

Honorable Mayor and Members
of the Torrance City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Fire Chief – Adopt RESOLUTION repealing Resolution No. 2002-123 with Community Alert Network, Inc. (CAN) and approve recovery of activation fees for CityWatch. Expenditure \$15,500

RECOMMENDATION

The Fire Chief recommends that the City Council adopt a RESOLUTION repealing Resolution No. 2002-123 with Community Alert Network, Inc. (CAN) and establishing recovery of any direct cost related to the activation of CityWatch—the City's new emergency telephone notification system.

Funding

Funding is available in the Fire Department Operating Budget for FY2006-07

BACKGROUND

In 2001, the City of Torrance entered into an agreement with the Community Alert Network, Inc. (CAN) for the provision of emergency telephone notification services to the residents and identified contacts. The Community Alert Network system was one tool to be used in case of a hazardous materials release to warn the public and give directions on how to cope with the release.

On November 12, 2002, City Council adopted Resolution No. 2002-123 establishing a methodology for and adjusting the Fire Department regulated substances fees to recover the cost of the annual fee for the Community Alert Network (CAN). The revenue (\$12,150) has been billed for and collected in the Fire Acutely Hazardous Materials Fee account. According to this resolution, any additional cost related to an actual activation was to be charged to the business or entity that caused the activation.

At this time, the City no longer contracts with the Community Alert Network, Inc. In December 2005, the City of Torrance entered into an Agreement with Avtex, Inc. for the provision of emergency telephone notification services. This completely hosted/offsite system uses telephone numbers and address data from the 9-1-1 database with quarterly updates and web-based GIS application for geographic area selection. The new system (product name - CityWatch) allows the City to use technology advancements for more accurate and reliable emergency notification services.

ANALYSIS

Since the City is no longer using the CAN system for emergency notifications, staff recommends that Resolution No. 2002-123 establishing a methodology for and adjusting the Fire Department regulated substances fees to recover the cost of the annual fee (\$12,150) for the Community Alert Network (CAN) should be repealed.

The City will pay to Avtex, Inc. the annual maintenance fee and any other indirect cost for the emergency telephone notification system. We estimate the total annual indirect cost will not exceed \$15,500, which consists of an annual maintenance fee of \$13,000, the cost for the two contracts for the provision of 9-1-1 data with AT&T and Verizon (\$2,200); and up to \$300 for additional notification lists, pre-configured messages, or user accounts. The annual maintenance fee includes 10,000 free minutes, 10 notification lists, 10 user accounts; and 10 pre-configured messages. There is an extra cost for additional notification lists (\$100 for 10 lists); user accounts (\$100 per 10), and pre-configured messages (\$200 per 10).

Staff recommends that the City use the 10,000 free call minutes included in the annual maintenance fee for activations caused by different City departments. Any department that uses minutes over the 10,000 free minutes per year will be responsible for paying the direct cost of activation.

In an event of actual activation caused by a business or other entity, any direct cost related to this activation will be billed to the responsible party. The invoice will state the total cost, the number of calls made, minutes used and the charge per minute. The rate charged by Avtex Inc. is 9 cents per minute. This charge is part of the City's Agreement with Avtex Inc., which is a one-year Agreement with an option for the City to extend the Agreement for four additional one-year terms. Each extension shall be under the same terms, covenants, and conditions as in this Agreement.

Respectfully submitted,

RICHARD V. BONGARD
Fire Chief

Neli Mileva

By Neli Mileva
Administrative Analyst

CONCUR:

For *R.V. Bongard*
Richard V. Bongard
Fire Chief

for *Mary Jackson*
LeRoy J. Jackson
City Manager

Attachments:

- A. Resolution repealing Resolution No. 2002-123 and establishing recovery of any direct cost related to the activation of the City's emergency telephone notification system.
- B. Resolution No. 2002-123

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE REPEALING RESOLUTION NO. 2002-123 AND ESTABLISHING RECOVERY OF ANY DIRECT COST RELATED TO THE ACTIVATION OF THE CITY'S EMERGENCY TELEPHONE NOTIFICATION SYSTEM

WHEREAS, in 2001, the City of Torrance entered into an agreement with the Community Alert Network, Inc. (CAN) for the provision of emergency telephone notification services to the residents and identified contacts; and

WHEREAS, the Community Alert Network was one method to be used by the City to alert the community of a hazardous materials incident. The CAN system allowed specified areas of the community to be notified about a hazardous materials release and provide information on what to do. The CAN system was an automated computer based multi-phone line program that can call thousands of people an hour and give them a recorded audio message; and

WHEREAS, the City of Torrance no longer contracts with the Community Alert Network, Inc. In December 2005, the City of Torrance entered into an Agreement with Avtex Inc. for the provision of emergency telephone notification services by delivering pre-recorded messages with emergency event information to residents and businesses of specific impacted area(s) within the City of Torrance. The new system (entitled "CityWatch") allows the City to use technology advancements for more accurate and reliable emergency notification services. It uses telephone numbers and address data from the 9-1-1 database and web-based GIS application for geographic area selection; and

WHEREAS, the Police Department, the Emergency Operations Center, and other City departments decided they may also use the system for emergency notifications to Torrance residents and businesses; and

WHEREAS, the City will pay the annual maintenance fee and any other indirect cost for the emergency telephone notification system and will recover the direct cost related to any activation from the business or other entity that caused the city to activate the system. The total annual indirect cost will not exceed \$15,500, which consists of an annual maintenance fee of \$13,000, the cost of two contracts for the provision of 9-1-1 data with AT&T and Verizon (\$2,200); and up to \$300 for additional notification lists, pre-configured messages, or user accounts. The annual maintenance fee includes 10,000 free minutes, 10 notification lists, 10 user accounts; and 10 pre-configured messages. There is an extra cost for additional notification lists (\$100 for 10 lists); user accounts (\$100 per 10), and pre-configured messages (\$200 per 10); and

WHEREAS, page 1 of Avtex Best and Final Offer, incorporated into the City's Agreement with Avtex Inc. (C2005-154), is attached to this Resolution as Exhibit #1.

NOW THEREFORE, the City Council of the City of Torrance does hereby resolve as follows:

Section 1

This Resolution will repeal Resolution No. 2002-123.

Section 2

Since each activation of the emergency telephone notification system involves additional cost, this resolution shall allow the City of Torrance to charge any business or entity that caused the activation to pay for all direct costs related to the activation. In an event of actual activation caused by a business or other entity, any direct cost related to the activation will be billed to the responsible party. The invoice will state the total cost, the number of calls made, minutes used, and the charge per minute. The rate charged by Avtex Inc. is 9 cents per minute. This charge is part of the city's Agreement with Avtex Inc., which is a one-year Agreement with an option for the city to extend the Agreement for four additional one-year terms. Each extension shall be under the same terms, covenants, and conditions as in this Agreement.

The City will use the 10,000 free call minutes included in the annual maintenance fee for activations caused by different City departments. Any City department that uses minutes over the 10,000 free minutes per year will be responsible for paying the direct cost of the activation.

INTRODUCED, APPROVED AND ADOPTED this 8th day of August 2006.

ATTEST:

Frank Scotto, Mayor of the City of Torrance

Sue Herbers, City Clerk of the City of Torrance

APPROVED AS TO FORM:

John L. Fellows III, City Attorney

By _____
Ronald T. Pohl, Assistant City Attorney

Best and Final Offer for the City of Torrance RFP B2005-04

1. Provide best and final offer for an offsite/hosted emergency telephone notification system for City of Torrance, which uses as a source data from 9-1-1 database and is GIS- and Web-based. Please include initial geocoding and quarterly updates (geocoding) per year and break down any one-time and ongoing annual cost, fees and charges related to the implementation and use of your system:

- a. Initial/one-time costs for an offsite/hosted system.

Avtex Reply: \$13,000.00 per year includes 10000 minutes. There is also a \$2000.00 one-time onsite training fee.

- b. On-going costs

Avtex Reply: .09 cents per minute after 10000 allotted minutes.

- c. Cost for calling lists; IDs, pre-defined events; pre-recorded messages.

Avtex Reply: Proposal includes: 10 # of lists with up to unlimited records per list; 10 # of IDs; ? # of pre-defined events; 10 # of pre-recorded messages.

Cost of additional: calling lists \$ 100.00 per 10 lists; IDs \$ 100.00 per 10 lds; pre-defined events \$? per ? events; pre-recorded messages \$ 200.00 per 10 messages.

- d. Cost per call or per minutes; calling package; how many 60-second calls can be made with the 10,000 minutes included in the package?

Avtex Reply: With the yearly access fee you get 10000 minutes of usage. Minutes are calculated in 6 second increments. Our system will track actual call time duration. This is calculated from our system not the long distance carrier bill. You are not billed for busy, no answer, or operator intercept calls. You will be billed for actual minutes of usage not calls.

- e. Explain in detail the billing for calls beyond the 10,000 minute-package: is the bill based on time? If yes what time – from start to end as shown on the report, or from time of first call to time of last call? Or is it billed per number of calls? Are the failed calls going to be billed? If a call was completed from the 2nd attempt, is it billed twice? Please use the report from 5/5/05 with Notification ID 366 to give us a sample bill. Also, using the two reports (ID 366 & ID 370), determine the number of minutes that would have gone towards the 10,000 minute pre-paid package.

Avtex Reply: Minute charges are calculated on actual usage of connected calls. Minutes are billed in 6 second increments. Failed calls (busy/no answer) are not charged. We are in the process of re-designing the Customer billing report. It will detail number of total notifications, number of total calls, and number of total minutes used. I will send you one when it is completed.

- f. Other cost, charges, fees

Avtex Reply: None

RESOLUTION NO. 2002-123

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ESTABLISHING A METHODOLOGY FOR AND ADJUSTING THE FIRE DEPARTMENT REGULATED SUBSTANCES FEES TO RECOVER THE COST OF THE ANNUAL FEE FOR THE COMMUNITY ALERT NETWORK (CAN)

WHEREAS, periodically the City performs a study of the cost of providing services and programs and issuing permits; and

WHEREAS, the amount of fees charged for such services, programs and permits should recoup a substantial portion of those costs from the person making use of the services, programs and permits; and

WHEREAS, the Community Alert Network is one method that the City may use to alert the community of a hazardous materials incident. The CAN system allows specified areas of the community to be notified about a hazardous materials release and provide information on what to do. The CAN system is an automated computer based multi-phone line program that can call thousands of people an hour and give them a recorded audio message; and

WHEREAS, the City of Torrance has a contract with the Community Alert Network, Inc., which requires the payment of an annual retainer fee; and

WHEREAS, a copy of that contract is attached to this Resolution as Exhibit #1; and

WHEREAS, the annual retainer fee for the CAN system covers only the right to be able to activate the system and there is additional cost associated with each activation of the system and the number of calls made; and

WHEREAS, Regulated Substances are toxic and flammable chemicals that have been determined by the Federal Government to be especially dangerous; and

WHEREAS, there are businesses in Torrance that use regulated substances, which are perceived to be the most hazardous to the community, and which if released, could cause the Fire Department to activate the CAN system.

NOW THEREFORE, the City Council of the City of Torrance does hereby resolve as follows:

Section 1

This resolution will adjust the regulated substances fees in order to spread the annual cost of CAN among all users of regulated substances above specified amounts. The increase to each business will be proportional to the amounts of regulated substances used. Those that use the most will pay the most.

The Adjusted Regulated Substances Fee will be calculated in the following manner:

CAN fee for business	=	% paid by the business of the total regulated substances fee for the year	X	CAN annual fee
Adjusted Regulated Substances Fee	=	Regulated substances fee	+	CAN fee for business



**Community Alert Network®[®], Inc.
Geographic Contract**

02001-256

COPY

**COMMUNITY ALERT NETWORK®, INC.
GEOGRAPHIC CONTRACT**

Agreement made this 1st day of September, 2001 by and between COMMUNITY ALERT NETWORK®, INC. a Corporation duly organized and existing under the laws of the State of New York with principal offices located at 255 Washington Ave. Ext., Suite 105, Albany, New York 12205 (hereinafter referred to as "CAN®"), and the City of Torrance, California, duly organized and existing under the laws of the State of California with principal offices located at 1701 Crenshaw Boulevard, Torrance, CA 90501-3312 (hereinafter referred to as "Client").

WHEREAS, CAN® provides a service, the purpose of which is to assist the Client and other organizations in telephone communications and

WHEREAS, the Client desires to engage the services of CAN® for the purpose of coordinating a program and service within its area such that telephone communications to residents and other identified contacts may be implemented;

NOW, THEREFORE, in consideration of mutual agreements, covenants and promises herein contained, the parties agree as follows:

1. Three copies of all maps normally used by public safety and other emergency personnel of the Client shall be provided to CAN® with zip code/postal code information included, at no expense to CAN®. Additionally, computer-mapping software must be provided if used by the Client, and if it does not infringe on copyright laws. Client shall provide CAN® with a list of all zip codes/postal codes to be covered under this Agreement herewith.
2. CAN® shall purchase, program and store into its computers commercially available residential and business telephone numbers within the zip codes/postal codes to be covered in this Agreement. Such numbers shall be programmed in such a manner so as to access any or all Geographic Areas of the service area, or any portion thereof, by street name and zip code/postal code. In the event that the Client wishes to include the telephone numbers of residents who have unlisted numbers, the Client agrees to be responsible for the collection and forwarding to CAN® of such addresses and phone numbers provided on disk, if possible, in a format acceptable to CAN®. CAN® will add such addresses and phone numbers to the database at no additional charge. CAN® shall maintain strict confidentiality of all telephone numbers received from the Client, including but not limited to unlisted numbers and numbers on special lists. The Client shall be "on-line" and ready for use on the first of the month, after 60 days from the receipt of first year's payment in full, the execution of this Agreement including list of zip codes/postal codes and receipt of all data, whichever is later.

3. The Client may provide up to a total of 1,000 phone numbers of personnel or facilities per 115,000 population base. Additional phone numbers may be added for a one time charge of \$1.00 per number. All changes, corrections, and deletions to the special lists database will be implemented free of charge during the first 90 days of the Agreement. Changes to the special list database will cost the Client \$35/100 if provided on hard copy (minimum of \$100). Changes on disk will be accommodated at no fee providing the entire database is in a format acceptable to CAN®. Normal changes will be completed within 3 business days of receipt by CAN®, normal changes include: All security changes, voice messages, point of contact changes and unlisted telephone numbers. (special programming Not included). For completion in less than 3 business days there will be a \$100 rush charge. A rush change will be completed within 24 hours of receipt by CAN®, providing they are "normal" changes as described above.

4. The Client and CAN® shall agree upon, prior to utilizing the services of CAN®, the administrative offices and personnel thereof who shall be authorized to access CAN®.

5. The Client and CAN® shall coordinate efforts to train those personnel who are authorized to access CAN® pursuant to Paragraph 4 hereof at a site provided by Client. First training session is included at no charge. Further training at CAN® Headquarters, pre-arranged at least 2 weeks in advance, will be free of charge, except that all Client personnel travel expenses, meals, and lodging will be paid for by the Client.

6. CAN® shall assist the Client with a public awareness presentation and media event. The media event shall include a specific announcement to the community that unlisted telephone numbers are not part of the CAN® database, and ask that such telephone customers request to be added to the CAN® database.

7. Upon receiving a request from authorized personnel in a manner agreed upon by the parties, the services of CAN® shall be activated and calls initiated as instructed. CAN® shall record the amount of Telephone Line Calling Time (hereinafter referred to as TLCT) that was used on behalf of the Client per each requested activation.

8. TLCT is measured by the amount of elapsed time from the first call to the last call multiplied by the number of lines used for the event.

9. CAN® shall thereafter send via FAX a report of the telephone calls made including the number of messages delivered. CAN® will transmit the report immediately upon completion of the calling session to a FAX machine and number furnished by the Client.

10. CAN® agrees to provide trained personnel to activate the client requested services on a twenty-four (24) hour per day basis, seven days per week.

11. CAN®'s services are provided on a priority basis. Actual incidents shall always take precedence over drills, tests, and/or exercises. If a drill, test, or exercise is discontinued to accommodate an actual incident, the client conducting the drill, test, or exercise will be informed at once. One hundred percent of CAN®'s capacity shall be available to the first client that calls. In the event there are concurrent incidents, CAN® shall divide its services as appropriate. Clients will be allocated lines (1/2, 1/3, 1/4, etc.) based on the number of calls being made. If the number of calls per client is equal to or more than 50% of CAN® telephone lines, the lines will be divided 50/50.

12. CAN® agrees to provide the Client with TLCT for the term of this Agreement. The Client agrees to pay CAN® \$55 per hour of TLCT used to deliver the Client's requested telephone communications.

- An incident, test or drill having a total of 2 hours or less of TLCT will not be charged. A discounted, zero-balance invoice will be issued.
- An incident, test or drill exceeding 2 hours TLCT will be billed in its entirety. Multiple call outs for a single incident will generate a total bill as one incident. For example, an emergency callout with a subsequent all clear callout will be considered a single incident. If the total time exceeds 2 hours, it will be billed.
- Activations pre-arranged 48 hours in advance exceeding (2) hours of TLCT will be billed at \$45 per hour of TLCT per activation.
- Usage that is pre-paid with the annual fee, shall cost \$40 per hour with the minimum of 10 hours purchased at the time of contracting with CAN®. The Client may carry over any usage not used for the life of the Contract.
- Usage that is pre-paid with the annual fee, shall cost \$30 per hour with the minimum of 10 hours purchased at the time of contracting with CAN®. The Client may not carry over in subsequent years.
- CAN® agrees to invoice the Client for all usage within 10 days of the calling session and the Client agrees to compensate CAN® within 30 days of the invoice date for all usage.

13. In the event that the Client fails to compensate CAN® for the invoiced usage within 30 days of billing, CAN® shall be under no obligation to provide the Client with additional calling sessions.

14. CAN® shall not be responsible for any acts or omissions of the Client or its administrative offices, their employees, agents, contractors, officers or directors resulting in the failure of CAN® to perform under this Agreement or by reason of strikes, Acts of God, breakdown of telephone lines and service, power shortages or blackouts, or other causes beyond the reasonable control of CAN®. The Client and Community Alert Network, Inc. agree that CAN®, its employees, directors, officers, agents, and subcontractors, are not liable or responsible to the Client for any errors or omissions in the information, or for any damages in a civil action for injuries, death of person or loss of property incurred by any person as a result of any action or omission of CAN® or of any of its employees, directors, officers, agents or subcontractors, except for willful or wanton misconduct.

15. The parties expressly acknowledge that CAN® is contracted by the Client only for the purposes and to the extent set forth in this agreement, and the relation of CAN® to the Client shall, during the period or periods hereunder, be that of an independent contractor. CAN® shall not be considered as having employee status.

16. The Client shall pay to CAN® such fees for its services hereunder the sum of \$12,150 Dollars U.S. to cover a population base of 115,000 people. Such sum shall be paid upon the execution of this Agreement.

17. This Agreement shall continue for one year unless otherwise extended in accordance with Paragraph 18 hereof.

18. The Client shall have the right, to be exercised as hereinafter provided, to extend the term of this agreement for four (4) successive one year periods each under the following terms and conditions.

(a) Each extension shall be under the same terms, covenants and conditions as in this agreement provided, except that

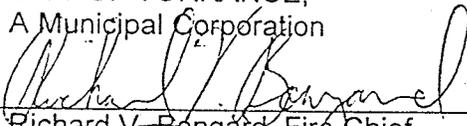
- (1) There will be no further privilege of extension for the term of this Agreement beyond the periods referred to above;
- (2) For each extension period, the Client shall pay to CAN® the amount of \$12,150 Dollars U.S. (Annual Retainer Fee).

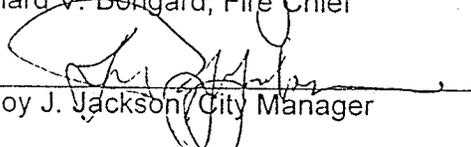
(b) The Client shall exercise the right to any extension of the term of this Agreement by making payment at least thirty (30) days prior to the expiration of the term of this Agreement to CAN® of \$12,150 Dollars U.S. (Annual Retainer Fee) specified in Paragraph 18 (a) (2) hereof. Upon making such payment, this Agreement shall be deemed extended for the specified period, subject to the provisions of this paragraph, without execution of any further instrument.

19. Any Agreement requiring multiple contracts or multiple billing arrangements will be subject to a contract management fee which is equal to 10% of the annual contract price multiplied by the number of additional entities required.
20. No guarantee is made of the accuracy of phone numbers provided except to the extent that ordinary business care will be taken in the acquisition, receipt, maintenance, and extraction of data so acquired. No representation is made that the person intended to receive the call will be physically present.
21. This Agreement sets forth the entire understanding and Agreement between the parties as to the services to be provided by CAN[®] and merges all prior discussions between them. This Agreement may be modified or changed only in writing and such modifications and changes must be signed by both parties.
22. This Agreement shall be interpreted and construed under the laws of the State of California.
23. If any provision of this Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted and the remaining provisions of the Agreement shall in no way be affected or impaired thereby.
24. This Agreement may be executed as one or more duplicate documents, each one of which shall be considered an Original Agreement.

Signed on ___ day of December, 2001 in City Of Torrance, California

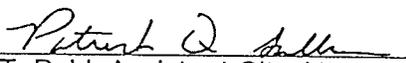
CITY OF TORRANCE,
A Municipal Corporation


Richard V. Bongard, Fire Chief


LeRoy J. Jackson, City Manager

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: 
Ronald T. Pohl, Assistant City Attorney

Community Alert Network[®], Inc.

By: 
Kenneth E. Baechel, President