



City of Des Plaines

1420 Miner St
Des Plaines, IL 60016
Tel: 847-391-5300

MEMORANDUM

Date: December 6, 2012
To: Michael Bartholomew, City Manager
From: Alan Wax, Fire Chief *AW*
William Kushner, Police Chief
Re: Extension of Alarm System Contract with Fox Valley Fire and Safety

Issue: The five-year contract for fire and burglar alarm services with Fox Valley Fire and Safety ("FVFS") expires on January 21, 2013. The contract automatically renews for an additional five-year period unless other action is taken prior to the expiration.

Analysis: The City entered an agreement with FVFS on January 21, 2008 for a five-year term to provide fire alarm and burglar alarm services, including providing alarm radio transmitters in locations throughout the City, signal receivers in the dispatch center, maintenance services, alarm billing services, and reporting. FVFS invoices subscribers, and pays a portion of each subscription to the City, while maintaining the entire system.

The contract with FVFS expires on January 21, 2013. If no action is taken prior to that time, the contract automatically renews for an additional five-year period. Other options are to terminate the contract and services, or to have the City purchase all the equipment throughout the community for a price of \$73,000 plus \$400 per radio for each of the 550+ radios throughout the community.

As you are aware, there are pending changes to our dispatch center, the North Suburban Emergency Communications Center (NSECC). NSECC will be dissolving soon, with two of its members leaving to seek services from another dispatch center. Des Plaines is looking at options to receive dispatching services after the dissolution, however, at this time, the determination of our course of action has not been made. Additionally, there has been some interest expressed by Council members and staff to look at different models for burglar and fire alarm system transmissions.

Inasmuch as the provision of future dispatch services is currently unknown, Staff is not inclined to commit to any long-term agreement until the status of the dispatch services is solidified. Recognizing that we must continue to receive fire and burglar alarms until we know the disposition of our dispatch services and/or until other provisions are made, Staff and FVFS have agreed on the terms of a 90-day extension to the current contract. At the end of the 90 days, the City has the options of renewing for a five-year term, terminating the agreement, buying the equipment per the original agreement terms, or negotiating an additional 90-day extension.

Recommendation: Staff recommends that the Council adopt the resolution approving a 90-day extension to the Agreement with Fox Valley Fire and Safety for alarm services.

Attachments: Resolution
Exhibit A – Rider to the Original Agreement



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**Second Rider to Purchase Agreement between the City of Des Plaines
and Fox Valley Fire and Safety dated January 28, 2008**

IN CONSIDERATION OF the recitals and the mutual covenants and agreement set forth in this Second Rider ("**Second Rider**") dated as of November 28, 2012, the sufficiency of which is hereby acknowledged, the City of Des Plaines ("**City**") and Fox Valley Fire & Safety Co. ("**FVFS**") agree as follows:

1. The Purchase Agreement between the City and FVFS dated January 28, 2008 ("**Agreement**") shall be, and is hereby, extended beyond its original termination date of January 21, 2013, for an additional 90 day term ("**Extension**") commencing January 22, 2013 and ending April 21, 2013. All rights, responsibilities, and obligations set forth in the Agreement shall continue and bind the parties for the period of the Extension, except as modified by this Second Rider. The Agreement shall not be renewed or terminated, except as described in this Second Rider.
2. Upon the termination of the Extension, the City may take any one of the following actions:
 - A. renew the Agreement for a five year term commencing April 22, 2013;
 - B. terminate the Agreement;
 - C. terminate the Agreement and exercise the Equipment Buyout Option set forth in the "Bidder's Cost Summary Proposal" incorporated in the Agreement by reference; or
 - D. negotiate and execute an additional 90 day extension of the Agreement with FVFS.

The City will inform FVFS in writing of its intended course of action no later than 14 days before the end of the Extension term.

3. FVFS will continue to collect the "Rebate from Dealer to City" set forth in the "Bidder's Cost Summary Proposal" ("**Rebate**") at the Year Five rate of \$9.00 per month per subscriber for the duration of the Extension term and will remit the aggregate funds from this collection to the City in one single payment no later than May 15, 2013.
4. If there is any conflict between the terms of this Second Rider and the terms of Agreement, the terms of the Second Rider shall control.

[SIGNATURE PAGE FOLLOWS]

City of Des Plaines

Its: _____

Date: _____

Fox Valley Fire and Safety

Kenneth R. Volkening

Its: President

Date: 11/26/12

CITY OF DES PLAINES

RESOLUTION R - 150 - 12

**A RESOLUTION APPROVING AN AGREEMENT WITH
FOX VALLEY FIRE AND SAFETY CO. FOR THE 90-DAY
EXTENSION OF FIRE AND BURGLAR ALARM
SERVICES**

WHEREAS, Article VII, Section 10 of the 1970 Illinois Constitution authorizes the City of Des Plaines ("**City**") to contract with individuals, associations and corporations, in any manner not prohibited by law or ordinance; and

WHEREAS, the City has appropriated funds for the 2013 fiscal year for the City of Des Plaines Fire Department ("**Department**") to procure fire alarm and burglar alarm services for the City ("**Services**"); and

WHEREAS, the City and Fox Valley Fire and Safety Co. of Elgin, Illinois ("**Vendor**"), entered into that certain Purchase Agreement dated January 8, 2008, for the provision of the Services ("**Alarm Agreement**"); and

WHEREAS, the Alarm Agreement expires on January 21, 2013, and automatically will be renewed for a period of five years if the City does not take action ("**Renewal**"); and

WHEREAS, the City's current provider of emergency telephone system dispatch services will change during calendar year 2013; and

WHEREAS, it is in the best interest of the City to extend the Alarm Agreement for 90 days instead of permitting Renewal so that the City has time to identify its future provider of emergency telephone system dispatch services before procuring the Services for a longer term; and

WHEREAS, the Vendor has satisfactorily provided the Services to the Department during the term of the Alarm Agreement; and

WHEREAS, the City staff recommends that the City enter into an agreement with the Vendor for a 90-Day Extension ("**Extension**"); and

WHEREAS, the City Council has determined that it is in the best interest of the City to enter into the Extension;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Plaines, Cook County, Illinois, in the exercise of its home rule powers, as follows:

SECTION 1: RECITALS. The foregoing recitals are incorporated into, and made a part of, this Resolution as findings of the City Council.

SECTION 2: APPROVAL OF EXTENSION. The City Council hereby approves the Extension in substantially the form attached to this Resolution as **Exhibit A**, and in a final form and substance to be approved by the General Counsel.

SECTION 3: AUTHORIZATION TO EXECUTE EXTENSION. The City Council hereby authorizes and directs the City Manager and the City Clerk to execute and seal, on behalf of the City, the Extension only after receipt by the City Clerk of at least two executed copies of the Extension from the Vendor; provided, however, that if the City Clerk does not receive such executed copies of the Extension from the Vendor within 30 days after the date of adoption of this Resolution, then this authority to execute and seal the Extension shall, at the option of the City Council, be null and void.

SECTION 4: EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage and approval according to law.

PASSED this ____ day of _____, 2012.

APPROVED this ____ day of _____, 2012.

VOTE: AYES ____ NAYS ____ ABSENT ____

MAYOR

ATTEST:

Approved as to form:

CITY CLERK

Peter M. Friedman, General Counsel