



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

Legislation Text

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Authorizing the Commissioner of Public Property and the Procurement Commissioner, on behalf of the City, to enter into an agreement with Motorola, Inc., for Motorola to design, build, install, optimize, and maintain facilities and equipment for the upgrade of the City's 800 MHz trunked municipal radio communications system; and authorizing the Commissioner of Public Property, on behalf of the City, to enter into an agreement for the purpose of financing the lease of equipment, software and related services for the upgrade of the radio communications system with an option to purchase such equipment and software and to enter into an escrow agreement pursuant to the terms of the lease agreement; all under certain terms and conditions.

WHEREAS, the City selected Motorola, Inc., a Delaware corporation ("Motorola"), through a competitive process, to furnish, install and fully implement a circuit-based 800 MHz trunked municipal radio communications system for the use of the City, and entered into Contract No. 99-0844 dated June 30, 1999 by and between the City and Motorola for the initial construction of the City's trunked municipal radio system; and

WHEREAS, the City has determined that it is advisable to upgrade the City's existing circuit-based ASTRO 800 MHz trunked municipal radio communications system to an Internet Protocol-based ASTRO 25 IP network; and

WHEREAS, the City has determined that the need to upgrade the City's existing radio communications system exceeds the current funding capacity of the Department of Public Property to fund the purchase of equipment and services associated with the such upgrade; and

WHEREAS, the City has determined that the most prudent course of action is to finance such upgrade by means of an agreement to lease the required equipment and related services; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Commissioner of Public Property and the Procurement Commissioner, on behalf of the City of Philadelphia, are hereby authorized to enter into an agreement with Motorola, Inc., a Delaware corporation ("Motorola"), to amend Contract No. 99-0844 to provide for Motorola to design, build, install, optimize, and maintain facilities and equipment for the upgrade of the City's existing circuit-based ASTRO 800 MHz trunked municipal radio communications system to Motorola's open-standards, Internet Protocol (IP) based ASTRO 25 IP network (the "Upgrade"), such agreement to be in substantially the form of Exhibit A hereto, with such changes as the City Solicitor deems necessary or appropriate to protect the interests of the City.

SECTION 2. The Commissioner of Public Property, on behalf of the City of Philadelphia, is hereby authorized to enter into a lease agreement with a four-year term (the "Lease Agreement") wherein the City shall agree to lease equipment, software and related services for the Upgrade (hereinafter, the "Equipment"), with an option to purchase the Equipment at the conclusion of the term of the Lease Agreement, and to pay as a lease payment, solely out of its current revenues, amounts necessary to

satisfy all of the obligations of the City under the Lease Agreement. The Lease Agreement shall be in substantially the form of Exhibit B hereto, with such changes as the City Solicitor deems necessary or appropriate to protect the interests of the City.

SECTION 3. The Director of Finance is hereby authorized to determine and negotiate an appropriate rate of interest to be paid by the City under the terms of the Lease, provided however, that in no event shall the rate of interest be greater than 6.5% per annum.

SECTION 4. The Commissioner of Public Property is further authorized to enter into an escrow agreement (the "Escrow Agreement") as required pursuant to the terms of the Lease Agreement. The Escrow Agreement shall have a term of four years and shall be in substantially the form of Exhibit C hereto, with such changes as the City Solicitor deems necessary or appropriate to protect the interests of the City.

ON 5. The City covenants and agrees to be bound by each and every provision, covenant and agreement set forth in the Lease Agreement, including making all lease payments when due.

SECTION 6. The City covenants and agrees to make appropriations in each and every fiscal year during which a lease payment is due and payable under the Lease Agreement, in such amounts as shall be required in order to make all such lease payments.

SECTION 7. In accordance with The Philadelphia Code, Section 17-1402(1)(d), attached hereto as Exhibit D is a copy of all disclosure forms required to be submitted by Motorola pursuant to The Philadelphia Code, Section 17-1402(1)(b).

SECTION 8. The Chief Clerk of City Council shall keep all Exhibits to this Ordinance on file and make them available to the public for inspection and copying during regular office hours.

[Note: Exhibits to this Bill are on file in the Office of the Chief Clerk.]