



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 3, 2012

ITEM NUMBER:

SUBJECT: RECEIVE AND FILE THE DISPATCH SERVICES REQUEST FOR PROPOSAL (RFP)

DATE: APRIL 3, 2012

FROM: POLICE DEPARTMENT – SUPPORT SERVICES, TELECOMMUNICATIONS BUREAU

PRESENTATION BY: TOM GAZSI, CHIEF OF POLICE

FOR FURTHER INFORMATION CONTACT: BRYAN GLASS, LIEUTENANT – 714.754.5603

RECOMMENDATION:

Staff recommends that the City Council:

1. Receive and file the Dispatch Services Request for Proposal (RFP);
2. Reject all bids for Dispatch Services;
3. Direct staff to continue to explore shared service models with nearby communities;
4. Authorize staff to rescind layoff notices that were distributed to Police Department personnel.

BACKGROUND:

In accordance with Council Policy 100-6, a Dispatch Services Contracting Committee was formed to evaluate the potential for the contracting of on-going City services. On August 24, 2011, the committee met to discuss the duties and responsibilities of the City's dispatch services. Based on detailed review of all the alternatives, it was concluded that the most viable alternative is to retain the existing service level, but at a lower cost through a public entity or a private company. In order to evaluate Dispatch Services options, staff prepared a draft Request for Proposal (RFP), which was reviewed and finalized by the Dispatch Services Contracting Committee.

On November 1, 2011, at the City Council meeting, the alternatives for dispatch services were presented to the City Council with a staff recommendation of releasing the RFP. The City Council directed staff to release the RFP based on staff input.

On November 7, 2011, the Dispatch Services RFP was released with the following schedule:

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| • Release of RFP | November 7, 2011 |
| • Deadline for Written Questions | November 22, 2011 |
| • Responses to Questions Posted on Web | November 29, 2011 |
| • Proposals Due | December 7, 2011 |

ANALYSIS:

In response to the City's RFP, proposals were received from three agencies: Metro Cities Fire Authority, Willdan Homeland Solutions, and the iXP Corporation.

An Evaluation Committee consisting of City staff and an outside agency staff member independently reviewed the proposals. The proposals were reviewed using the following criteria:

- Qualifications of the entity and key personnel;
- Approach to providing the requested services;
- Price proposal; and
- Innovative and/or creative approaches.

On February 15, 2012, the Evaluation Committee met to discuss the three proposals. Staff reviewed the level of service provided by the City's Communications Center and how this service may be impacted by contracted services. The consensus of the Evaluation Committee was that none of the RFPs addressed the full scope of service indicated in the RFP and there were no viable options presented to provide dispatch services to the City at this time.

The proposals were limited in their ability and/or experience in providing the scope and level of service identified in the RFP. The Metro Cities Fire Authority proposal was for \$542,783, but was limited to "Fire Dispatch Services" only. In addition, Metro Cities estimates start up costs at \$126,086. Consequently, if the City were to contract with this entity, the cost for providing police dispatch would continue to be borne by the City at nearly the same cost as the current budget. Furthermore, there does not appear to be any tangible benefit to the City to uncouple fire dispatch from police dispatch if there are no cost savings.

The City also received a proposal from iXP's. iXP's experience in providing dispatch services was limited to two urban cities in the State of Georgia. iXP did not indicate the ability and/or experience in providing dispatch services to a major metropolitan city in the State of California, nor did they include a cost for their services.

Willdan also submitted a proposal to the City. Their proposal would assist the City in creating a privatized entity for dispatch services. Willdan also proposes to bring on a third-party partner, TriTech Software Systems, to provide the necessary Computer Aided Dispatch System (CAD) to replace the current system. This technology upgrade also includes mobile data terminals in emergency vehicles, as well as onsite CAD technical support. They have also proposed to retain existing eligible employees (current employees who meet performance requirements and have no serious disciplinary issues in past three years). Willdan proposes to use a team of several subject matter experts to lead the Costa Mesa project; however, it does not appear that this team has ever operated a public safety dispatch center.

Willdan's proposal was for \$3.3 million for the first year and \$2.9 million for year two with CPI adjustments after the second year. This pricing includes a new CAD system. However, it is difficult to ascertain if the estimates Willdan has provided for a new CAD system and mobile data terminal are based on current needs of the city. There is no itemized breakdown of unit costs for each piece of equipment, so we have no way of knowing how the estimate was derived. Furthermore, the proposal is silent to whether a

Records Management System (RMS) is included in the cost. The CAD and RMS systems must be intricately woven together in order for the end users to achieve the optimal benefits from them. Lastly, staff could not recommend transitioning to a system that has not been tested as being capable of meeting our unique needs in Costa Mesa. Willdan's proposal does not appear to allow for any other vendor to supply this critical infrastructure. In light of this discussion, it is entirely possible that the actual cost for this proposal could be substantially higher than purported. Even if there is further consideration of Willdan's proposal, consideration should be given to deleting this particular provision from the proposal.

While Willdan has assisted in or developed public safety communications plans, their proposal did not include any reference to a public safety dispatch center that they actually operate. They are strong in public sector planning matters and appear to be skilled at assisting public agencies in developing efficiency models; however, they do not have dispatch center operations experience.

Thus, the three (3) proposals received did not meet the City's needs as addressed in the RFP for the reasons listed above. However, staff believes that a viable option that should be explored for dispatch services is a shared service approach with another public agency or the formation of a Joint Powers Authority (JPA). Staff is in the midst of discussions to determine the feasibility of a CAD/RMS shared service model with Newport Beach. This type of model has the potential to achieve significant savings through greater efficiency and shared overhead costs. If authorized by the City Council, staff would initiate discussions with surrounding communities about the shared services model for dispatch services.

FISCAL REVIEW:

The City's FY 12-13 budget for Telecom Operations - Dispatch Services is approximately \$3.4 million (Salary & Benefits costs - \$3.1 million and Maintenance & Operations costs - \$300,000). There are 22 full-time employees and 7 part-time employees assigned to Telecom Operations who provide dispatch services 24/7. A Police Lieutenant oversees this operation.

Of the three proposals submitted, one of the proposals (Metro Cities Fire Authority) would be at a greater cost to the City. The proposal from iXP was submitted without providing a cost for service. The Willdan proposal could yield savings to the city, but there are too many uncertainties about their proposal to determine how/if savings could be achieved. Theoretically, if Willdan was successful in transitioning current city staff to their company with a lesser compensation package, long term savings could be achieved, but they lack dispatch experience.

ALTERNATIVES CONSIDERED:

The City Council may decide not to accept staff's recommendations and opt to reopen the RFP and/or independently seek another service provider.

Staff believes there is an opportunity to evaluate a shared services alternative with the City of Newport Beach in order to increase efficiencies. The City Council may direct staff to continue to pursue this consideration and the possibility of a shared services alternative. Ongoing discussions relative to a CAD/RMS shared service model with Newport Beach are already under way. This approach is a logical precursor to dispatch

shared service model and staff would prefer to determine the potential for success of a smaller project before delving into the vast complexities a shared dispatch model would present.

LEGAL REVIEW:

A legal review is not required on this item.

CONCLUSION:

Based upon the submitted proposals, staff recommends that the City Council receive and file the Dispatch Services RFP; maintain the City's existing delivery of dispatch services and direct staff to continue to explore other service sharing opportunities with other public agencies.



TOM GAZSI
Chief of Police



BRYAN GLASS
Lieutenant

ATTACHMENTS: 1 RFP Determination Book