985,187.50 with a 5-year lease-purchase option at 3.62% interest rate. This is equivalent to 5 annual installment payments @ \$218,942.78 or \$1,094,713.90 (P+I) in total financing cost. This proposal consists of the radio equipment and accessories as stated above, on-site installation and support, as well as 5-year of preventive maintenance.

Due to interest rates fluctuate, the proposed 3.62% interest rate methodology is only valid until June 15, 2019. Sanitation Division is respectfully request for P&C review and approval as quickly as possible and for the BOC approval prior to June 15, 2019. Please also be informed that Motorola Solutions contract with the GA State expires on June 30, 2019.

Attached are the price proposal and State contract information for your review.

Date: April 2, 2019

Financing proposal for: **DeKalb County Sanitation, GA**  
 Communications System Financing Proposal

Motorola Solutions Credit Company LLC is pleased to submit the following proposal for the financing of your Motorola Communications solution in accordance with the terms and conditions outlined below:

**Transaction Type:** Municipal Lease-Purchase Agreement  
**Lessor:** Motorola Solutions, Inc. (or its Assignee)  
**Lessee:** DeKalb County Sanitation, GA  
**Amount:** \$985,187.50  
**Down Payment:** \$0.00  
**Balance to Finance:** \$985,187.50

**Equipment:** As per the Motorola equipment proposal.  
**Title:** Title to the equipment will vest with the Lessee.  
**Insurance:** Lessee will be responsible to insure the equipment as outlined in the lease contract.  
**Taxes:** Personal property, sales, leasing, use, stamp, or other taxes are for the account of the Lessee.

	<u>Option One</u>	<u>Option Two</u>	<u>Option Three</u>	<u>Option Four</u>
<b>Lease Term:</b>	Three Years	Five Years	Seven Years	Ten Years
<b>Payment Frequency:</b>	Annual	Annual	Annual	Annual
<b>Payment Structure:</b>	Arrears	Arrears	Arrears	Arrears
<b>Lease Rate:</b>	3.59%	3.62%	3.66%	3.71%
<b>Lease Factor:</b>	0.357548	0.222235	0.164522	0.121517
<b>Lease Payment:</b>	\$352,251.81	\$218,942.78	\$162,085.42	\$119,717.52

**Payment Commencement:** First payment due one year after contract execution.  
**Expiration:** This above lease rates and factors are valid for all leases commenced by 6/15/2019

**Qualifications:** Receipt of a properly executed documentation package.  
 Lessee qualifies as a political subdivision or agency of the State as defined in the Internal Revenue Code of 1986. The interest portion of the Lease Payments shall be excludable from the Lessor's gross income pursuant to Section 103 of the Internal Revenue Code.  
 Receipt of a copy of the last years audited financial statements and current year's budget from the Lessee.  
 This proposal should not be construed as a commitment to finance. It is subject to final Motorola credit committee approval. This quote is based on the general level of interest rates, primarily U.S. Treasury Bills of like term maturity. Any movement in those rates in excess of 10 basis points will result in the revision of this quote.

LESSEE CERTIFIES THAT IT HAS DESIGNATED THIS LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE. THAT IT HAS NOT DESIGNATED MORE THAN \$10,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE

**Documentation:** Municipal Equipment Lease Purchase Agreement  
 Opinion of Counsel  
 Schedule A / Equipment List  
 Schedule B / Amortization Schedule  
 8038G  
 UCC-1  
 Certificate of Incumbency  
 Statement of Essential Use/Source of Funds  
 Evidence of Insurance or Statement of Self Insurance  
 Resolution from governing body authorizing the execution of the Lease

Please feel free to contact me if there are any questions or if an alternate structuring is required.

Regards,  
 Bill Stancik  
 Motorola Customer Financing  
 847-538-4531

Proposal  
**MOTOROLA, Inc.**

TO: Dekalb County Sanitation Dept.  
ATTN: Richard Johnson

State Contract # 980-2800008  
678-414-5018

APX1500 Mobile/ APX 900		Portable	List Price	Discount	Price	Extended Price
203	M36URS9PW1AN	APX 1500 7/800	\$1,564.00	25%	\$1,173.00	\$238,119.00
203	GA01339AA	ENH: SW P25 TRUNKING	\$1,070.00	25%	\$802.50	\$162,907.50
203	W22BA	ADD: STD PALM MICROPHONE APX	\$72.00	25%	\$54.00	\$10,962.00
203	GA00255AC	ADD: 5 Y ESS. ACCIDENTAL DMGE.	\$398.00	0%	\$398.00	\$80,794.00
203	G66AW	ADD: DASH MOUNT O2 WWM	\$125.00	25%	\$93.75	\$19,031.25
203	GA00804AA	ADD: APX 02 CONTROL HEAD	\$492.00	25%	\$369.00	\$74,907.00
203	G444AH	APX CONTROL HEAD SOFTWARE			\$0.00	\$0.00
203	GA00235AA	NO GPS ANTENNA NEEDED			\$0.00	\$0.00
203	G174AF	ADD:ANT 3DB LOW PROFILE 762-870	\$43.00	25%	\$32.25	\$6,546.75
203	G831AD	ADD: SPKR 15W WATER RESISTANT	\$60.00	25%	\$45.00	\$9,135.00
203	GA00580AD	ADD: TDMA OPERATION	\$450.00	25%	\$337.50	\$68,512.50
		Programming/Installation			\$50,750.00	\$50,750.00
45	H92UCF9PW6AN	APX 900 7/800 MHZ MODEL 2	\$1,597.00	25%	\$1,197.75	\$53,898.75
45	QA00580AF	ADD: TDMA OPERATION	\$450.00	25%	\$337.50	\$15,187.50
45	HA00025AG	ADD: 5 Y ESS. ACCIDENTAL DMGE.	\$360.00		\$360.00	\$16,200.00
45	QA04096AA	ENH: P25 TRUNKING	\$1,070.00	25%	\$802.50	\$36,112.50
45	H122BY	ALT: 1/4 WAVE 7/800 STUBBY ANT.	\$9.00	25%	\$6.75	\$303.75
45	PMPN4174A	CHGR DESKTOP SINGLE UNIT	\$76.00	25%	\$60.80	\$2,736.00
20	PMMN4062A	IMPRESS RSM NOISE CAN. EM BUT. 3.5	\$129.00	25%	\$103.20	\$2,064.00
20	NNTN8525A	TRAVEL CHARGER	\$95.00	25%	\$76.00	\$1,520.00
		Programming/Installation			\$4,500.00	\$4,500.00
		5 YR MAINTENANCE APX 900 &1500			\$182,798.00	\$206,000.00
		TRADE IN/ DISCOUNT			-\$75,000.00	-\$75,000.00
		Total				\$985,187.50

\*\*\*Discount Price include XTU/XTS2500 Trade-in Allowance

Terms: Net 30 Days

Date 7-May-19

Proposal # 20190103

State Contract 980-280008

Expiration 7-Aug-19