TOWN OF PARADISE VALLEY

Paradise Valley Police Department

Alarm Monitoring Service Update

November 3, 2016

Key Questions

1. What direction do the Mayor and Town Council want to take the police alarm monitoring service?

2. Is there a business model that is acceptable to the Mayor and Town Council?

Business Models

Business Model #1:
Best of all variables

- 12.5% rate increase ($36.63 to $40 average)

- 50% increase in net recruitment

- Requires at least $308k capital infusion from General Fund over 10 years

- Net 10 year operating loss $871k

- Loss offset by $650k in Alarm Fund + $308k capital infusion from General Fund

- Increase from 350 to 575 subscribers

10-year Investment vs. Revenue

$2,220,000.00

Revenue

$3,091,170

Investment
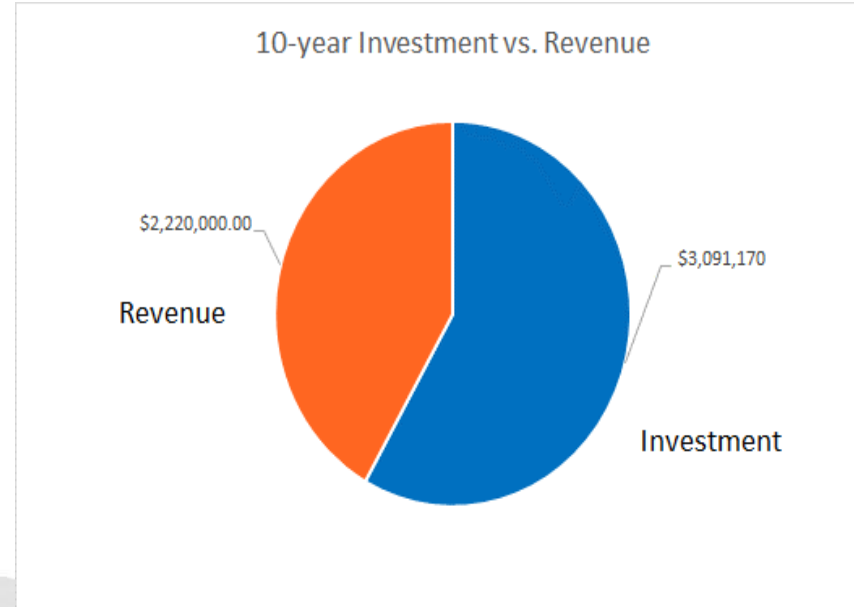
Business Model #4:
Gradual Termination Strategy

- Exit alarm monitoring at a date certain 120 to 180 days in future

- Monitoring service discontinuation
  - Letter to current subscribers
    - Timeline: Immediate upon Council direction
    - Outlining refund/rebate process and timeline
  - Certified letter to remaining
    - Timeline: Sixty days after initial letter informing subscribers of service discontinuation
    - Offering: notification of rebate/refund process and timeline
  - Final certified letter
    - Timeline: 45 days prior to discontinuation of service

Business Model #4:
Gradual Termination Strategy

- Refund/Rebate to current subscribers:
  - 12-months of subscriber fees if terminate 151-180 days before shutdown
  - 9-months of subscriber fees if terminate 121-150 days before shutdown
  - 6-months of subscriber fees if terminate 61-120 days before shutdown
  - No refund if termination less than 60 days before shutdown
- Reinvest remaining fund balance (estimated $400k) per Council direction

ASAP to PSAP

ASAP to PSAP

- **Goals of ASAP to PSAP**
  - Reduce alarm processing time
  - Improved accuracy
  - Reduction of incoming non-emergency calls
  - Reduction in dispatch created calls
  - Continuity of service in disaster or high volume call events

- **Effect for Paradise Valley**
  - Alarm response time will be reduced as processing time decreases
  - Error elimination
  - Reduction in call volume will increase efficiency in dispatch
  - High volume call periods cause extended hold and entry times for all calls

ASAP to PSAP

- **Limitations**
  - CAD/RMS vendors waiting for increased agency demand
    - Some agencies early adopters
    - Most software companies just now finishing beta testing
  - Unknown how many alarm vendors are ready to deploy
  - Some protocols and standards still in flux
  - Secure transmission of subscriber data adds to overhead
  - Signals still need to be vetted by human or electronic process
  - Only emergent signals can be sent to first responders
  - Alarm panels designed to only send basic signal information

ASAP to PSAP

Alarm vendor receives signal and looks up in database to get subscriber info

Alarm vendor determines if signal requires PD/Fire/EMS

Subscriber panel sends signal "017AF80"

ASAP to PSAP sends subscriber info and alarm to first responders

If needed, responding agency called and notified

First responders dispatched

Can we charge vendors for ASAP to PSAP?

- Aid to law enforcement dispatch centers
  - Increase efficiency
  - Reduce voice calls
  - Increase automation
- Unknowns
  - If we charge, will vendors use ASAP to PSAP?
    - This aids all parties including the customer, the vendor and the dispatch center
  - Will vendors pass on ASAP to PSAP charge to customers?

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Thank You