

Agenda Report

TO: CITY COUNCIL

DATE: January 12, 2009

FROM: CITY MANAGER

SUBJECT: CONTRACT BETWEEN VERDUGO FIRE COMMUNICATIONS CENTER
AND THE CITY OF MONTEBELLO

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute the attached agreement for the Verdugo Fire Communications Center, which is jointly administered by the cities of Glendale, Burbank and Pasadena, to provide fire and ambulance dispatch services to the city of Montebello.

BACKGROUND

The Verdugo Fire Communications Center provides fire and EMS dispatch services to Glendale, Pasadena and Burbank. These agencies are "member" agencies and contribute to funding the annual operation of the Center as well as making annual contributions to the reserve for equipment replacement. Additionally, the Center contracts with eight other agencies (Alhambra, Arcadia, Monrovia, Monterey Park, San Gabriel, San Marino, Sierra Madre and South Pasadena) to provide dispatching services for a set fee. The revenue generated through these contracts supplements the Center's reserve for equipment replacement and assists with staffing costs.

Providing dispatch service on a contractual basis supplies revenue for the Center's operations and provides better coordination and response to large emergencies involving Area "C" automatic aid agencies.

On an annual basis, each city pays for their service on a pro rata basis, based on a formula that takes into account the percentage of incidents dispatched on their behalf. A 10% administrative fee, in addition to the annual fee for service is imposed on all of the cities (including Glendale). This administrative fee is used to defray certain General Fund costs not reflected in the Verdugo annual budget. Such costs include legal, human resources, payroll, purchasing, and similar expenditures.

The proposed term of this contract is three years. The other contract agency agreements have terms of five or ten years. With a termination clause of one year without cause, it is believed that a shorter-term agreement will supply a stable service for Montebello and at the same time provide Verdugo an opportunity to revise the fee structure sooner than a longer term agreement would allow, should the need arise.

Fire Management believes that the participation of Montebello, with its ICIS cell and associated radio infrastructure, in the Verdugo System will significantly enhance service to the public and help provide the revenue to keep Verdugo among the finest regional dispatch operations in the country.

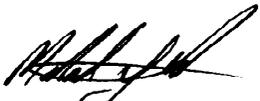
Montebello's City Council approved the agreement on November 12, 2008, and, as joint owners, the cities of Burbank and Glendale are also required to approve the agreement.

FISCAL IMPACT

By the formula contained in the agreement, Montebello will pay for each incident that occurs in their city plus any incident where they are dispatched outside the Verdugo System in compliance with their aid agreements. Montebello's cost per incident will be \$50.04 through Dec. 31, 2009, with a 5% increase in calendar year 2010. For the remainder of the current fiscal year and next year (FY 09/10), this is expected to generate the amounts shown below (FY 08/09 will be prorated based on actual start of dispatch operations):

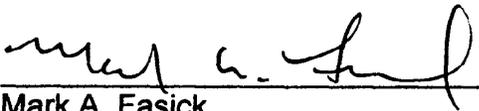
<u>Fiscal Year</u>	<u>Estimated Incidents</u>	<u>VFCC Fund</u>	<u>General Fund</u>
2008/09 (March-June)	1,650	\$ 82,566	\$ 8,257
2009/10	4,950	\$ 253,886	\$ 25,389

Respectfully Submitted,



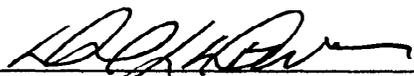
MICHAEL J. BECK
City Manager

Prepared by:



Mark A. Fasick
Fire Marshal

Approved by:



Dennis J. Downs
Fire Chief