



CITY OF OAKLAND

AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: James P. Beere
Interim Chief of Police

SUBJECT: PMAM False Alarm Contract

DATE: April 23, 2026

City Administrator Approval

Date: May 14, 2026

RECOMMENDATION

Staff Recommends That The City Council Approve A Resolution Authorizing The City Administrator To:

- 1) Enter Into A Professional Services Agreement With PMAM Corporation For The Administration Of The False Alarm Reduction Program From July 1, 2026 To June 30, 2031, For A Total Contract Amount Not To Exceed One Million One Hundred Twenty-Seven Thousand One Hundred Fifteen Dollars (\$1,127,115); And**
- 2) Waiving The Competitive Multiple Step Solicitation Process And The Local/Small Local Business Enterprise Requirements.**

EXECUTIVE SUMMARY

The Oakland Police Department (OPD) staff recommends that the City Council adopt a resolution authorizing a contract with PMAM Corporation for an estimated amount of \$225,423 per year from July 1, 2026 through June 30, 2031 for a total amount not to exceed \$1,127,115 over a five-year period. PMAM Corporation (PMAM) will charge the City a flat fee of \$5 per permit and /or renewals and late fees. The City will also pay postage costs associated with sending bills, reminders and/or any publication or announcement requested by OPD. The City will be reimbursed through permit fees paid by alarm registrants. PMAM was deemed the most qualified vendor after OPD conducted a request for proposals (RFP) in June 2020. This contract will allow OPD to continue the administration of the False Alarm Reduction Program after the current contract expires on June 30, 2026.

BACKGROUND / LEGISLATIVE HISTORY

The False Alarm Reduction Program was implemented by OPD in November 2003 by Ordinance No. 13015 C.M.S., and amended in 2010, to address the large number of false

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alarms that OPD was responding to each year. The purpose of the fees authorized by this ordinance is to offset a portion of the expense that OPD incurs because of false alarm response. For example, if there are 6,000 false alarms a year (**see Table 1**), and an officer spends 30 minutes responding to each false alarm, it would take at least 3,000 hours over one year to respond to each false alarm call; it would likely (on average) take approximately two full time officers to respond to each call (if calls happened sequentially so officers could spend an entire shift responding). The full-loaded annual cost of two officers would be over \$400,000. In reality, as OPD cannot employ officers for such a task – the time spent responding to false alarms means that each officer is then not available to respond to other important public safety calls for service.

Fees also assist in encouraging residents and businesses to properly use and maintain their alarm systems, thus reducing false alarms. The program allows OPD to redirect police resources to crime prevention, recover costs associated with responding to false alarms, and partially deter false alarms. During the initial implementation, OPD staff were able to implement the alarm registration and permit aspect of the program; however, OPD did not have adequate staffing or resources to collect and process fines. It was determined that it was, therefore, in the City's best interest to outsource the administration of the program. In 2010, Alarm Tracking and Billing (ATB) was contracted to administer the program and in 2011 they were acquired by PMAM.

In 2012 staff conducted a Request for Proposals (RFP) to identify a vendor to provide alarm program administration services. PMAM was the most qualified vendor and was selected to perform the functions required by OPD for this program. PMAM was contracted from July 1, 2013 to June 30, 2016, in the amount of \$450,000, with a contract amendment for \$242,796 for a total amount of \$692,796. That contract was authorized by City Council Resolution No. 84501 C.M.S. and amended by Resolution No. 85392 C.M.S.

In July 2015 an RFP was again conducted to identify a vendor to provide alarm program administration services. Two vendors responded to the RFP: PMAM Corporation and Alarm Program Systems, LLC. The RFP interview panel included staff from OPD, the City Administrator's Office and the Treasury Division. The panel interviewed both vendors and PMAM was selected as the most qualified vendor to administer the program. That RFP resulted in the current contract in the total amount of \$891,000 over a 5-year period starting July 1, 2016, and ending on June 30, 2021. This contract was authorized by the City Council via Resolution No. 86181 C.M.S.

In June 2020 an RFP was conducted, and PMAM was selected again as the most qualified vendor for false alarm management services. A different alarm system company also submitted a bid, and a third company made an inquiry, but did not submit a bid. The RFP panel selected PMAM as the most qualified vendor based on experience, technical systemic readiness, and adequate staffing.

In 2021 the L/SLBE requirement was waived during the contract process. An availability analysis was requested from the Contracts Compliance office because there was reason to believe that the availability of certified firms would not be sufficient to satisfy the 50% L/SLBE minimum requirement. In order to determine the availability of the City's certified firms;

Contracts & Compliance researched the certification database utilizing NAICS codes 561621 - Security Systems Services. The results indicated that there were only two (2) certified firms. The L/SLBE Program requires that there be at least three (3) certified firms listed in the industry, trade or professional that constitutes a major category of work. If at least three (3) L/SLBE firms are not certified, then the requirement is either waived, or the 50% requirement may be set from 49% to 0%. Based on the above the L/SLBE minimum participation requirement of 50% was waived for this project. On May 3, 2021 the City Council approved [Resolution No. 88606](#) awarding the contract to PMAM Corporation from July 1, 2021 through June 30, 2026 at a yearly amount of \$196,020 not to exceed \$980,100 for a five-year period for the administration of the False Alarm Reduction Program.

ANALYSIS AND POLICY ALTERNATIVES

The False Alarm Reduction Program, in accordance with the Program Ordinance approved by the City Council, requires new alarm users to register for a permit from the City of Oakland prior to installing and activating an alarm system. First-time alarm users choose their monitoring company and usually purchase their alarm unit from them. The monitoring company provides their new client with a permit registration form which is completed, and they collect a permit registration fee to begin the registration process. The monitoring company sends the registration form and fee to PMAM, which is the program administrator contracted by the City of Oakland, and they issue a permanent permit number. During the waiting period, the alarm user receives a temporary number. Upon registering for the permit, the alarm user is in compliance, and the alarm system is activated and monitored by their monitoring company. After activation, when there is an alarm, the monitoring company will represent them and contact OPD for dispatch to the alarm site.

Each year PMAM will directly bill the alarm user for the annual permit registration fee, which is \$27.56 for residents, \$38.57 for businesses, and \$16.52 for qualified low-income seniors. False alarm fines for residential or commercial permit holders are \$92.61 for burglary and \$171.99 for panic or robbery. These funds are used to support both OPD's administration of the program as well as some of the costs OPD's bears in providing a patrol response to false alarms. Therefore, the false alarm fees paid to OPD provide the funds needed to support the annual false alarm program contract cost. Since 2010, the program has been successful in reducing the number of false alarms which occur, allowing OPD personnel to focus more on actual emergencies within the City. **Table 1** below provides the number of false alarms since 2010 and the percent decrease from 2010. The ongoing reductions in false alarms point to a correlation between the program and the ongoing reductions in false alarms.

Table 1: Number of False Alarms and Percentage Reduction

Year	False Alarm Count	Percentage Reduction
2010	12,366	0%
2011	10,686	-14%
2012	10,857	-12%
2013	10,227	-17%
2014	12,503	1%
2015	9,604	-22%

2016	8,679	-30%
2017	8,582	-31%
2018	6,633	-46%
2019	5,833	-53%
2020	3,739	-70%
2021	4,173	-66%
2022	3,535	-71%
2023	1,750	-86%
2024	2,902	-77%
2025	2,973	-76%

PMAM will initiate Secondary Collection Services for Delinquent Accounts which are 90 days past due. The goal is to enhance collection efforts by improving recovery rates and providing a seamless extension of existing processes. This is achieved by creating dedicated campaigns, following structured cadence and deploying dedicated collectors to recover the additional money owed to the City. Secondary collections services include advanced analytics, customer service, detailed reporting and inclusion to get a positive outcome of collecting outstanding debt. The implementation plan will include assessment, engagement and outreach, negotiation and settlement. The City will benefit from improved cash flow, professional and respectful collection methods to maintain positive relationships with residents, and transparent reporting. This revenue-sharing plan will include total renewal, false alarm fines, reinstatement fees, civil penalties, late fees, alarm company civil penalties, as well as other applicable fees or fines related to the alarm ordinance. The split of monthly alarm program fees collected will be 75% for the City and 25% for PMAM Corporation.

PMAM issues alarm permits and false alarm fines on behalf of OPD. In addition, PMAM provides the following services:

- Full web-based system known as the False Alarm Management System (FAMS)
- User portal on the City website
- Revision to the current alarm ordinance
- Education and support materials to the public
- Training City staff and alarm companies on the FAMS Live helpdesk from 8 AM to 4 PM PST

For its services, PMAM will charge the City a flat fee of \$5 per each permit, renewal, and late fee collected, plus actual postage costs associated with sending bills, reminders and/or any publication or announcement requested by OPD. All other incoming revenues are allocated to OPD for operational and related personnel costs of the program. Since its inception, this program has been self-sufficient; revenues generated beyond covering the PMAM contract are used for covering the services listed in the bullet points above. The cost of the contract is based on an estimated 33,564 permits, renewals and late fees per year and 60,000 pieces of mail distributed per year. OPD is requesting a five-year contract in the amount of \$1,127,115 and at a yearly rate of \$225,423.

WAIVER RATIONALE

In July 2015 OPD conducted an RFP and two vendors responded-PMAM Corporation, which is based in Dallas, Texas, and Alarm Program Systems, LLC (APS), which is headquartered in Pleasant Hill, CA. APS had 2 executives that would train City staff to work with them, but the City lacked staffing to subdivide the tasks required to manage the False Alarm Reduction Program (FARU). The panel felt that APS was dependent on their Salesforce.com software and platform, and the City would need to purchase the software in order to work with them. An inquiry was also made by a company, Cry Wolf, but they were struggling to reorganize and did not feel ready to submit a bid. The RFP interview panel included staff from OPD, the City Administrator's Office and the Treasury Division. PMAM Corporation was selected as the most qualified vendor and was awarded the contract.

Currently, there are only 3 vendors nationally who can provide the services for the false alarm program in the way that is needed: PMAM, APS, and Crywolf. Crywolf has less than satisfactory user reviews. APS still uses the same software and requires additional staff for training. OPD has neither the staffing nor budget to use that vendor. The FARU Program Coordinator realizes that alarm program management is a unique service where existing companies are almost non-existent to provide quality efficient service for Oakland. It is recommended that in 5 years an RFP be conducted at that time to assess the readiness and proficiency of existing companies to provide and deliver their overall service for our City.

PMAM Corporation is based in Dallas, Texas, and their rare and unique national expertise in false alarm administration has serviced the City of Oakland since the inception of the False Alarm Reduction Program. No vendors exist in Oakland, CA that can provide this service.

RELATED PLANNING EFFORTS

This agenda item is a routine item and does not relate to any Oakland strategic planning efforts.

FISCAL IMPACT

There is no negative fiscal impact to the City, as program costs are fully covered by fees authorized by the Ordinance. Sufficient funds are currently included in the Fiscal Year 2025-27 Biennial Adopted Budget. Future funding for the contract purchase agreement will be provided on an as-needed basis, subject to available funds, and will need to be planned and budgeted in subsequent years. The estimated annual cost of the current contract is based on a \$5.00 fee for 33,564 permits (new and renewals) and late fees per year plus 60,000 pieces of mail distributed at the bulk mail rate of \$0.74 per year. The funds for the contract purchase agreement are available in Fund: False Alarm Reduction Program (2411), Organization: Fiscal Services Division (106510), Account: Services: Miscellaneous Contract (54919), Project: False Alarm Reduction (1000783), and Program: Agency-Wide Administration (PS01). Below **Table 2** shows the funding source information and amount.

Table 2: Project Funding Sources

Fund Source	Organization	Account	Project	Program	Total Amount
2411	106510	54919	1000783	PS01	\$1,127,115

On May 3, 2021, the City Council approved [Resolution No. 88606](#) further awarding the contract to PMAM Corporation from July 1, 2021 through June 30, 2026 at a yearly amount of \$196,020 not to exceed \$980,100 for a five-year period for the administration of the False Alarm Reduction Program.

PUBLIC OUTREACH / INTEREST

Program outreach has been done to diverse audiences including community groups, police officers, OPD civilian staff, businesses, City employees, OFD, false alarm managers and associations. Currently, there is a joint City alarm unit project that is being conducted with OPW.

COORDINATION

This report was reviewed by the Office of the City Attorney and the Finance Department's Budget Bureau.

RACE AND EQUITY

OPD has not conducted an analysis of the program on race. Alarm users are not tracked by race. The program has established a permit registration discount for low-income eligible senior residents over 65 years of age who live in Oakland.

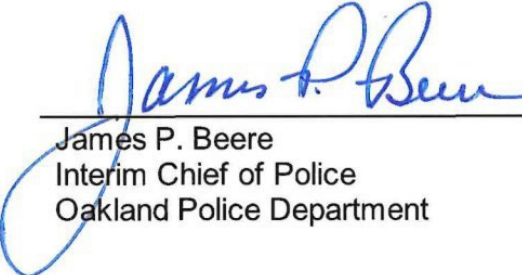
ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Approve A Resolution Authorizing The City Administrator To:

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- 2) Waiving The Competitive Multiple Step Solicitation Process And The Local/Small Local Business Enterprise Requirements.

For questions regarding this report, please contact Juanita M. Velasquez, Administrative Analyst II, at (510) 238-6680.

Respectfully submitted,



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