

Agenda Report

February 24, 2020

TO: Honorable Mayor and City Council

FROM: Fire Department

SUBJECT: AUTHORIZE AN INCREASE TO CONTRACT 30800 WITH PUBLIC SAFETY CORPORATION BY \$50,000 TO PROVIDE FALSE ALARM BILLING AND COST RECOVERY SERVICES FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$124,999

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3); and
2. Authorize the City Manager to increase Contract 30800 with Public Safety Corporation by \$50,000, thereby increasing the total not-to-exceed amount from \$74,999 to \$124,999; and
3. To the extent this could be considered a separate procurement subject to the Competitive Selection Process, it is recommended that the City Council grant the contract an exemption pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

Every year, the Fire Department responds to approximately 2,600 incidents relating to fire alarms. About 65% of dispatched fire alarm incidents are related to false alarms, unintentional alarm system activation, unintentional heat and smoke detector activations, system malfunctions, and other varieties of false alarms. Additionally, approximately 50% of all false alarm incidents are considered second and subsequent false alarms at the same locations. The Department currently charges \$384.00 (Fee #56 in the FY 2020 General Fee Schedule) for False Alarm Responses (Second and subsequent responses within 12-month period).

Due to the high volume of false alarm incidents in recurring locations, in fiscal year (FY) 2017 the Fire Department decided to identify a vendor to more efficiently and effectively issue, process, track and collect false fire alarm fees through a competitive selection (RFP) process. On February 1, 2017, the City issued Contract No. 30800 with Public Safety Corporation (PSC) for a four-year term from the date of execution by the City, or until the amount of \$74,999 is expended, whichever occurs first. Contract terms include a 10% revenue share for PSC.

The contract amount was based on Fire Department's internal tracking of prior year expenditures which included false alarm fees amounting to approximately \$24,000 in revenue in FY 2016. Since billing and collection efforts have been outsourced, PSC has captured a significantly higher portion of false alarm fees, with an average of \$250,000 in collected fees for the past three fiscal years.

Due to the success of PSC's cost recovery program and the reduction of Department staff time and resources in these efforts, the Fire Department would like to continue to utilize PSC for false alarm cost recovery and increase the current total not-to-exceed amount of the Contract from \$74,999 to \$124,999, or until the contract expires on January 31, 2021. The Department will issue another RFP process for false alarm cost recovery prior to the expiration of Contract 30800.

Effectively processing false alarm fees enables the Fire Department to redirect administrative and operational public safety resources which effectively serve the community as a whole, and encourage fire alarm users and alarm companies in the community to properly use, install and maintain the operational effectiveness of their alarm systems.

COUNCIL POLICY CONSIDERATION:

The proposed contract furthers the City Council's strategic planning goals to ensure public safety and to increase conservation and sustainability.

ENVIRONMENTAL ANALYSIS:

The contract is exempt from CEQA per section 15061(b)(3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical change.

FISCAL IMPACT:


This action will increase Contract 30800 with Public Safety Corporation by \$50,000. Funding for the contract's revenue share will be addressed by the utilization of budgeted appropriations in the Fire Department's General Fund operating budget account for Fire Safety and Prevention (10131005-811400). Revenue for False Alarm Fees will be collected in Fire Safety and Prevention account (10131005-665700). There are no anticipated impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



BRYAN FRIEDERS
Acting Fire Chief
Fire Department

Prepared by:



Stephanie Chang
Management Analyst IV
Fire Department

Approved by:



STEVE MERMELL
City Manager