



**THE CITY OF CHULA VISTA  
REQUEST FOR PROPOSAL  
RFP P27-17/18**

Notice is hereby given that proposals will be received until 3:00 P.M. on Friday, July 20, 2018, Pacific Standard Time (PST), furnishing the City of Chula Vista with:

**Security Alarm Management Services**

Prospective respondents are hereby referred to the proposal instructions, general provisions, and terms and conditions contained in this request for proposal. All proposals must be submitted through PlanetBids by the due date and time. Late proposals will not be considered.

Questions related to the proposal must be submitted through PlanetBids no later than 3:00 p.m., Tuesday, July 10, 2018. Answers will be provided as an addendum in PlanetBids no later than 3:00 p.m., Monday, July 16, 2018.

The City reserves the right to reject any or all proposals received any portion of any proposal and to waive any irregularities or informalities in proposals or the RFP process. Any addenda that are issued through this RFP must be signed and returned with your submittal.

Alex Ortiz  
Procurement Specialist



## Schedule

Activity	Date
RFP Posted to PlanetBids	June 28, 2018
Question Submittal through PlanetBids	July 10, 2018 no later than 3:00 p.m.
Response to Questions Released	July 16, 2018 no later than 3:00 p.m.
Security Alarm Management Services RFP Response and Proposal Due	July 20, 2018 no later than 3:00 p.m.
Selection of Proposal	August 2018
Council Adoption	September 2018
Contract Inception	October 2018

## Objective

The City of Chula Vista is seeking proposals from qualified organizations to provide third-party security alarm management services. The City is requesting the following proposal:

### Security Alarm Management Services

The goal is to initiate security alarm management services effective October 15, 2018. The contract will commence October 15, 2018, for a period of one year, and at the option of each City may be extended year-to-year for up to a total of five (5) years. Multi-year contracts, which offer alternatives with fixed fee schedules, will also be entertained. If multi-year contracts are submitted please include two (2), three (3), four (4) and five (5)-year proposals.

The successful bidder will work daily with the City to effectively administer the City of Chula Vista security alarm program.

If your firm is interested and qualified, please upload your proposal through PlanetBids. The proposal must be an original PDF and not a scanned copy. All items must be received no later than 3 :00 PM on Friday, July 20, 2018.



## 1. Background

The Chula Vista Police Department currently responds to more than 3,800 alarm activations per year that are not valid emergency activations. The City currently has 9,600 active alarm permits, which are renewed annually. The Chula Vista Police Department believes there are a number of non-permitted security alarm systems operating in the City. Consistent with the current City Ordinance regulating alarm installations, active alarm systems must have a current permit

In Fiscal Year 2014, the City decided to contract out the administration of the program to achieve effective operations and optimum revenue recovery. The City has renewed the contract with the existing vendor for the past 4 years and is now seeking proposals from interested companies able to provide security alarm management services consistent with the existing City Ordinance.

The contractor shall provide database development and management, billing and accounting services for annual alarm system registrations, accounting services for false alarm fines or fees for false alarm activations, collections services for any outstanding uncollected balance, user friendly online access for both alarm company and alarm owners and correspondence with citizens and businesses, including coordination with the City regarding appeals. Additionally, the contractor must work with the City to reduce the number of permit holders currently under "verified response" status and reduce the large delta between active alarm services and permit holders within the city limits.

The contractor shall provide a customer support center that is available at minimum 8 AM to 5 PM PST and utilize a local mailing address.

Additional information regarding the City may be obtained at [www.chulavistaca.gov](http://www.chulavistaca.gov)

## 2. Scope of Work

The contractor shall develop and provide a secure electronic database accessible to the City via the Internet to track security alarm registrations, alarm operator business registrations and account receivables for false alarm billings. The contractor shall use data generated from the City's existing systems to accomplish this service. False alarm notifications and billings shall be accomplished by telephone, electronic correspondence and U.S. Mail as well as alarm operator business compliance notifications.

The contractor shall accept payments by check, credit card (Visa, MasterCard, Discover, AMEX) and debit cards. Contractor must be PCI Compliant (Payment Card Industry).

The contractor shall coordinate with the City to establish an interface with the Police Department's Computer-Aided Dispatch (CAD) system (Motorola PremierOne) system to automate the report generation on daily false alarm calls.

The contractor shall generate and mail false alarm notifications and billings, track false alarm responses and registration status (i.e. active, suspended or revoked) using the database. Any correspondence issued on behalf of the City shall comply with City required formats. Registration status and false alarm data shall be made available for import/export to/from the City and alarm companies in Microsoft Excel format.



The contractor shall notify alarm users of false alarm incidents or verified response status via automated call notification within 3-5 business days of receipt of data from the City of Chula Vista.

The contractor shall make available to alarm users an online appeals process portal where the alarm user will use to submit an appeal when there is a disagreement on a fee, change in status or other reasons. When an account adjustment is approved, the contractor shall post account adjustments as result of alarm appeals. Account modifications shall include any billing adjustments within 24-48 hours of receiving appeal decision from the City of Chula Vista.

The contractor shall be responsible for posting or recording all alarm incidents in their secure electronic database, within 24-48 hours of receiving the data from the City of Chula Vista.

The contractor shall determine when locations shall be placed on Verified Response (VR) status. On a daily basis (with the exception of weekend and holidays), contractor shall email a list of new VR locations to [alarms@chulavistapd.org](mailto:alarms@chulavistapd.org). In the event that no new VR locations are identified, no email is necessary.

The contractor shall generate email notifications to alarm companies if their customer's alarm site has been placed on or removed from Verified Response status and shall provide a summarized report listing each date a notification was issued to an alarm company, the permit number, installation address, alarm company account number and status.

The contractor shall send alarm permit fee invoices to new and renewal customers and suspend permit accounts for customer cancellations, as notified by the alarm companies or customers. Contractor shall track the permit renewal dates of existing alarm permit holders and send annual permit fee invoices accordingly. Contractor shall assign a unique temporary permit number to non-permit holders and shall assign a unique permanent permit number when the alarm permit fee is paid, along with merging the information from the temporary permit number to the permanent permit number. Contractor shall categorize the permits by appropriate status (active, inactive/expired, cancelled, suspended, Verified Response). The contractor shall make this breakdown available to the City on monthly basis and show percentage change between each category over the length of time the contract is in place.

The contractor shall issue invoices that will include: bill number and bill date, alarm site location, date and time of alarm incident, the count of false alarms, corresponding fines for each alarm incident, bill due date, notice of late penalty fees if balance is not paid by due date, notice that police response may be revoked after the fourth false alarm during a 12-month period, and appeal information.

The contractor shall be responsible for posting or recording all alarm payment activity in their secure electronic database, which includes, but is not limited to: permit holder information, billings for permit fees and/or false alarm charges, payment receipts, and account adjustments. Contractor shall post all alarm payment activity within 1-3 days from receipt.

In the event an alarm user overpays or requires a refund of any fee, the contractor shall issue the refund out of the alarm program bank account on behalf of the City. A monthly report of all refunds issued shall be made available online to the City.



On a monthly basis, the contractor shall engage directly with alarm installation companies to ensure that the permitted installations are consistent with the number of alarm installations reported by each vendor administering the alarm services. Contractor shall scrub this data against the permit data and all locations found to be unregistered will be sent an alarm registration invoice along with the information sheet of the City's alarm program and permit application. This information sheet (describing the permit requirement, false alarm fees, verified response, alarm appeals, etc.) shall be provided by the City and shall be available on the Police Department's alarm webpage ([www.chulavistaca.gov/SecurityAlarm](http://www.chulavistaca.gov/SecurityAlarm)). A summarized report listing the variances between the number of alarm installations and the number of permitted locations should be made available to the City via an access portal no later than 30 days after the end of the previous month.

Gaps between the alarm installation and the permitted location data shall be reported by the contractor to the City within 60 days after they are identified. This report shall at least include the following: alarm user, address, alarm company name, alarm company account number, City alarm permit number, and alarm permit status (current, cancelled, outstanding).

The contractor shall provide the City with electronic lists of new registrations and changes of registration status on a monthly basis and will ensure that only those alarm systems located within the City are being registered and billed for false alarms.

The contractor shall provide ability to register security alarm systems and business alarms systems via the Internet and telephone or Interactive Voice Response. Additionally, the contractor shall generate an email and mail registration status changes to individuals, businesses and alarm companies.

Contractor shall develop and make available on their online customer website portal an alarm permit template for permit holders to print and display at their location. The alarm permit template, which will be provided by the City, shall include the permit number and expiration date. In addition to the permit decal being available on the customer website, contractor shall send out the permit decal whenever a registration or renewal fee is paid. Contractor shall email the decal if the permit registration or the renewal fee is paid through the customer website, else contractor shall send the decal through physical mail.

The contractor shall provide a strategy to address the number of alarm users who do not have a current alarm permit but have an active alarm system. The strategy shall not involve a modification of the current alarm ordinance and shall include an example where the strategy was successfully implemented and the outcomes of implementing such strategy. The contractor shall provide a toll-free phone number to assist citizens and businesses and answer questions as to the administration and billing of this program; services must be provided in multiple languages (including at a minimum: English and Spanish) and shall have business hours of 8 AM to 5 PM PST, Monday through Friday and a message center for calls made outside the business hours and days. Customer Service Representatives shall be trained to take calls in a pleasing and understanding manner to provide the highest quality of customer service to the City, alarm companies and alarm users.

The contractor shall provide the City any requested information that is not accessible in the database or a report but is available in the existing dataset relevant to the City of Chula Vista. The request shall be



met within 30 days of the initial date of the request unless the contractor can justify a reason why the request cannot be met within the timeline. If the timeline is not reasonable due to the complexity of the request, the contractor shall notify the City and provide an alternative timeline.

Written educational materials for citizens and businesses and a coordinated public education notification plan shall be developed by the contractor which clearly identifies the program as a City of Chula Vista effort and shall include program purpose, available resources and training videos on how to use the application and services

The contractor shall develop and offer online alarm user training and education via the internet as well as develop and conduct false alarm prevention. The contractor shall support and coordinate the billing/suspension/revocation appeals process with appropriate City officials.

Other services specified by the bidder must include a brief description and estimated costs.

### **3. Collection Action**

Contractor shall make a minimum of two written or telephone contacts for each account within sixty (60) days of receipt of account unless the account clears sooner. Contractor shall provide detailed steps that will be taken once accounts received from the City, including the number of contacts and procedures that will be followed.

Contractor shall conduct skip tracing on delinquent accounts. Contractor shall provide specific tools used to conduct skip tracing.

Contractor shall report all uncollected accounts to the major credit bureaus unless a type is excluded from reporting by the Finance Director/Treasurer and shall forward the account to a third-party collection agency once the account becomes 180 days delinquent. Such reporting must be in accordance with all applicable Federal and California laws. Contractor shall not report accounts to the credit bureaus until the Contractor has worked the account for 180 days. At the request of the Finance Director/Treasurer, the Contractor shall remove an account notification from all affected bureaus and provide a copy of that notification to the Finance Director/Treasurer. In accordance with the Fair Credit Reporting Act, the City requires that accounts be cancelled from each credit bureau upon request of the Finance Director/Treasurer

Contractor, upon contract award, shall take immediate action to engage with account holders with an outstanding balance that has gone uncollected for over 180 days. The contractor shall notify each account holder on the outstanding balance and the request for payment. The contractor shall allow for 60 days for the account holder to respond before referring the account to a third-party collection agency to try to recover the outstanding balance and referring the account to the major credit bureaus.

Revenue generated from the third-party collections company shall be calculated using the same methodology used to calculate revenue from fees and fines proposed by the contractor. The calculation shall be based on the net balance recovered after the third-party collection company has been paid.



Contractor shall accept automated or manual transfers of account information from the City or other contractor's database. It is expected that the contractor will work (at no additional cost) with the City and its software to ensure accurate and timely transmission of data.

Contractor shall accrue interest on outstanding balances at a rate established in the City as authorized by the Chula Vista Municipal Code or by resolution of the Chula Vista City Council.

Contractor shall not have full rights to the accounts and shall only be able to pursue collections on behalf of the City. Contractor shall make contacts with delinquent accounts under the name of the collection agency.

Contractor shall not have authority to accept a compromise settlement on any account without written consent of the Finance Director/Treasurer or designee for all accounts. This consent may be accomplished by setting parameters under which the Contractor may accept a settlement without written permission.

The City reserves the right to withdraw a delinquent account from the Contractor at any time. In such cases, the Contractor shall cease all collection and/or legal activities related to the account. If account is withdrawn prior to collection activity on the part of the Contractor then no fees shall be due.

The City is customer service oriented and firmly believes in a positive approach in dealing with debtors. The Contractor shall not use tactics or third-party collection agencies whose tactics may be interpreted as harassment or as demeaning or that may reflect poorly on the City's efforts. The City prohibits any collection enforcement procedures not consistent with the City's requirements. The City requires the Contractor to exercise high ethical standards in their collection philosophy and techniques. The Contractor shall conduct its collection business in a professional manner, which will preserve the dignity of the City and its relationship with its citizens.

Contractor shall perform all work in accordance with all applicable State and Federal laws, including, but not limited to, the provisions of the Federal Fair Debt Collection Practices Act.

Contractor shall provide in proposal any other relevant information about their collection processes and shall provide detailed information about the collection methods to be used.

#### **4. Reporting and Documentation**

Contractor shall submit monthly status reports on all accounts detailing its collection activities for the previous month. The monthly status report shall reference the City's fund and revenue account number, as well as type of receivable. The monthly report shall include data for each account, detailing information such as: original placed value of debt, the value of the current debt money received, charges waived, interest charged, balance due, and date of last payment. A financial summary will also be required showing "period to date" and "fiscal year to date" totals for pertinent information such as: receipts, net accounts receivable, total accounts receivable, and collection percentage as well as uncollected amounts and percentage change from prior month.

The contractor shall mail a monthly check for the City's portion of alarm program revenues to:



City of Chula Vista Police Department  
Attention: Principal Management Analyst  
315 Fourth Avenue  
Chula Vista, CA 91910

In addition to the monthly status report and a monthly bank statement, a detailed and summarized aging report shall be available by the City's fund and revenue account number. Aging reports shall be provided upon City request.

A fiscal year-end report, as of June 30, shall be provided to include, by the City's fund and revenue account number:

- a. Detailed listing of all accounts by type
- b. Detailed listing of all accounts closed in past year by type
- c. Detail of all activity by account in past year by type
- d. Summary of all the above reports

The Contractor team shall meet at least twice annually with the Finance Director/Treasurer and other City staff to discuss all services and collection results. The Contractor shall also provide recommendations on how the City can reduce future bad debt. The Contractor shall provide updates to the City on changes in state and federal laws related to credit and collections.

Contractor shall maintain records supporting each assigned account. All such records (correspondence, documents, accounting records, banking records and other relative evidence) shall be made available to the City for review upon request. These records shall be maintained for a period of seven (7) years after termination of the collection action on each account. The City reserves the right to perform periodic audits to ensure that all amounts collected are accurately reported and remitted.

The Finance Director/Treasurer, or designee, shall be allowed access to debtor accounting information through an on-line terminal or the internet providing the ability generate recovery analysis reports or audit debtor files at any time.

## **5. Proposal Format and Content**

Proposers shall submit proposals in the following format, with a table of contents and include all elements listed below.

1. Transmittal Letter with Executive Summary: Document summarizing the proposal and the proposed fee structure.
2. Scope of Work: A detailed Scope of Work, including timeline for project implementation. The Scope of Work must address the following components, as well as any other items deemed necessary by bidder:





- a. Describe in detail how the bidder proposes to accomplish the individual tasks contained in Sections 2, 3 and 4.
  - b. Describe bidder's collection methodology, from initial account receipt through resolution.
  - c. Provide bidder's collection rate of success.
  - d. Provide sample of the letters sent to delinquent accounts; and reports required in Sections 3 and 4.
3. Project Personnel: List the principal personnel who will be assigned to this project, a description of their qualifications, and their responsibilities for this contract. Also, list recent projects on which the principal personnel have worked and describe their responsibilities. The designated City Alarm Administrator must be notified immediately of any change in principal personnel after selection. Such a change will be considered a significant change in the proposal and may be cause for the City to terminate the contract with Contractor. Services provided under this project shall not be performed by or delegated to any person or entity other than the contractor without the written authorization from the City Alarm Administrator.
4. Bidder Qualifications and References: Provide the bidder's qualifications including a description of similar contracts that bidder has engaged in the last three (3) years that are similar in size and scope of this RFP. Provide a list of all clients served and services provided, as relevant to this RFP, with organization name, address, contact person's name, phone number and dates services provided. The City reserves the right to contact any organization or individuals listed. Provide a statement of the bidder's ability to make collections in all 50 states and the ability to file reports with the three major national credit bureaus.
5. Fee Proposal: The City shall not incur any costs for this program. All monies paid to the Contractor will be deducted from the collected fines and fees. A detailed accounting of collections less City owed fees will accompany remittance to the City. If current laws allow a Contractor fee to be added to the principal amount of the debt to the City, the City will consider this method versus reducing their principal in the amount of the charge.

Contractor shall instruct consumers to submit payment due to the City of Chula Vista at the collection agency. Any payments received at the City will be forwarded to the collection agency for processing. The collection agency will be notified of any payment forwarded by the City. The funds received by the contractor must be maintained in a trust fund until remitted to the City and the collection fee can be deducted at the time of remittance.

The City may choose to be invoiced for all collection fee charges. Fee proposal shall include:

- a. The basis of the fee (such as flat fee per account assigned, percentage of revenue collection, etc.)
- b. The fee or manner in which a fee would be negotiated for any other accounts or indebtedness not specifically listed in this RFP the City may assign for collection.



c. The fee for any accounts referred by the Agency for legal action to either in-house or contract attorneys.

Your proposal should not include any reference to other discounts, incentives or other forms of financial consideration unrelated to the specific services proposed under this Request for Proposal.

6. Other Documents:

- a. References
- b. General Conditions – page 2
- c. Proposal and Offer to Contract

## **6. Evaluation Criteria**

Following the receipt of responses to this Request for Proposal (RFP), the qualifications of the respondents will be reviewed to identify adequately qualified Firms. The top respondents may be interviewed by a panel established by the City. The candidates will be evaluated based on their submittals to this RFP, reference checks and the interview with the selection panel if convened.

Prospective firms must demonstrate their experience and resources to perform either all or a subset of the identified services. Firms that can perform the services identified above for all or most of the requirements are preferred. The City will evaluate each proposal based on the firm's combination of strengths, experience, customer service and price.