Exhibit to Agenda Item #4

Board Finance & Audit Committee Meeting and Special SMUD Board of Directors Meeting
Tuesday, March 19, 2019 scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room
Motorola 2-way Radio Contract Extension and Increase

• Approve Contract Change No. 03 to Sole Source Contract 4500100166 with Motorola Solutions, Inc. for the Next Generation Two-Way Radio System to:
  – Extend the contract expiration date from March 31, 2019 to March 31, 2029
  – Increase the contract amount by $6,259,985 for a new not-to-exceed amount of $13,724,750
Background

• Motorola Two-Way Radio System is a critical dispatch radio system used as the “lifeline” for all power-grid and security emergencies and day-to-day operations

• December 2016: Board approved Sole Source Contract 4500100166 for the purchase and implementation of Motorola’s Next Generation Two-Way Radio System

• Interoperable with Sacramento County Motorola radio system
Purpose of Request

• 10 year M&S agreement to reduce costs

• Financially Fit
  – Estimated savings of up to $6M
  – Lock in rates
  – Levelized costs

• Operational Excellence
  – Maintain up to date, cutting edge hardware and software for this critical solution
Motorola Maintenance & Support

• Maintenance and Support is required
  – Break/Fix
  – Network Monitoring – Predictive/Proactive
  – Software/Firmware Updates
  – Feature Enhancements
  – Replaces hardware that becomes obsolete due to upgrades during the term

• Maintenance and Support coverage for all of SMUD’s components is only available directly from Motorola.
Costs

• Total 10 year cost: $6,259,985
  – Estimated savings of up to $6M
• Ability to cancel at any time with 30 days notice
• Annual M&S rate of 13.7% per year
• Estimated 11% SEED Participation
Requested Action

- Approve Contract Change No. 03 to Sole Source Contract 4500100166 with Motorola Solutions, Inc. for the Next Generation Two-Way Radio System to:
  - Extend the contract expiration date from March 31, 2019 to March 31, 2029
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