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CITY OF OAKLAND

AGENDA REPORT

2009 SEP -3 PM 1:10
TO: Office of the City Administrator
Attn: Dan Lindheim
From: Oakland Police Department
Date: September 15, 2009

Re: Discussion And Possible Action On A Report And Recommendation Detailing the Results Of The Request For Proposals (RFP) Process Conducted By The Oakland Police Department To Identify And Select A Contractor For The Administration Of The Oakland Police Department's False Alarm Reduction Unit Program

SUMMARY

On July 28, 2009, City Council gave staff approval to award a contract for the administration of the Oakland Police Department's False Alarm Program (Resolution No. 82233 C.M.S.). Staff conducted a Request for Proposals (RFP) process to identify a vendor. Upon completion of the RFP process a total of three proposals were received and reviewed. Based on criteria and qualifications, staff selected Alarm Tracking and Billing Services (ATB) as the most qualified vendor to perform the functions required by the Oakland Police Department to administer the False Alarm Reduction Program.

FISCAL IMPACT

The proposed contract between the City of Oakland and ATB Services is a revenue sharing agreement. Among the three vendors that responded to the RFP, ATB Services offered the most competitive pricing options, receiving only 16% of total program revenues. Based on projected annual revenues (\$705,000), this equates to approximately \$112,800 paid to the vendor for program administration services, which is a significant savings in comparison to the 35% projected in the original report to Council on July 28, 2009. Revenue and expenses related to this program will be administered through the False Alarm Reduction Program Fund (2411), Fiscal Services Division Organization Code (106510), and False Alarm Reduction Program (PS36).

The false alarm program has been included in the adopted FY 2009-11 Budget, with estimated revenues of \$705,000. Estimated expenditures total \$537,465.

Table 1 shows the total program budget based on the proposed contract and savings to the General Fund.

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Table 1

ALARM PROGRAM BUDGET & GENERAL FUND SAVINGS

Full Implementation Projection Date - January 2010		
	Description	False Alarm Program Budget
Revenue	Projected - If Decrease Occurs Estimated Outsourcing Expense will also Decrease	\$705,000
Newly Budgeted Positions & Expenses FY 09-11	1.0 FTE Administrative Analyst II	\$99,760
	1.0 FTE Police Records Specialist	\$60,150
	O&M to Support False Alarm Reduction Program	\$15,000
	Central Services Overhead	\$26,170
	Projected Contractor Expense	\$112,800
Total Cost for New Activities		\$313,880

Existing GPF Positions & Expenses Benefiting from the Alarm Program	.50 FTE Administrative Services Manager II (transfer from GPF to False Alarm Special Revenue Fund)	\$88,440
	1.0 FTE Account Clerk II (transfer from GPF to False Alarm Special Revenue Fund)	\$59,970
	DIT Support	\$25,175
	Other O&M (transfer of \$50,000 from the GPF to False Alarm Special Revenue Fund)	\$50,000
	Net - Benefit to General Purpose Fund	\$223,585
Grand Total of New and Existing Activities		\$537,465

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BACKGROUND

The current False Alarm Program was implemented by OPD in November 2003. OPD was able to implement and support the security alarm registration/permit aspect of the program, but did not have adequate staffing and resources to implement false alarm fines. As a result of inadequate funding, the False Alarm program has remained in limited operation.

Based on a completed best practices review of the False Alarm Program, staff requested to modify the Burglar Alarm Ordinance; modify the Master Fee Schedule; and acquire the services of a contractor in order to address the City's need to reduce the number of false alarms responded to by public safety personnel. These changes were approved by the City Council on July 28, 2009 and will allow the alarm program to be self-sustaining.

KEY ISSUES AND IMPACTS

At the request of the Oakland Police Department, the Department of Contracting and Purchasing conducted an availability analysis to identify local firms that could perform the scope of services stated in the RFP. The results of the research found that there were no certified firms that provide false alarm reduction services as defined in the RFP's scope of services. Therefore, the minimum 20% Local/Small Local Business Enterprise participation requirement was waived for this project.

An announcement of the RFP period was distributed to nine alarm administration providers from a list maintained by the Oakland Police Department. A notice was published in the Oakland Tribune, Oakland Post, and El Mundo publications. Copies of the full RFP were made available to all respondents who made a request. Information about the pre-proposal conference was included in the RFP. The pre-proposal conference was held on July 29, 2009, by the Department of Contracting and Purchasing and the Oakland Police Department, and was attended by representatives of four alarm administration providers.

On August 17, 2009, the Oakland Police Department received responses from three firms: Public Safety Corporation dba CryWolf, ATB Services, and PMAM; all of which provide full-service alarm management.

The Department of Contracting and Purchasing, Division of Social Equity, reviewed each proposal for compliance with the Equal Benefits Ordinance, and found that ATB Services is the only firm in full compliance. A summary of the review is included with this report (*Attachment A*).

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All three firms were qualified to perform the services specified in the RFP and were invited to interview to address the general questions related to how each would implement the proposed scope of work. Based on each firm's proposal, false alarm reduction success rates, and references, staff recommends award of the alarm administration contract to ATB Services.

Evaluation criteria consisted of relevant experience, proposal qualifications, presentation and approach and bid competitiveness. ATB services has seven years of experience in complete alarm management. CryWolf has a total of 10 years of experience including alarm solution software but only has four years of experience in complete alarm management. PMAM has five years of complete alarm management experience. All three companies submitted satisfactory proposal qualifications and presented acceptable approaches to administering the program. ATB Services and CryWolf received impeccable reviews from the references they provided. PMAM's references provided good reviews. A summary of the key criteria considered in the decision to select ATB Services is outlined in Table 2.

Table 2

Criteria Comparison Chart

	ATB Services	Safety Co. dba CryWolf	PMAM
Relevant Experience Alarm Program Management	7 years	4 years	5 years
Bid Competitiveness	16% Total Program Revenue	25% Total Program Revenue	20% Total Program Revenue
Contract Compliance Equal Benefits Ordinance	Compliant	Non-Compliant	Non-Compliant
Reduction Success Rates Stated in RFP	80%	50%	N/A – Stated 50% Reduction Goal for Oakland

ATB Services is a national company and has administered comprehensive alarm management programs for more than seven years, helping jurisdictions to significantly reduce false alarms, increase revenue collections and improve efficiency. As a full-service, sole provider with complete quality control of all aspects of administering false alarm ordinance for cities, ATB Services is a leader in alarm management services. They provide customer service in English, Spanish and Chinese and will work with City staff to comply with its Access to Services Ordinance.

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ATB Services has proven its ability to administer successful alarm management programs. They have experienced an up to an 80% false alarm reduction rate within some of the jurisdictions they serve and they offer the most competitive pricing option.

Immediately upon contract approval, ATB Services will begin working with staff to fully implement a more effective alarm management program. The contract term is scheduled for October 1, 2009 through June 30, 2011, with an option to extend from July 1, 2011 through June 30, 2013.

Contractor selection and full program implementation are vital to successfully produce the following results:

- Reduce the incidence of false alarms and redirect police resources to critical public safety priorities;
- Provide adequate funding to staff the False Alarm Program and achieve optimal results and efficiencies;
- Enhance customer service capabilities with on-line processing of permit renewals, payment processing and user training;
- Minimize program funding requirements and increase net program revenue; and
- Enhance program efficiency and revenue performance/cost recovery;

ATB Services will play a key role in producing these results.

PROGRAM DESCRIPTION

False Alarm Reduction Program

The Alarm Program was established to address issues associated with the large number of false alarms to which the Department responds each year. The primary tools used to address false alarms are:

- Public education - When alarm companies and alarm users register with the Department, they are provided with training and education concerning the proper use of alarm systems, making them more responsible users.
- Cost Recovery - By recovering some of the costs associated with responding to false alarms, the Department can deploy those revenues toward crime-fighting activities and also provide a deterrent to preventable false alarms.

Alarm Permits

Alarm users are required to obtain an alarm permit from the City of Oakland prior to alarm use. The permit is obtained by completing a registration form, which is supplied by the alarm company when the request for an alarm system is made. The alarm user is required to complete the registration and pay the registration fee to the alarm company. The Oakland Police Department issues the alarm permit.

When officers respond to the site of an alarm that does not have an alarm permit, the site owner and the alarm company are subject to a service fee for unregistered alarm use. The purposes of the fee is to recover the costs associated with bringing the alarm user into compliance with the registration requirements of the ordinance, which includes researching the call data, notifying the alarm user of non-compliance with the ordinance, and issuing the alarm user a permit. A secondary impact of this fee is to encourage alarm users to obtain a permit proactively. In addition to ATB Services, the following resources will be dedicated to implementing the program:

1. Administrative Analyst II (Alarm Administrator): As the program manager of the False Alarm Program, this person will coordinate operations between OPD and ATB Services, and administer the appeals process and special licensing program. This person will ensure that all parties are conducting business in accordance with the ordinance and Master Fee Schedule and serve as a point of contact for the public concerning the False Alarm Program.
2. Police Records Specialist: This staff member will be responsible for auditing alarm permit data, processing direct payments, and providing clerical support to the unit. This person will serve as the back up Alarm Administrator in the absence of the Administrative Analyst II.

The target date for full program implementation is January 4, 2010. ATB Services believes that the program might be fully implemented as early as December 1, 2009. The newly implemented alarm program will require alarm businesses and companies to bill customers directly for permit fees.

ATB Services will administer the billing process; however, City staff will continue to provide customer service to residents who prefer direct contact with the False Alarm Reduction Unit.

ATB Services will also provide the following services:

- Public Communication and Awareness Campaign
- Alarm Form Design
- Assistance with Creating New Administration Procedures
- Assistance with Establishing Reporting Requirements for Alarm Businesses/Companies

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- Coordinate Initial and Annual Registration of Alarm Users with Alarm Businesses/Companies
- Tailor an Online Community Page and Online Alarm Class
- Training to City Staff
- Set Up Disaster Recovery System
- Education and Support Materials

SUSTAINABLE OPPORTUNITIES

Economic: A fully functioning and adequately funded program will generate revenue for the City and reduce false alarms, allowing OPD to redirect existing police resources to crime reduction efforts. Additionally, a successful program will reduce the considerable costs associated with responding to false alarms.

Environmental: A reduction in false alarms will translate to a reduction in noise pollution and peace disturbances throughout the City.

Social Equity: A fully functioning False Alarm Reduction Program will redirect police resources from responding to false alarms to other crime related violations, thereby creating enhanced public safety efforts within the City of Oakland.

DISABILITY AND SENIOR CITIZEN ACCESS

There are no ADA or senior citizen opportunities identified in this report.

RECOMMENDATION AND RATIONALE

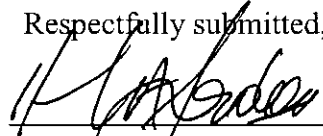
Staff recommends acceptance of this report. The recommended actions to accept the selected contractor and fully implement the alarm program will reduce false alarms and redirect police resources to critical public safety needs.

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ACTION REQUESTED OF THE CITY COUNCIL

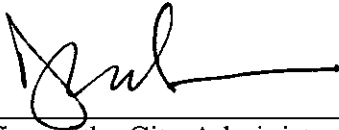
Staff requests that acceptance of this report and approval to select ATB Services to provide administration services to the Oakland Police Department False Alarm Reduction Program for the term beginning October 1, 2009 through June 30, 2011 with an option to extend from July 1, 2011 through June 30, 2013 in accordance with Resolution No. 82233 C.M.S., dated July 21, 2009.

Respectfully submitted,



Howard A. Jordan
Acting Chief of Police

APPROVED AND FORWARDED TO
THE FINANCE AND MANAGEMENT
COMMITTEE:



Office of the City Administrator

Attachment A:

Department of Contracting & Purchasing RFP Review
Memorandum

Prepared by:
Ms. Antoné Hicks
Acting Alarm Administrator
False Alarm Reduction Unit

Mr. Gilbert Garcia
Acting Deputy Director
Office of Chief of Police

Reviewed by:
Ms. Cynthia Perkins
Legislative Analyst
Oakland Police Department

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Memo



Department of Contracting and Purchasing

Social Equity Division

To: Antone Hicks, False Alarm Reduction Unit Coordinator
 From: Vivian Inman, Contract Compliance Officer
 Through: Deborah Barnes, Director, DC&P
 Shelley Darenburg, Sr. Contract Compliance Officer *S. Darenburg*
 CC: Gwen McCormick, Contract Administration Supervisor
 Date: August 27, 2009
 Re: RFP for Oakland Police Department False Alarm Reduction Program

The Department of Contracting and Purchasing (DCP), Division of Social Equity, reviewed three (3) proposals in response to the above referenced project. At the request of the agency, an availability analysis was conducted. The results of the research found that there were no certified firms that were able to provide the services as defined in the Request for Proposal's scope of services. Therefore, the minimum 20% Local/Small Local Business Enterprise participation requirement has been waived for this project. This memorandum provides a preliminary review for compliance with the Equal Benefits Ordinance (EBO). The chart below is the result of that review.

Below are the results of our findings:

Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Credits	Adjusted Bid Amount		
AOT Public Safety Corporation	NA	0%	0%	0%	NA	0%	0 points	NA	0 points	N
ATB Services, LLC.	NA	0%	0%	0%	NA	0%	0 points	NA	0 points	Y
PMM Corporation	NA	0%	0%	0%	NA	0%	0 points	NA	0 points	N

Comments: ATB is EBO compliant. All others will have to come into compliance prior to contract execution in order to be considered for award

Non-Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Credits	Adjusted Bid Amount		
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Comments: NA

Should you have any questions you may contact Vivian Inman at (510) 238-6261.