

## Pleasant Springs Contract

History: We were awarded the current Pleasant Springs agreement January 2009 for the price of \$65,000 with an annual increase of 2%. This contract ran until 2014. The contract was renewed in 2014 with the same structure of a baseline price with a 2% increase annually. This was set up this way with the assumption that call volume would increase.

Currently we still have this same structure with increases of 2% every year. The call volume has not increased like it was originally thought, in fact it has declined significantly. When we first began the contract in 2009 the annual call volume was around 90 calls. In 2019 the number of calls was 55. In 2020 the number of calls was 44. Of the 44 calls 9 were cancelled before or while we were in route. The call volume has dropped dramatically with the reconstruction of interstate 90.

I believe we should discuss reducing the cost of the contract now and taking action this year. This year Pleasant Springs will pay \$64,394 for our services. If the call volume is the same as last year the cost of the contract per call would be \$1463.55 per call. In 2009 when the contract began the cost per call was \$722.22. With the reduced amount of calls for service I believe a price reduction would show Pleasant Springs we value their partnership with us. The next renewal is in a few years but I believe this would help them to see the extra value in what we are doing for them. We did a reduction like this a few years ago when we re-evaluated the call volume. Also, at the time of the next renewal Stoughton and McFarland will both be aggressively competing for this contract.