



AGENDA MEMORANDUM

Action Item for the City Council Meeting of August 12, 2025

DATE: July 29, 2025

TO: Peter Zaroni, City Manager

FROM: Mike Markle, Chief of Police
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<p>Security Alarm Permitting and False Alarm Management System Services for the Corpus Christi Police Department</p>

CAPTION:

Motion authorizing the execution of a five-year service agreement with Alarm Program Systems, LLC, of Pleasant Hill, California, for security alarm permitting and false alarm management system services for the Corpus Christi Police Department in an amount not to exceed \$563,100.00, with FY 2025 funding of \$28,155.00 from the General Fund.

SUMMARY:

This motion authorizes the execution of a five-year service agreement with Alarm Program System, LLC. for security alarm permitting and false alarm management system services for the Corpus Christi Police Department. The five-year service agreement will provide security alarm permitting and false alarm management system as well as administration services to include acquiring all relevant and required equipment, licenses, and services.

BACKGROUND AND FINDINGS:

The City has had an Alarm Systems Ordinance since 1983. The Ordinance was created as a result of an increasing number of false alarms received by the Corpus Christi Police Department (CCPD). The Ordinance requires a permit for any residence/business who has an alarm system. CCPD was charged with all aspects of administration (permits), enforcement, billing and collection of monies owed by residents under the Ordinance. Originally, this work was accomplished by existing CCPD staff resources with no increase in the number of employees to handle the administration of the Ordinance. As part of the administration of the Ordinance, three separate databases were installed in-house to handle billing and accounts receivable. However, the result was that outstanding monies were not being collected, there was inefficient administrative operation, and there were poor compliance rates for obtaining and keeping permits current.

Due to these issues, it was determined that the outsourcing of the alarm functions would be the most efficient and productive option for the City. As a result, in 2011, the City executed a five-year service

agreement with the PMAM Corporation for False Alarm Management Services. The five-year agreement between the City and the PMAM Corporation allowed for the PMAM Corporation to manage alarm registrations, alarm permits, false alarm monitoring, and all other tasks associated with the management of false alarm maintenance in compliance with the City Ordinance. Per the five-year agreement, the PMAM Corporation charged a fee of 28% of the revenue collected from the alarm registrations, permits, and other associated fees.

When the five-year agreement expired in 2016, the City continued to use PMAM Corporation for these services outside of an agreement and instead made direct payments to the company. However, in December 2018, another five-year service agreement with the PMAM Corporation was approved by City Council. During this five-year agreement, the PMAM Corporation retained 19% of the revenue collected, as opposed to the previous 28%. This five-year agreement expired in 2023 and for the past two years the City has continued used the PMAM Corporation for these services, again making direct payments to them.

Per the proposed agreement, Alarm Program Systems will be responsible for managing alarm registrations, alarm permits, false alarm monitoring, and all other task associated with the management of false alarm maintenance in compliance with the City Ordinance. Their administrative duties will include storing and maintaining information regarding alarm permits, permit holders, permit holders with outstanding charges, non-permit holders with outstanding charges, permit holders with fee exemptions, and address verification database. Alarm Program Systems will also be responsible for invoicing and collection of payments in accordance with the rates established by City Ordinance 026904 and ensuring that all rate changes are updated whenever rate changes go into effect.

These services provided through the proposed five-year service agreement will be provided in a bi-directional data transfer between Alarm Program Systems' alarm data system and the City's Computer Aided Dispatching System. All services will performed electronically, which does not require Alarm Program System's to be on-site or available locally.

The amount of revenue collected from the alarm registrations, permits, and other associated fees since 2011 when the initial five-year agreement was put into place is \$6,370,230.31.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid to obtain bids for a new contract for security alarm permitting and false alarm management system services. The City received two responsive, responsible bids, and is recommending the award to the lowest responsive, responsible bidder, Alarm Program Systems LLC., of Pleasant Hill, California.

Alarm Program Systems, LLC. competitively outbid the incumbent (the PMAM Corporation) by 15.8% (or \$21,116.25) based off the estimated annual percentages collected. The total value compared in the proposed contract as compared to the previous agreement is decreased 1.5% (or \$3,620) annually.

The table below provides a comparison between Alarm Program Systems, LLC.'s bid and the PMAM Corporation's bid for the proposed contract. The estimated revenues were determined based off historical data and monthly averages of annual false alarms, permits, and annual revenue.

		Alarm Program Systems		PM AM Corporation			
		Pleasant Hill, CA		Dallas, TX			
DESCRIPTION	Estimated Annual Revenue	% Collect	Total Collect	% Collect	Total Collect	Variance %	Variance \$
Percentage of collections charged for billing of false alarm bills - Commercial	\$405,600.00	16%	\$64,896.00	19%	\$77,064.00	-15.79%	-\$12,168.00
Percentage of collections charged for billing of false alarm bills - Residential	\$135,200.00	16%	\$21,632.00	19%	\$25,688.00	-15.79%	-\$4,056.00
Percentage of permits for Commercial	\$68,325.00	16%	\$10,932.00	19%	\$12,981.75	-15.79%	-\$2,049.75
Percentage of permits for Residential	\$94,750.00	16%	\$15,160.00	19%	\$18,002.50	-15.79%	-\$2,842.50
Estimated Annual Total			\$112,620.00		\$133,736.25	-15.79%	-\$21,116.25

The City did not receive any bids from local companies, as there are no companies available locally that provide these services.

ALTERNATIVES:

The alternative is not to approved the proposed five-year agreement with Alarm Program Systems, LLC.; however, the City will have continue making direct payments to the current provider of these services, the PMAM Corporation, until an agreement is in place. This will not be as cost-effective as the proposed agreement with Alarm Program Systems, LLC., as the PMAM Corporation is retaining 19% of the revenue as compared to the 16% that Alarm Program Systems, LLC. will retain.

FISCAL IMPACT:

The FY 2025 fiscal impact is funding in the amount of \$28,155.00 from the General Fund. The remaining balance of \$534,945.00 will be funded through the annual budget process.

FUNDING DETAIL:

Fund: 1020
 Dept/Org/Activity: 11750
 Project# (CIP Only): N/A
 Account: 530000 Professional services
 Amount: \$28,155.00

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing a five-year agreement with Alarm Program Systems LLC., of Pleasant Hill, California, for security alarm permitting and false alarm management system services for Corpus Christi Police Department, as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tab
Service Agreement