



State of New Jersey Fiscal Year 2015 Budget Proposal Presented to the Legislature

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Lawrence Contracts Out 911 Dispatch Services



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Municipal government officials have been seeking new ways to provide services to their residents at a reduced cost and at the level that returns value to taxpayers. This effort gives rise to the question: what are the core functions of municipal government? The answer is not always precise. The answer is influenced by what municipal governments are mandated to provide and the requirements of our residents. Often the answer is that one size does not fit all.

However, in most communities, public safety services are at the top of the list of essential services. If one were to concur with this assessment, then the next step is to consider whether there are alternatives to providing public safety services either in portions or in their entirety. The same principal can be applied to all municipal services.

In Lawrence Township (Mercer) we are committed to providing public safety services in a safe and cost effective manner. In our calculations, safety has always been our first priority, rather than costs. Therefore, when we discovered that we could save money without compromising quality, we decided to have our 911 emergency dispatch services provided by a private firm. On January 22, 2013 a competitive contract was awarded by the Township Council to iXP Corporation of Cranbury, New Jersey.

Many have asked us why Lawrence Township chose this alternative, instead of opting for a shared service or regional service for dispatch. Currently, our fire dispatch is regionalized (provided by Mercer County). Our emergency medical dispatch responsibilities are managed by LifeCom, a regional service administered by Capital Health Systems. That left our personnel only providing police dispatch duties.

In 2008, Lawrence performed a study (funded by the New Jersey Department of Community Affairs) of

the feasibility of consolidating emergency dispatch functions among four towns in Mercer County. The study concluded that the consolidation would work. The next step was to perform another state-funded study into the physical needs of a larger communication center at the Lawrence Township Police Headquarters. We discovered that grant funds were no longer available for the expansion. From 2008 until the fall of 2012 the various efforts of the four participating municipalities to create a shared dispatch operation were unsuccessful.



Yet another study, concluded in June of 2011 by Matrix Consulting of the entire Police Department, gave us helpful information on the volume and times of calls handled by our emergency dispatch center. The data collected enabled us to analyze our community's dispatch needs and to prepare accurate bid specifications for vendors. The Township Administration and command officers of the Lawrence Township Police Department were concerned about structuring a public bid that would generate a viable bidder, based on quality as well as price.

Lawrence Township took advantage of competitive contracting as permitted by the New Jersey Public Contracts Law, specifically N.J.S.A. 40A:11-4.1 k, which permits the Director of the Division of Local Government Services to authorize the use of competitive contracting when a service is not statutorily enumerated. Competitive contracting is used in place of public bidding when a contract award is not made solely on price. Once our request was granted, the next step was approval by resolution of the governing body to use competitive contracting to procure 911 emergency dispatch services.

The Lawrence Township Council made a full examination of the possible outcomes from this action before granting their approval. They considered issues of resident safety, police officer safety, response times, the effect on dispatch employees, and economics. They would need to wait until after the bids were received to weigh the merits of each proposal against the current operations.

The development of the specifications was quite a concerted endeavor. Not having completed such a document for dispatch services previously and not having another New Jersey municipality with which to consult, the specification development took a great deal of time and discussion.

The Lawrence Township Police Department is a Public Safety Answering Point (PSAP). The specifications noted that the "communications center handles all police, fire and ambulance calls for service via 9-1-1 and regular telephone line. Additionally, the communication center of the Lawrence Township Police Department is the primary calling center for the police department and handles telephone calls for other bureaus in the department as well as answering general questions of the public." The specifications also included 18 examples of work by dispatch personnel. We also required bidders to have experience in providing this service, although not necessarily in New Jersey.

One bid was submitted by iXP Corporation for the providing of 911 emergency dispatch services for a maximum period of five years. iXP is responsible for the hiring, training and supervision of personnel. The arrangement also specifies that our police shift supervisor will be in charge of all police/dispatching functions. Lawrence Township will continue to own and maintain the dispatching technology infrastructure. The bid specifications and proposal were prepared in a way that will enable the service to become a revenue center for our township by providing dispatch services to other municipalities.

Once we determined that our vendor met the operational requirements, we did a cost comparison with our "in house" service. The analysis examined the vendor cost for the five year contract period versus the fully-staffed dispatch center provided by township employees. The center was not fully staffed but the comparison ignored current staffing and weighed the proposals with all positions filled.

To our surprise the cost of the proposal for private employees versus the cost of township employees revealed that the current operation was less expensive. However, further analysis revealed two areas where the use of public employees increased costs. The first was that the use of municipal employees would result in mandatory overtime in accordance with the Fair Labor Standards Act. The second, more significant, finding was that our use of police officers to "backfill" dispatcher absences in effect took up the time of one and a half officers. With the private service, we would no longer need to rely on police officers to staff the dispatch center. Instead, their time could be allocated for police functions. In other words, switching to the private 911 service would add one and one-half police officers at no additional cost to taxpayers. This was significant because, since 2008, the ranks of uniformed officers in Lawrence Township have decreased by 12 positions.

A new paradigm of municipal service priorities is before all public officials. We are keenly aware that we must provide services at a cost that provides value to taxpayers. However, municipal officials are not always given complete latitude on the full scope of services. Innovation may present some risk which must be weighed against the risk of inaction. The decision to privatize police dispatching services in Lawrence Township was a bit of both

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