

REPORT TO THE CITY COUNCIL

City of Salinas, California

DATE: September 13, 2016

FROM: Edmond A. Rodriguez, Fire Chief

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SUBJECT: **FALSE FIRE ALARM ORDINANCE AND BILLING AND TRACKING SERVICES**

RECOMMENDATION:

It is recommended that the City Council approve the following Resolutions:

1. Establishing False Fire Alarm Fees.
2. Approving a contract amendment for false alarm billing and tracking services with Wittman Enterprises, LLC.

It is further recommended that the City Council adopt an Ordinance amending Article II of Chapter 22 of the Salinas Municipal Code to establish a False Fire Alarm Fee program.

DISCUSSION:

The City of Salinas has over 5,600 registered alarm user's permits on file that are comprised of single and multi-family residences, businesses, schools, and miscellaneous occupancies throughout the City. Many of these alarm systems are required and regulated pursuant to the California Fire Code (CFC) as well as the Salinas Municipal Code (SMC).

In 2015, the Salinas Fire Department (SFD) responded to over 630 fire alarm-related calls each year and approximately 620, or 98.5%, of these were false alarms. The proposed ordinance defines a false fire alarm as follows:

An alarm signal or notification of alarm necessitating a response by the Salinas Fire Department where an emergency situation does not exist.

Equally important, Fire Department engine companies must respond in an emergency manner with lights and sirens, which is not without danger to themselves and the public at large. Most false alarms occur due to a lack of maintenance, deferred repairs, system malfunctions, and malicious mischief. As such, this translates into the wasting of a significant amount of limited valuable emergency resources, causes delays to other true emergency responses and promotes additional wear and tear on heavy fire apparatus.

In the past, to reduce the number of false and nuisance alarms, and to encourage inspection, testing and maintenance of fire alarm systems, the Salinas Fire Department assessed a fee to the responsible party, as established by the City Council pursuant to Salinas Municipal Code Chapter 11B, for fire responses

to more than three (3) false alarms at an address in one (1) calendar year. Additional penalties and fees were assessed for each and every time the owner or his/her representative fails to respond to the scene of an alarm within 30 minutes of request by the fire department personnel.

The current system requires a Fire Department officer in charge to query the Monterey County Regional Communications 9-1-1 Center dispatcher via radio for information related to the number of responses to the particular address for the year. The dispatcher must then search the computer aided dispatch (CAD) system for these records and report the information back to the officer for purposes of issuing a Notice of Violation (NOV). Issued NOV's are currently a manual paper tracking system and Staff has found our current system is not consistent.

The City of Salinas collects false alarm activation fees over the counter by check, cash, and credit card payment services. Payment is also submitted through mail service by check and over the phone by credit card. On-line payment services are currently not available. The Finance Department is also responsible for submitting and managing delinquent billing sent to a collection agency. An average of 19% of the annual total billed is sent to collections.

On average, yearly fire alarm activation fees total approximately \$2,400 for an average of 375 responses per year where violations are collectable under the current ordinance and system of NOV issuing.

False Alarm Cost Recovery

The current fee for false alarms is a flat \$425. The fee is designed to recover the costs associated with the City's response to false alarms. Each alarm requires at least one fire apparatus staffed with 3-4 personnel to respond, and consumes on average one hour of time. In addition, there are indirect costs of the administrative support provided by the Salinas Fire Department and Finance Department staff, as well as third party dispatch costs paid by the City. The last fee study was conducted 1-1/2 years ago and adjusted accordingly by City Council. When previously considering false fire alarm fees, the City Council directed staff to evaluate a fee structure that was less for the initial false alarm and higher for the repeat offender.

These enhancements are designed to help recover the full costs associated with responding to fire false alarm calls. Fire false alarms will be subject to an emergency response fee of \$350, but will escalate with additional fines and inspection fees for repetitive responses (Fig.1). The base fee is derived from the 2014 study of Fire Department response costs associated with ALS First Responder/Vehicle Accident Cost Recovery approved by Council in April, 2015.

# of Responses	Residential	Commercial	Schools / Assembly
1	\$350	\$350	\$350
2	\$800	\$800	\$800
3	\$1,100 *	\$1,100 *	\$1,100 *
4	\$1,350	\$1,350	\$1,350
5+	\$1,350 *	\$1,350 *	\$1,350 *
<p>* Would also trigger an inspection by the Fire Prevention Division (FPD) and application of the associated inspection fee.</p> <p>2nd Response- Includes Emergency Response Fee and \$450 Fine</p> <p>3rd Response- Includes Emergency Response Fee and \$750 Fine</p> <p>4th and greater response- Includes Emergency Response Fee and \$1,000 Fine</p>			

(Fig. 1)

Contract for Alarm Billing and Tracking Services

Due to the very time consuming and labor intensive nature of the false alarm fee billing system, Finance and Salinas Fire Department staff began to research alternatives for contracting out this service. It was identified that the SFD currently contracts for the billing and collection of EMS/VAC fees under an existing contract with Wittman Enterprises, LLC as approved by Council in 2015. Staff recommends amending the current contract with Wittman Enterprises, LLC to add false alarm billing and collection services for the SFD.

The City Council may approve the proposed contract without further notice, advertisement, or competitive bidding. In addition, the professional services provided by Wittman Enterprises, LLC are of a specialized nature. To ensure that staff was getting the best pricing for services, staff contacted other agencies who recently bid these services and researched other agencies who contracted with Wittman Enterprises, LLC. As a result, staff negotiated a significant discounted rate for service compared to the other agencies.

Recommended Enhancements

Staff was able to obtain data related on the frequency of false alarms and prepare a cost recovery structure recommendation. By approving these enhancements, public safety response times and the proper compliance and maintenance of fire alarm systems will be approved over the current fee and fire alarm response process as follows:

- Implement an emergency response fee for each false fire alarm response
- Implement a graduated fine schedule to ensure compliance and maintenance of fire alarm systems
- Implement an inspection process to ensure compliance and maintenance of fire alarm systems

The improved response and fine system will be incorporated to ensure compliance from users and will rely on modern technology and CAD data, not manual information, for each incident.

ISSUES:

1. Shall the City Council approve a resolution establishing False Fire Alarm Fees?
2. Shall the City Council approve a resolution authorizing an amendment to the existing contract with Wittman Enterprises, LLC to provide for an additional level of service to include false alarm billing and tracking services?
3. Shall the City Council adopt an Ordinance amending Article II of Chapter 22 of the Salinas Municipal Code to establish a False Fire Alarm Fee program?

FISCAL IMPACT:

Wittman Enterprises, LLC charges a fee for service based on a 10% revenue sharing formula outlined in the contract. Based on the formula, the City would generate an increase in revenue based on implementation of the emergency response fee, associated fine structure and inspection fees designed to ensure compliance and maintenance of fire alarm systems. Adoption of these enhancements will provide the following improvements to SFD services:

- Provide revenue to offset emergency response costs of an estimated \$120,000 annually
- Improve response times to emergencies by limiting false responses
- Implement an inspection process to ensure compliance and maintenance of fire alarm systems

Funds generated from this process will be utilized to improve the emergency response capabilities of the SFD.

TIME CONSIDERATIONS:

Timely approval of adjusting the False Alarm fee and the contract with Wittman Enterprises, LLC will provide immediate increased revenue collections, a higher level of service to the community, and allow existing resources to be deployed on other priority tasks. Contracting alarm administration, processing and collections is an integral part of using technology for a more efficient and cost effective government without adversely impacting the General Fund budget.

ALTERNATIVES/IMPLICATIONS:

Council may choose to not approve the proposed resolutions and to not adopt the proposed ordinance and otherwise direct staff how to proceed.

CITY COUNCIL GOALS:

Contracting alarm solution administration, processing, and collections will enhance service to City residents and businesses and improve the City's public safety through the reduction of false alarm services calls and supports the following City Council goals:

- Safe, livable, community
- Effective sustainable government
- Quality of Life

CONCLUSIONS:

Wittman Enterprises, LLC has a proven record of improving both service to City businesses and residents and increasing revenue through efficient collection efforts and this fee adoption will enhance the delivery of service from the SFD. Staff recommends City Council approving a contract amendment for false alarm billing and tracking services with Wittman Enterprises, LLC and adopting an ordinance to modify the current false fire alarm fee rate from \$425 to include an emergency response fee, a graduated fine scale and implement an inspection process as presented in the resolution.

Backup:

False Alarm Ordinance

Resolution Setting False Fire Alarm Fee

Resolution Approving Wittman Amendment for False Alarm Fees

Wittman False Alarm Fee Amendment