



REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: January 20, 2009

SUBJECT: Alarm Permit Management, Ordinance Enforcement and Revenue
Collection

Report in Brief

The Police Department manages the burglary and robbery alarm program (hereafter referred to as alarm program) pursuant to §§13.51.1 of the Municipal Code. The alarm program issues permits for residents and businesses that have a burglary and/or robbery alarm installed and, pursuant to the Code, assesses fees for excessive false alarms. Through the FY08 mid-year budget cuts the program budget was reduced, resulting in the loss of a part-time non-sworn position that administered the program. In the interim this workload has been assumed by the Police Department's Records Manager.

The Department has been seeking alternatives to increase the efficiency of the alarm program. In doing so, the Department has identified outside resources that maximize program efficiency and maximize compliance with the ordinance, and cost recovery. The Department does not have the required resources in-house to perform these tasks optimally.

Staff recommends that the City Council authorize the City Manager to execute an agreement with the PMAM Corporation to utilize their automated system for alarm permitting and false alarm processing.

Background

The Police Department is tasked with implementing and managing the City's alarm permitting process and false alarm ordinance which entails the following:

1. An initial permit application process for residents and businesses who utilize an alarm system in their property; collect all necessary fees
2. A renewal permit process for all residents and businesses with alarm systems in their property; collect all necessary fees
3. Assessment of fines for alarm permit holders who violate the City's False Alarm Ordinance

Prior to the mid-year budget cuts last fiscal year, the Department had one part-time employee dedicated to performing all three tasks. Given the antiquated system in place and the part-time status of the employee, these tasks were not performed optimally, thereby fee generation and costs recovery were not maximized either. In the last three years, revenue from the alarm program averaged \$97,239 for an estimated 1,709 active alarm permits and a total of 2,723 false alarm calls in 2007 alone.

Staff resources available for this program have been insufficient and have been compounded by the use of an antiquated database system. The database program is called Q&A; this system is outdated and does not provide even the minimum automation needed to operate this program efficiently. The system requires redundant data entry and any workable software update is not cost-effective. Lastly, the program has not had the desired affect of reducing false alarms –currently averaging 227 false alarms/month. Optimal implementation of the alarm permit and false alarm processes would yield greater fee revenue and cost recovery, and also reduce the impacts of false alarms on police resources. It is critical that false alarms be reduced as these incidents create an avoidable officer safety situation and are an inefficient use of Police Department resources.

In the course of researching replacements for the antiquated alarm permit system and the desire to maximize the revenue and reduce the number of false alarms, the Department consulted other local law enforcement agencies and evaluated what they have implemented. The Department found out about off-site database options and proceeded to do more in-depth analysis.

Discussion

This past fall the Department invited PMAM Corporation for a demo of their False Alarm Management System. The cities of Rocklin and Lincoln had just recently signed contracts with PMAM for the exact same service described herein. In summary, PMAM will provide a false alarm tracking software and web-based management utility which will include the following:

1. Creation of database and website interface

PMAM will directly access the Department's Records Management System (RMS) to upload calls for service related to false alarms. PMAM will also download new and updated information for residences, businesses, alarm companies, etc. into the RMS.

The website interface will allow residents and business owners to enter information initially for their permit, pay renewals, pay fines and access their accounts on the web. The website will also provide information, including text and video training and education for citizens and business owners. For those without internet access, PMAM will provide training and educational information via CD-ROM customized for the City.

2. Enforcement of False Alarm Ordinance

PMAM will deploy a proprietary software package that maintains and tracks false alarm data and generate related reports. This software package and associated website will do, at a minimum, the following:

- Send alarm permit applications to residents and businesses who have unregistered alarms
- Track revoked permits
- Send alarm permit renewal applications; send out renewal notices when appropriate
- Send letters and invoices to the residences/businesses for false burglar and robbery alarms as per the False Alarm Ordinance and conduct any follow-up necessary
- Collect all associated fees and interact with permit holders as needed

3. Report Generation

PMAM will provide monthly reports detailing all funds received and distributed accordingly to the PMAM and the City. PMAM will also provide specialized reports as required by the Department and the City. All data will be owned by the City; PMAM owns all related software.

Once the Department provides PMAM with information regarding current permit holders and gives access to PMAM to calls for service data, PMAM will do the rest. PMAM will receive 35% of all revenue that it collects under this agreement and the remaining 65% will be sent to the Department once a month using a paper check format. The Department will receive this check before the 15th of each month. PMAM requires no up-front or start-up costs. Revenue will be generated via the following:

1. New permit fees
2. Renewal permit fees
3. Related fees as per the City's alarm ordinance (i.e., fines for ordinance violation)

There are no other associated costs for the City and the Department. PMAM will pay for all overhead costs (postage, stationery, telephone use, etc.).

As part of its due diligence, the Department sought other vendors and specifically made contact with one other vendor which showed the potential to meet the needs in order to perform these tasks. However, the vendor was slow to respond to staff inquiries and their product required substantial up-front costs. Therefore the Department determined their services did not compare in cost-effectiveness with PMAM's.

In consultation with City Purchasing and in compliance with the City's purchasing guidelines, the Department's recommendation to contract with PMAM utilizes the "piggyback" option. This option

allows the City to use a recent contract signed by another local government entity. In this specific case, the Department reviewed contracts between PMAM and the cities of Rocklin, Lincoln and Santa Maria. The Department has determined that the PMAM contract with the City of Rocklin (Police Department) is the best fit for Woodland's needs.

Fiscal Impact

Outsourcing these tasks to PMAM will cost 35% of alarm permit revenue. With a 3-year average of \$97,239, a one-year contract would cost \$34,033 with a net gain to the City of \$63,206. Prior to the alarm program being cut, the program's 3-year average cost is \$47,846, giving the City a net gain of \$49,393. Without any increase in revenue, the City's net gain will still be higher even with a contract with PMAM.

However, the alarms permit revenue and cost recovery potential for this program has not been maximized. PMAM has been in partnership for three years with a city comparable to Woodland and reports a revenue and cost recovery increase of 37% due to increased compliance and a false alarm reduction of 42%. The possible revenue increase of 37% would result in the City's net gain of \$86,590. The alarm industry estimates that an alarm call could cost up to \$119/call. The Department fielded 2,723 false alarm calls in 2007; with the anticipated 42% reduction, this translates to savings of \$136,096. The fiscal impact is summarized in the table below:

	Current	Potential with PMAM*
3-year Average Revenue	\$ 97,239.00	\$ 133,217.43
3-year Average Program Cost**	\$ 47,846.00	\$ 46,626.10
Program Net Gain	\$ 49,393.00	\$ 86,591.33
False Alarms (2007)	2,723	1,579
False Alarms Total Cost (@\$119/call)	\$ 324,037.00	\$ 187,941.46
False Alarms Total Cost Savings	\$	136,095.54

*Based on a comparable city which experienced a 37% revenue increase and 42% reduction in false alarms during its 3-year partnership with PMAM.

**Program cost includes O&M expenses, part-time position previously allocated and current personnel resource being spent on this program.

Given the City's fiscal challenges, these savings would likely be reallocated to other Police Department activities, including suppression of street gang violence, investigations and training.

Public Contact

This item was included in the posting of the City Council agenda.

Alternative Courses of Action

1. Authorize the City Manager to execute an agreement with the PMAM Corporation to utilize their automated system for alarm permitting and false alarm processing.
2. Direct staff to seek new software and continue with on-site processing.

Recommendation for Action

Staff recommends that the City Council approve Alternative No. 1.

Prepared by: Elle Murphy
Management Analyst

Reviewed by: Carey F. Sullivan
Chief of Police

Mark G. Deven
City Manager

Attachment: Draft Contract with PMAM Corporation

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF WOODLAND
APPROVING AND AUTHORIZING THE
CITY MANAGER TO EXECUTE A
CONSULTANT SERVICES AGREEMENT
(PMAM/FALSE ALARM PROGRAM)

The City Council of the City of Woodland does resolve as follows:

Section 1. The City Council of the City of Woodland hereby approves and authorizes the City Manager to execute a Consultant Services Agreement, in the form attached hereto as Exhibit A and by this reference incorporated herein.

PASSED AND ADOPTED this 20th day of January, 2009, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

ABSTAIN: Councilmembers:

Mayor

ATTEST:

City Clerk

CONSULTANT SERVICES AGREEMENT
(PMAM/FALSE ALARM PROGRAM)

THIS AGREEMENT is made at Woodland, California, as of March 11th, 2008, by and between the City of Woodland, a municipal corporation (“City”), and PMAM Corporation, 105 Decker Court. #675, Irving, Texas 75062 (“Consultant”), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide the services described in Exhibit A. Consultant shall provide said services at the time, place, and in the manner specified in Exhibit A.

2. **Payment.** City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the amount set forth in Exhibit B. The payment specified in Exhibit B shall be the only payment made to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all billings for said services to City in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures which Consultant uses for billing clients similar to City.

3. **Facilities, Equipment and Other Materials, and Obligations of City.** Except as set forth in Exhibit C, Consultant shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement. City shall furnish Consultant only those facilities, equipment, and other materials, and shall perform those obligations listed in Exhibit C according to the terms and conditions set forth in Exhibit C.

4. **General Provisions.** The general provisions set forth in Exhibit D are part of this Agreement. Any inconsistency between said general provision and any other terms or conditions of this Agreement shall be controlled by the other term or condition insofar as it is inconsistent with the general provisions.

5. **Exhibits.** All exhibits referred to herein are attached hereto and by this reference incorporated herein.

6. **Time for Performance.** Time is of the essence, and, subject to City's compliance with Exhibit C and to the provisions of paragraph 3 of Exhibit D, failure of Consultant to perform any services within the time limits set forth in Exhibit A shall constitute material breach of this contract.

Executed as of the day first above stated:

CITY OF WOODLAND
A Municipal Corporation

By: _____
Mark Devan
City Manager

CONSULTANT

By: _____

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

EXHIBIT A
SCOPE OF SERVICES

PMAM shall provide a false alarm tracking software and web based management utility which shall include at a minimum, the following components:

I. Creation of database and website interface

- A. PMAM shall provide a web-based solution that will provide the City an opportunity to direct Internet users to the established PMAM website via the City's website or other means directly to do at least the following actions:
 - 1. Allow citizens and business owners to enter information initially for their permit, pay renewals, pay fines, and access their accounts on the Internet.
 - 2. The website will also provide information, including text, video training, and education for citizens and business owners.

- B. On a weekly basis, PMAM shall access directly into the Woodland Police Department's Records Management Database and electronically upload the calls for service related to false alarms. On a weekly basis, PMAM shall download new and updated information for residences, businesses, alarm companies, and responsible information into the premise files of the Woodland Police Department's Records Management System.

- C. PMAM shall provide CD-ROM discs to citizens and business owners in the City with training and educational information concerning operating an alarm in the City. PMAM will personalize the CD-ROM with graphics and symbols representing the City and the Woodland Police Department.

II. Enforcement of the False Alarm Ordinance

- A. During the term of this agreement, PMAM Corporation will deploy a proprietary software package that maintains and tracks false alarm data and generate related reports.
 - 1. This software package and associated website shall do at a minimum, the following functions:
 - a) Send alarm permit applications to residents and businesses who may have alarms but are not registered in their system.
 - b) Maintain a method to track permits that have been revoked.
 - c) Send alarm permit applications for renewals
 - d) Send letters and invoices to the residences/businesses for false burglar and robbery alarms as per the False Alarm Ordinance and conduct any follow-up necessary.
 - e) Collect all associated fees and conduct all interactions either via letters or telephone calls with permit holders concerning collection of fees and reconcile accounts on a monthly basis.

- f) Respond to all queries from citizens and businesses and send out renewal notices when appropriate.
2. All data relating to alarm permits shall be owned by the City and upon termination of this agreement, PMAM shall deliver to the City of Woodland all data in City's selected format.
- a) PMAM retains all rights and title to the Application software, including but not limited to, all publication rights, all development rights, all reproductions rights, and all rights that may follow from the commercial development of the software. The City does not acquire any ownership rights to the Application software. The Software is protected by copyright in favor of PMAM, as well as any future registered trademarks, are trademarks of PMAM.
 - b) All information from the City will be considered confidential and will not be shared with anybody outside of a designated list without the express permission of the Chief of Police.
 - c) All members of PMAM, who will have access to the information from the City of Woodland, will be designated by PMAM to the City and will undergo a background check conducted by the Woodland Police Department.
 - d) Dedicated personnel who will be responsible for answering calls, educating residents on the existing ordinance, explaining invoices and all other related issues will be located at PMAM's site.
 - e) Printing of all stationery, postage and other related overhead costs that involves correspondence with permit holders will be undertaken by PMAM.
 - f) PMAM Corporation will produce an educational multi media CD at their cost.
 - g) Under this agreement, the software that is deployed and all related IP (Intellectual Property) will remain with PMAM
 - h) A dedicated telephone # will paid for and provided by PMAM Corporation

III. Report Generation

1. PMAM shall provide the following information to the City upon request at any time.
- a) Provide a monthly report detailing all funds received and an associated detail of monies distributed to both PMAM and the City.
 - b) Specialized reports with any variables as required by the City. Some of the reports shall include:
 - 1) Annual permit renewals billed and fees collected.
 - 2) Permits inactivated and reason for inactivation.
 - 3) Permits reactivated and reason for reactivation.

- 4) Number of false burglar alarms.
- 5) Number of false burglar alarms billed and fees collected.
- 6) Number of false robbery alarms.
- 7) Number of false robbery alarms billed and fees collected.
- 8) Number of reinstatement fees billed and fees collected.
- 9) False burglary and/or robbery alarms for permit owners.
- 10) False burglary and/or robbery alarms for non-permit owners.

2. PMAM shall also do the following:
 - a) Generate suspension notices based upon city ordinance.
 - b) Generate notice to alarm users without permits.
 - c) Maintain historical information on permit issuance, renewal, suspension and reinstatement on each property.
 - d) Maintain current permit status information.
 - e) Maintain incident count (true/false alarms) information on each permit.
 - f) Perform searches on permit holders and business names.
 - g) Print permits in batch or online.
 - h) Archive inactive permits.
 - i) Make adjustments/corrections on fees relating to accounting errors.
 - j) Generate incidents manually for account.
 - k) Issue notice to permit holders with excessive false alarms.
 - l) Issue notice to non-permit holders with false alarms.
 - m) Archive historical data.
 - n) Accept and establish temporary account numbers for non-permit holders who have incurred false alarm charges.
 - o) Transfer temporary account number charges to a permanent account (permit) number.
 - p) Determine false alarm charges based on the City of Woodland's Alarm Ordinance fee schedule.
 - q) Show all incidents and their associated charges during the current billing period.
 - r) Provide itemized balance forward capabilities on billings.

EXHIBIT B

PAYMENT FOR SERVICES RENDERED

1. PMAM Corporation agrees to manage the False Alarm Program under this agreement. PMAM shall receive 35% of all revenue that it collects under this agreement and the remaining 65% will be sent to the Woodland Police Department, 300 First Street Woodland, CA 95695, once a month using a paper check format. The check shall be received by the Woodland Police Department before the 15th of each month.
2. The areas in which fees are collected include the following.
 1. New Permit Fees
 2. Permit Renewal Fees
 3. Related fees as per the City of Woodland's ordinance. This includes fines that are assessed when permit holders violate the City's False Alarm Ordinance.

EXHIBIT C

FACILITIES, EQUIPMENT, AND OTHER MATERIALS, AND OBLIGATIONS OF CITY

To facilitate the execution of this agreement, the City of Woodland will provide the following information and authorization to PMAM Corporation.

1. City shall provide PMAM with a database of current permit holders and false alarm data (“Data”) for the previous 18 months and PMAM will accurately convert all Data provided by the City to populate the false alarm system. This will be a one-time activity that will be derived from the existing Land Database.
2. A letter from the City of Woodland authorizing PMAM to open a Bank Account with Bank of America where all checks received from the residents are deposited. This account is dedicated only to the City of Woodland and there will be no other activity on this account.
3. A letter from the City of Woodland authorizing PMAM to open a dedicated P.O. Box where all correspondence regarding the Alarm Tracking and Billing will be received.
4. At the end of each month, two checks will be issued in the ratio of 65% to the City of Woodland and 35% to the PMAM Corporation
5. This account is open to audit from the City staff at any time.

EXHIBIT D

GENERAL PROVISIONS

1. **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of the City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement. City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement.

2. **Licenses, Permits, Etc.** Consultant represents and warrants to City that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice its profession at the time the services are performed.

3. **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Consultant's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

4. **Insurance.**

A. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of work under this Agreement and the results of that work by Consultant, its agents, representatives, employees, or subcontractors. Coverage shall be at least as broad as, and shall maintain limits no less than, the following:

1. **General Liability.** Consultant shall maintain in full force and affect a policy of commercial general liability insurance (ISO occurrence form CG0001) with limits no less than the following: one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this agreement, or the general aggregate limit shall be twice the required occurrence limit. (The occurrence form of policy is required whenever it is available.)

2. Worker's Compensation and Employer's Liability Insurance. Consultant shall fully comply with the law of California concerning worker's compensation. Said compliance shall include, but not be limited to, maintaining in full force and effect one or more policies of insurance insuring against any liability Consultant may have for worker's compensation. Consultant shall also maintain in full force and effect a policy of employer's liability insurance with limits no less than the following: one million dollars (\$1,000,000) each accident; one million dollars (\$1,000,000) policy limit bodily injury by disease; one million dollars (\$1,000,000) each employee bodily injury by disease.

3. Automobile. Consultant shall maintain in full force and effect a policy of commercial automobile liability insurance (ISO Form CA0001 Code 1 (any auto) or Code 8, 9 if no automobiles owned), with limits no less than the following: one million dollars (\$1,000,000) per accident for bodily injury and property damage.

4. Errors and Omissions. Consultant shall maintain in full force and effect a policy of errors and omissions insurance covering the services to be provided under this agreement with limits no less than the following: one million dollars (\$1,000,000) each occurrence, two million dollars (\$2,000,000) policy aggregate.

B. The general liability and automobile policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, employees and volunteers shall be added as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Consultant, and with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under subdivision (b) of section 2782 of the Civil Code.

2. For any claims related to work or operations performed by or on behalf of Consultant, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, employees, or volunteers shall be considered excess of the Consultant's insurance and shall not contribute with it.

3. The insurance coverage shall not be assigned, reduced, amended, cancelled, terminated, or not renewed by either party except after thirty (30) days written notice by certified mail, return receipt requested, to City.

C. The insurance company or companies providing Consultant the coverages required by this Agreement shall be admitted in the State of California and have a current A.M. Best's rating of no less than A:VIII or equivalent acceptable to City.

D. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees and volunteers; or the Consultant shall procure a financial guarantee satisfactory to City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. The insurance shall be maintained from the time the work first commences until completion of the work under this Agreement if an occurrence policy form is used. If a claims made policy form is used, the following requirements apply:

1. The "Retro Date" must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

3. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "Retro Date" prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

4. A copy of the claims reporting requirements must be submitted to the City for review.

F. If Consultant, for any reason, fails to maintain insurance coverage which is required under this Agreement, the failure shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from the breach. Alternatively, City may purchase the required insurance coverage, and without further notice to Consultant, City may deduct from the sums due to Consultant any premium costs advanced by City for the insurance.

G. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

H. Consultant shall furnish City with original certificates and amendatory endorsements effecting coverage required by this Agreement. The certificates and endorsements should be on forms provided by the City, or on other than the City's forms, provided those endorsements or certifications conform to the requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by this Agreement at any time.

Consultant shall replace certificates of insurance for policies expiring prior to completion of the work under the Agreement, and shall continue to furnish certificates for five years beyond the Agreement termination date, when the Consultant has a claim made form of insurance.

I. The worker's compensation and employee's liability insurance are to contain, or be endorsed to contain, the following provisions:

1. The insurance company waives any right of subrogation against the City, its officers, employees, and volunteers, which might arise by reason of any payment by the insurance company in connection with work performed by Consultant under this Agreement.

2. The insurance coverage shall not be assigned, reduced, amended, cancelled, terminated, or not renewed by either party except after thirty (30) days written notice by certified mail, return receipt requested, to City.

5. Indemnity. Consultant agrees to and shall defend, indemnify and hold harmless City, its officers, employees, agents and volunteers from and against all claims, damages, losses and expenses, including attorney's fees and litigation costs and expenses, arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of Consultant, any subcontractor of Consultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of City. Lack of insurance coverage does not negate Consultant's obligation under this paragraph or this Agreement.

6. Consultant Not Agent. Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

7. Assignment Prohibited. Consultant may assign its rights and obligations under this Agreement only upon the prior written approval of City, said approval to be in the sole discretion of City.

8. Personnel: Qualifications and Conflicts of Interest.

A. Consultant shall assign only competent personnel to perform services under this Agreement. If City, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Consultant to this Agreement, Consultant shall remove the person immediately upon receiving notice from City. No personnel shall be assigned to this Agreement who, due to a financial conflict of interest, is disqualified from performing services under this Agreement.

B. Prior to commencing work under this Agreement, all personnel assigned to the Agreement shall determine whether, by virtue of the work to be performed, they are “consultants” as defined by the Political Reform Act (Cal. Gov. Code §81000, et seq.). They shall then notify the City Clerk in writing of their determination and shall complete and file all required disclosure statements.

9. Standard of Performance. Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. All products of whatsoever nature which Consultant delivers to City pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Consultant's profession.

10. City Representative. The City Manager is the representative of the City and will administer this Agreement for the City.

11. Termination. City shall have the right to terminate this Agreement at any time by giving 30 day notice in writing of such termination to Consultant. In the event City shall give notice of termination, Consultant shall immediately cease rendering service upon receipt of such written notice, pursuant to this Agreement.

In the event City shall terminate this Agreement:

- A. Consultant shall deliver copies of all writings prepared by it pursuant to this Agreement. The term “writings” shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- B. All data relating to alarm permits shall be owned by the City. Upon termination of this agreement, PMAM shall deliver to the City of Woodland all data in MS-SQL format.
- C. PMAM retains all right and title to the Application software, including but not limited to, all publication rights, all development rights, all reproductions rights, and all rights that may follow from the commercial development of the software. The City does not acquire any ownership rights to the Application software. The Software is protected in favor of PMAM, as well as any future registered trademarks, are trademarks of PMAM.
- D. The proprietary software will be loaned to the City during the duration of this agreement as laid out in this contract and the City of Woodland will not have any access to our proprietary software after the conclusion of the contract.
- E. City shall pay Consultant the reasonable value of services rendered by

Consultant to the date of termination pursuant to this Agreement not to exceed the amount documented by Consultant and approved by City as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed 35% of all revenues collected as per EXHIBIT B. The foregoing is cumulative and does not affect any right or remedy which City may have in law or equity.

- F. Consultant may terminate its services under this Agreement upon thirty (30) working days written notice to the City, without liability for damages, if it is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by City.

12. Non-Discrimination. Consultant shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.

13. Ownership of Information. All professional and DATA related and developed under this Agreement and all work sheets, reports, and related data shall become the property of City, and Consultant agrees to deliver reproducible copies of such documents to City on completion of the services hereunder. The City agrees to indemnify and hold Consultant harmless from any claim arising out of reuse of the information for other than this project. All Software related intellectual property will belong to PMAM Corporation upon the termination or conclusion of this agreement. During the duration of this agreement, all enhancements and upgrades to the system will be undertaken by PMAM Corporation.

14. Waiver. One or more waivers by one party of any major or minor breach or default of any provision, term, condition, or covenant of this Agreement shall not operate as a waiver of any subsequent breach or default by the other party.

15. Entirety of Agreement. This Agreement contains the entire agreement of City and Consultant with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer or agent of any party which is not contained in this Agreement shall be binding or valid.

16. Attorney's Fees. If the services of any attorney are required by any party to secure the performance of this Agreement or otherwise upon the breach or default of another party, or if any judicial remedy or arbitration is necessary to enforce or interpret any provisions of this Agreement or the rights and duties of any person in relation to this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and other expenses, in addition to any other relief to which such party may be entitled. Prevailing party includes (a) a party who dismisses an action in exchange for sums allegedly due; (b) the party that receives performance from the other party of an alleged breach of covenant or a desired remedy, if it is substantially equal to the relief sought in an action; or (c) the party determined to be prevailing by a court of law.

Whenever provision is made in this Agreement for the payment of attorney's fees, such fees shall be payable whether the legal services are rendered by a salaried employee for the party or by independent counsel and shall include such fees as are incurred in connection with any pretrial proceeding, trial or appeal of the action.

Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law.

17. Counterparts. Where Consultant is a C Corp, the corporation may execute this Agreement in two or more counterparts which shall, in the aggregate, be signed by all the parties; each counterpart shall be deemed an original instrument as against any party who assigned it.

18. Governing Law. This Agreement is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect.

**NOTICE TO CONSULTANT
OF DISCLOSURE OBLIGATIONS UNDER THE
CALIFORNIA POLITICAL REFORM ACT
(PMAM/FALSE ALARM PROGRAM)**

The Political Reform Act (“PRA”) (Government Code §81000, et seq.) provides that “no public official at any level of state or local government shall make, participate in making, or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.” In addition, the Act requires every public official to disclose those economic interests that could foreseeably be affected by the exercise of his or her duties.

The term “public official” includes consultants. (Government Code §82048.) The PRA regulations (2 CCR 18701(a)(2)) define consultant to include an individual who makes certain described governmental decisions, or, who serves in a staff capacity with the agency and in that capacity performs the same or substantially all of the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency’s Conflict of Interest Code. A copy of Government Code §82048 and Regulation 18701(a)(2) are attached for your reference.

It is not the business or firm providing services to the City that is considered the consultant. The individuals working for the firm who provide the services are considered the consultants. These individuals must file Statements of Economic Interest based on their personal financial interests and are subject to disqualification and other laws affecting public officials.

Because not all consultants participate in making decisions on behalf of the City in a manner covered by the Political Reform Act, the City does not amend its Conflict of Interest Code each time a consultant is hired. Instead, consultants are included generically in the City’s Conflict of Interest Code as designated employees.

Under the law, it is the responsibility of each individual who will be providing services under the agreement to file an Assuming Office Statement, an Annual Statement, and a Leaving Office Statement if he/she determines the work being done under contract with the City qualifies the individual as a “consultant” within the meaning of the law.

Prior to commencing work under this agreement, you must notify the Woodland City Clerk of your determination and request and file the appropriate forms, if necessary. Please complete and sign the form below and return to the City Clerk.

Attachment (if needed)

DETERMINATION OF DISCLOSURE OBLIGATIONS UNDER

**CALIFORNIA POLITICAL REFORM ACT
(PMAM/FALSE ALARM PROGRAM)**

I have read this Notice to Consultant of Disclosure Obligations under the California Political Reform Act and have determined that (check one):

_____ By virtue of the work that I will perform under this Consultant Services Agreement, I am a public official within the meaning of the Political Reform Act. Enclosed is my Assuming Office Statement (Form 700).

_____ Under this Consultant Services Agreement, I will not be performing the duties of a public official/consultant within the meaning of the Political Reform Act.

Dated: _____

(Name of Consultant)

By: _____
(Signature)

(Type Name)

(Address)

(Address)

CALIFORNIA ADMINISTRATIVE CODE
TITLE 2. ADMINISTRATION
DIVISION 6. FAIR POLITICAL PRACTICES COMMISSION
CHAPTER 7. CONFLICTS OF INTEREST
ARTICLE 1. CONFLICTS OF INTEREST; GENERAL PROHIBITION

§18701. Public Official, Definitions.

- (a) For purposes of Government Code §82048, which defines “public official,” and Government Code §82019, which defines “designated employee,” the following definitions apply:
 - (1) “Member” shall include, but not be limited to, salaried or unsalaried members of committees, boards or commissions with decisionmaking authority. A committee, board or commission possesses decisionmaking authority whenever:
 - (A) It may make a final governmental decision;
 - (B) It may compel a governmental decision; or it may prevent a governmental decision either by reason of an exclusive power to initiate the decision or by reason of a veto that may not be overridden; or
 - (C) It makes substantive recommendations that are, and over an extended period of time have been, regularly approved without significant amendment or modification by another public official or governmental agency.
 - (2) “Consultant” means an individual who, pursuant to a contract with a state or local government agency:
 - (A) Makes a governmental decision whether to:
 - 1. Approve a rate, rule, or regulation;
 - 2. Adopt or enforce a law;
 - 3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - 4. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
 - 5. Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
 - 6. Grant agency approval to a plan, design, report, study, or similar item;
 - 7. Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

- (B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18702.2 or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Government Code §87302.
- (b) For purposes of Government Code §87200, the following definitions apply:
 - (1) "Other public officials who manage public investments" means:
 - (A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;
 - (B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and
 - (2) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (b)(1)(B) above.
 - (3) "Public moneys" means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.
 - (4) "Management of public investments" means the following nonministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

COMMENT: In limited circumstances, the members of a nonprofit organization may be "public officials." (In re Siegel (1977) 3 FPPC Ops. 62.)

- 6. Amendment of section heading, section and Note filed 1-11-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2)

**GOVERNMENT CODE
TITLE 9. POLITICAL REFORM
CHAPTER 2. DEFINITIONS**

§82048 Public Official

“Public official” means every member, officer, employee or consultant of a state or local government agency, but does not include judges and court commissioners in the judicial branch of government. “Public official” also does not include members of the Board of Governors and designated employees of the State Bar of California, members of the Judicial Council, and members of the Commission on Judicial Performance, provided that they are subject to the provisions of Article 2.5 (commencing with Section 6035) of Chapter 4 of Division 3 of the Business and Professions Code as provided in Section 6038 of that article.