




MEMORANDUM

Date: November 20, 2018

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Agenda Item for December 4, 2018 Board of Supervisor Meeting Regarding Ratification of \$3,100,000 Interfund Loan to Pima County Wireless Integrated Network**

On the December 4, 2018 Board of Supervisors Agenda there is a request from the Pima County Wireless Integrated Network (PCWIN) Department to amend the agreement with Motorola Solutions, Inc., to replace and upgrade the existing microwave system used by PCWIN for \$5,293,000. That amount consists of \$3,154,946 for the equipment and systems integration and the balance for warranty and support to be paid annually over the next ten years, totaling approximately \$2,138,054. In order to fund the initial acquisition and installation of the equipment, PCWIN needs an influx of cash in the current fiscal year.

In order to avoid the need for an unbudgeted special assessment against all the jurisdictions participating in PCWIN, the County proposes advancing sufficient funds to start the project. The County would advance an interfund loan in the amount of \$3,100,000 through the necessary operating transfers from the General Fund to the PCWIN special revenue fund to fund the project within the Capital Projects Fund. This loan would be repaid by PCWIN to the General Fund over a five year period with no interest charges. Attached is the documentation prepared by Finance and Risk Management to memorialize the terms of the interfund loan.

I am requesting the Board of Supervisors approve the interfund loan and related operating transfers and ratify the transaction. This interfund loan is contingent upon the Board's approval of the amendment to the Motorola contract referred to above.

CHH/mp

Attachment

c: Tom Burke, Deputy County Administrator for Administration
Michelle Campagne, Director of Finance Department



**Interfund Loan of \$3,100,000 from General Fund to PCWIN Special Revenue Fund
December 4, 2018**

\$3,100,000 will be transferred from the Pima County General Fund into the Special Revenue Fund for the Pima County Wireless Integrated Network (PCWIN Fund), upon approval by the Board of Supervisors of Amendment No. 7 to Master Agreement No. MA-PO-12-284 with Motorola Systems, Inc. to replace the existing microwave system. PCWIN will use the proceeds of this interfund loan to fund the CIP project within the Capital Projects Fund. The PCWIN Fund will repay the General Fund over a period of five years, with no interest, payable on or before August 1 of each year, as follows:

- 2019 \$600,000
- 2020 \$600,000
- 2021 \$600,000
- 2022 \$600,000
- 2023 \$700,000

Dated as of December 4, 2018.

Rick Brown, Director
Pima County Wireless Integrated Network Department

Michelle Campagne, Director
Finance and Risk Management Department

Michelle Campagne, Director

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