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DECEMBER 14, 2004

IGNACIO DE LA FUENTE, PRESIDENT
CITY COUNCIL
OAKLAND, CALIFORNIA

PRESIDENT DE LA FUENTE AND MEMBERS OF THE CITY COUNCIL

SUBJECT: RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE CONTRACTS WITHOUT RETURN TO COUNCIL TO ACQUIRE NECESSARY EQUIPMENT AND SERVICES TO UPGRADE THE CITY OF OAKLAND'S 9-1-1 SYSTEM CUSTOMER PREMISE EQUIPMENT (CPE) AND RELATED EQUIPMENT; WITH: (A) FIVE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$575,000) ASSOCIATED WITH A CONTRACT WITH SBC FOR EQUIPMENT AND SERVICES AND THE WAIVING OF COMPETITIVE BIDDING; AND (B) TWO HUNDRED TWENTY THOUSAND (\$220,000) IN COMPETITIVELY BID CONTRACTS, FOR COMPUTER EQUIPMENT, PERIPHERALS AND RELATED EQUIPMENT AT THE CITY OF OAKLAND 9-1-1 CENTER; FOR A GRAND TOTAL AMOUNT NOT TO EXCEED SEVEN HUNDRED NINETY FIVE THOUSAND DOLLARS (\$795,000); WITH ALL COSTS TO BE PAID FROM THE STATE OF CALIFORNIA 9-1-1 PROGRAM.

PURPOSE AND SCOPE

In accordance with the Measure H Charter Amendment, which was passed by the voters at the General election of November 5, 1996, we have made an impartial financial analysis of the accompanying Proposed Resolution and Agenda Report. We also obtained additional information and clarification from City staff.

The City Auditor is elected by the citizens of Oakland to serve as an officer in charge of an independent department auditing City government activities. The independence of the City Auditor is established by the City Charter.

Since the Measure H Charter Amendment specifies that our impartial financial analysis is for informational purposes only, we did not apply Generally Accepted Government Auditing Standards as issued by the Comptroller General of the United States. Moreover, the scope of our analysis was impaired by Administrative Instruction Number 137, effective May 21, 1997, which provides only one (1) week for us to plan, perform and report on our analysis.

SUMMARY

The City of Oakland has separate emergency dispatch centers for police and fire dispatchers. All 9-1-1 calls are sent to the Police Department. If the call involves a fire-related emergency, then it is transferred to the Fire Department.

In 1999, the City entered into a five-year lease agreement with Pacific Bell (currently SBC) for installation and maintenance of the existing equipment and services, and furniture at the Police Department emergency dispatch center. The lease agreement expired in June 2004, and the Proposed Resolution involves the upgrade of the (1) equipment and services, and (2) computers and peripherals.

FISCAL IMPACT

The State of California 9-1-1 program is providing the City \$795,000 to make the upgrades, as summarized below:

<u>Description</u>	<u>Amount</u>
Equipment and services	\$ 575,000
Computers and peripherals	<u>220,000</u>
Total	<u>\$ 795,000</u>

No City funds are required.

VENDOR SELECTION PROCESS

The computers and peripherals will be purchased through competitive bid.

However, staff proposes to select SBC as the vendor of the equipment and services without competitive bid, since SBC (formerly Pacific Bell) installed the system in 1999 and is a leader in the industry. Namely,

- SBC provides main telephone switches to more than 125 of the 179 Public Safety Answering Point (PSAP) centers in Northern California.
- SBC also provides 9-1-1 network equipment such as trunks, lines, and data links to over 95% of the PSAPs in Northern California.

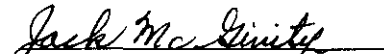
- SBC is among the few telecommunications companies that have dedicated 9-1-1 equipment and service staff to provide technical support, equipment and maintenance engineering, and system analysis.


CONCLUSION

The Proposed Resolution appears to be reasonable.

Prepared by:

Issued by:


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Report completion date:
December 1, 2004