



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/6/2024

ALL

Item Creation Date: 9/11/2024

T32960 – Burglar Alarm Administration Services

Agenda Item#: 48.

Summary:

ORDINANCE approving and authorizing contract between City of Houston and **PM AM CORPORATION** for Burglar Alarm Administration Services for the Administration and Regulatory Affairs Department - 5 Years with 3 one-year options

Background:

Request for Proposals (RFP) received October 26, 2023, for T32960 – Approve an ordinance awarding a revenue contract to PM AM Corporation for burglar alarm administration services for the Administration & Regulatory Affairs Department.

Specific Explanation:

The Director of the Administration & Regulatory Affairs Department (ARA) and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **five (5) year revenue contract with three (3) one-year options to renew** to **PM AM Corporation** for burglar alarm administration services for the Administration & Regulatory Affairs Department.

The City continues to receive thousands of alarm calls every year. While some calls are true emergencies, many others are false alarms. In 2023, nearly 95%, approximately 49,980, of 52,340 burglar and panic alarm calls were false due to user error, alarm system malfunction or improper installation, weather conditions or other causes. The purpose of this revenue-sharing contract is to reduce the total number of unnecessary police responses to false alarms and ensure the City's public safety resources serve the community as quickly and efficiently as possible.

PM AM's proprietary software, FAMS, has been modeled specifically to meet the City's needs. FAMS provides users access to view account information, false alarm information, payment options, false alarm prevention, and other alarm permit resources.

The scope of work requires the contractor to provide all labor, materials, and necessary supervision for the continuation of the City of Houston's burglar alarm program. The contractor will manage alarm system permitting, false alarm tracking, billing, collection, accounting services, administration of false alarm penalties, non-permitted penalties, and correspondence related to false alarm prevention and reduction measures with alarm system users, in addition to other special services.

The RFP was advertised in accordance with the requirements of the State of Texas bid laws, and as a result, a proposal was received from PM AM Corporation. Vendor outreach was conducted before the proposals were due, and at the end of the vendor outreach, only one proposal was received. The evaluation committee consisted of employees from the Houston Information Technology Services (HITS), Administration & Regulatory Affairs Department (ARA), Houston Police Department (HPD), and Planning and Development Department (PDD).

The proposal was evaluated based on the following criteria:

- Responsiveness of the Proposal
- Technical Competence
- Price

PM AM Corporation received a high score and was deemed the best-qualified firm to meet the requirements outlined in the RFP.

Fee Schedule:

- **A Service Accounts Collections - 0 to 90 days from invoice date.**
 1. Fee of 8.5% for "Collection" up to \$3,500,000,
 2. Fee of 10.5% on "Collection" between \$3,500,001 and \$7,000,000, and,
 3. Fee of 13% on "Collection" above \$7,000,001 in a Contract Year.
- **B Past Due Accounts - 91 days and above from invoice date**
 1. Fee of 15% for "Collection" of all false alarms and non-permitted alarms.

M/WBE Subcontracting:

The RFP was advertised with a 4% goal for M/WBE participation. PM AM Corporation has designated the below-named companies as its certified M/WBE subcontractors.

Name	Type of Work	Percentage
ATWork Personnel	Contract Staffing Services	4%
	Total	4%

Pay or Play Program:

The proposed contract requires compliance with the City's "Pay or Play" ordinance regarding health benefits for employees of City contractors. In this case, PM AM Corporation has elected to play and will provide health benefits to eligible employees in compliance with City policy.

Hire Houston First:

The proposed contract requires compliance with the City's "Hire Houston First" (HHF) Ordinance that promotes economic opportunity for Houston businesses, and supports job creation. In this case the firm is not designated company, therefore, the HHF preference was not applied to the contract award.

Fiscal Note:


Revenue for this item is included in the FY 2025 Adopted Budget. Therefore, no Fiscal Note is required, as stated in the Financial Policies.

10/25/2024

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**Jedediah Greenfield, Chief Procurement Officer,
 Finance/Strategic Procurement Division**

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Department Approval Authority Signature

10/25/2024

Estimated Revenue:

Department	FY 2025	Out Years	Total	DS	
ARA	\$6,000,000.00	\$74,000,000.00	\$80,000,000.00		10/25/2024

Amount and Source of Funding:

REVENUE
 Fund 1000
 General Fund

Contact Information:

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ATTACHMENTS:

Description	Type
Drug Forms	Backup Material
Certificate of Insurance	Backup Material
Form 1295 Acknowledged	Backup Material
Ownership Form	Backup Material
Tax Report	Backup Material
POP 1	Backup Material
POP 2	Backup Material
POP 3	Backup Material
Conflict of Interest	Backup Material
Contract Specific Request - MWBE	Backup Material
Tax Sec. State	Backup Material
Letter of Intent - MWBE	Backup Material
Partially Signed Contract	Backup Material
Signed Coversheet	Signed Cover sheet

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Ordinance
Contract
Fund Verification

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Ordinance/Resolution/Motion
Contract/Exhibit
Financial Information