



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2013 MAY 31 AM 9:15

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Donna Hom  
Budget Director

SUBJECT: New General Purpose Fund Revenue and  
Proposed FY 2012-13 Appropriations

DATE: May 30, 2013

City Administrator  
Approval

Date

5/30/13

COUNCIL DISTRICT: City-Wide

## RECOMMENDATION

Staff recommends that the City Council approve the following package of resolutions to recognize new revenue and appropriate undesignated General Purpose Fund balance:

1. Resolution Amending the City of Oakland's FY 2011-13 Biennial Budget, which was Adopted Pursuant to Resolution No. 83444 C.M.S. on June 30, 2011 and Amended by Resolution 83943 C.M.S. on June 28, 2012, to Recognize New Revenue Based on the FY 2012-13 Third Quarter Revenue and Expenditure Report;
2. Resolution Authorizing the City Administrator or Her Designee to Expend Three Million Forty-Two Thousand Dollars (\$3,042,000) from the FY 2012-13 General Purpose Fund Undesignated Balance on Public Safety Radio System (P25) Including 911 Infrastructure Upgrades and Immediate Improvement Needs to Dispatch Communications Center and Delegate Authority to the City Administrator, or Her Designee, to Award Contracts;
3. Resolution Authorizing the City Administrator or Her Designee to Appropriate Four Million Four Hundred Thousand Dollars (\$4,400,000) for the Overtime the Oakland Police Department is Projected to Spend Over the FY 2012-13 Police Department General Purpose Fund Budget, from Undesignated General Purpose Fund Balance;
4. Resolution Authorizing the City Administrator or Her Designee to Appropriate Seven Million Dollars for Pending Litigation and Settlements from FY 2012-13 Undesignated General Purpose Fund Balance; and
5. Resolution Authorizing the City Administrator or Her Designee to Appropriate Four Million Eight Hundred Fourteen Thousand Six Hundred Ten Dollars (\$4,814,610) From Undesignated General Purpose Fund Balance to Compliance Director Compensation and Staff Costs, Remedial Action Plan Costs, and Strategic Policy Partners Recommendation Costs.

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Finance and Management Committee

June 11, 2013

**OUTCOME**

The FY 2012-13 Policy Budget will be amended based on an increase of revenue and additional appropriations to address operational needs.

**EXECUTIVE SUMMARY**

See discussion in attached agenda reports for individual resolutions.

**BACKGROUND/LEGISLATIVE HISTORY**

See discussion in attached agenda reports for individual resolutions.

**ANALYSIS**

See discussion in attached agenda reports for individual resolutions.

**PUBLIC OUTREACH/INTEREST**

See discussion in attached agenda reports for individual resolutions.

**COORDINATION**

These items were prepared in coordination between the City Administrator's Budget Office, City Attorney's Office, Police Department, Controller's Office, Revenue Division, and various other departments.

**COST SUMMARY/IMPLICATIONS**

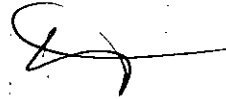
See discussion in attached agenda reports for individual resolutions.

**SUSTAINABLE OPPORTUNITIES**

See discussion in attached agenda reports for individual resolutions.

For questions regarding this report, please contact Donna Hom, Budget Director, City Administrator's Office, at 238-2038.

Respectfully submitted,



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DONNA HOM  
Budget Director

**Attachments:**

- Attachment 1 – Agenda Report on Resolutions to Recognize Increased Revenue and Appropriate Funds for Police Overtime and Litigation Reserve
- Attachment 2 – Resolution Amending the City of Oakland's FY 2011-13 Biennial Budget, which was Adopted Pursuant to Resolution No. 83444 C.M.S. on June 30, 2011 and Amended by Resolution 83943 C.M.S. on June 28, 2012, to Recognize New Revenue Based on the FY 2012-13 Third Quarter Revenue and Expenditure Report
- Attachment 3 – Agenda Report on Public Safety Technology Needs
- Attachment 4 – Resolution Authorizing the City Administrator or Her Designee to Expend Three Million Forty-Two Thousand Dollars (\$3,042,000) from the FY 2012-13 General Purpose Fund Undesignated Balance on Public Safety Radio System (P25) Including 911 Infrastructure Upgrades and Immediate Improvement Needs to Dispatch Communications Center and Delegate Authority to the City Administrator, or Her Designee, to Award Contracts
- Attachment 5 – Resolution Authorizing the City Administrator or Her Designee to Appropriate Four Million Four Hundred Thousand Dollars (\$4,400,000) for the Overtime the Oakland Police Department is Projected to Spend Over the FY 2012-13 Police Department General Purpose Fund Budget, from Undesignated General Purpose Fund Balance
- Attachment 6 – Resolution Authorizing the City Administrator or Her Designee to Appropriate Seven Million Dollars for Pending Litigation and Settlements from FY 2012-13 Undesignated General Purpose Fund Balance
- Attachment 7 – Agenda Report on Appropriation for Compliance Director, Remedial Action Plan, and Strategic Policy Partners Recommendations
- Attachment 8 – Resolution Authorizing the City Administrator or Her Designee to Appropriate Four Million Eight Hundred Fourteen Thousand Six Hundred Ten Dollars (\$4,814,610) From Undesignated General Purpose Fund Balance to

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Finance and Management Committee

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Deanna J. Santana, City Administrator

Subject: New General Purpose Fund Revenue and Proposed FY 2012-13 Appropriations

Date: May 30, 2013

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Compliance Director Compensation and Staff Costs, Remedial Action Plan  
Costs, and Strategic Policy Partners Recommendation Costs.

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OAKLAND

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# AGENDA REPORT

TO: DEANNA J. SANTANA  
City Administrator

FROM: Donna Hom  
Budget Director

SUBJECT: RESOLUTIONS TO RECOGNIZE INCREASED REVENUE AND APPROPRIATE FUNDS FOR POLICE OVERTIME AND LITIGATION RESERVE DATE: March 30, 2013

City Administrator  
Approval

Date

5/20/13

COUNCIL DISTRICT: # or City-Wide

## RECOMMENDATION

Adopt resolutions addressing the following three revenue and expenditure developments:

- AMENDING THE CITY OF OAKLAND'S FY 2011-13 BIENNIAL BUDGET, WHICH WAS ADOPTED PURSUANT TO RESOLUTION NO. 83444 C.M.S. ON JUNE 30, 2011 AND AMENDED BY RESOLUTION 83943 C.M.S. ON JUNE 28, 2012, TO RECOGNIZE NEW REVENUE BASED ON THE FY 2012-13 THIRD QUARTER REVENUE AND EXPENDITURE REPORT
- AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO APPROPRIATE FOUR MILLION FOUR HUNDRED THOUSAND DOLLARS (\$4,400,000) FOR THE OVERTIME THE OAKLAND POLICE DEPARTMENT IS PROJECTED TO SPEND OVER THE FY 2012-13 POLICE DEPARTMENT GENERAL PURPOSE FUND BUDGET, FROM UNDESIGNATED GENERAL PURPOSE FUND BALANCE
- AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO APPROPRIATE SEVEN MILLION DOLLARS FOR PENDING LITIGATION AND SETTLEMENTS FROM FY 2012-13 UNDESIGNATED GENERAL PURPOSE FUND BALANCE

## EXECUTIVE SUMMARY

As is normal, there have been some mid-year developments regarding the City of Oakland's revenues and expenditures that require City Council action. As a result of the FY 2012-13 Third Quarter Revenue and Expenditure Report, the City is estimating increased General Purpose Fund revenues. The City Council should recognize these new revenues as part of the budget. Also as

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June 11, 2013

part of the quarterly report, the City is expecting the Oakland Police department to exceed its budgeted expenditures for overtime, due primarily to the need to backfill critical sworn and civilian shifts. Finally, the City is the defendant in lawsuits that have recently been decided or settled or are expected to soon be decided or settled, for which the City is expected to incur significant expenses and has not budgeted adequate resources, such that it is prudent to establish a reserve for this purpose.

### OUTCOME

Adoption of the proposed resolutions will match budgeted revenues and expenditures with actual revenues and expenditures based on recent mid-year data, as well as create a prudent reserve for some specific anticipated expenditures.

### BACKGROUND/LEGISLATIVE HISTORY

The Oakland City Council adopted the FY 2011-13 Biennial Budget on June 30, 2011 pursuant to Resolution No. 83444 C.M.S. It was subsequently amended for FY 2012-13 on June 28, 2012 pursuant to Resolution No. 83943 C.M.S.

### ANALYSIS

As is normal, there have been some mid-year developments regarding the City of Oakland's revenues and expenditures that require City Council action. As a result of the FY 2012-13 Third Quarter Revenue and Expenditure Report, the City is estimating increased General Purpose Fund revenues. The City Council should recognize these new revenues as part of the budget. Also as part of the quarterly report, the City is expecting the Oakland Police department to exceed its budgeted expenditures for overtime, due primarily to the need to backfill critical sworn and civilian shifts. Finally, the City is the defendant in lawsuits that have recently been decided or settled or are expected to soon be decided or settled, for which the City is expected to incur significant expenses and has not budgeted adequate resources, such that it is prudent to establish a reserve for this purpose.

### PUBLIC OUTREACH/INTEREST

The adoption of the resolutions does not require any public outreach beyond routine processes.

### COORDINATION

This report was prepared in coordination between the City Administrator's Budget Office, the Police Department, Controller's Office, Revenue Division, and various other departments.

**COST SUMMARY/IMPLICATIONS**

- The resolution regarding FY 2012-13 General Purpose Fund revenues would increase budgeted revenues from \$409,346,763 to \$428,290,617.
- The resolution regarding Oakland Police Department overtime would increase the FY 2012-13 General Purpose Fund appropriation for that purpose by \$4,400,000, from the undesignated General Purpose Fund balance.
- The resolution regarding a reserve for pending litigation and settlements would reserve \$7,000,000 of the undesignated General Purpose Fund balance for funding judgments and settlements.

**SUSTAINABLE OPPORTUNITIES**

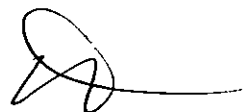
*Economic:* There are no direct economic opportunities.

*Environmental:* There are no direct environmental opportunities.

*Social Equity:* There are no direct social equity opportunities.

For questions regarding this report, please contact Donna Hom, Budget Director, City Administrator's Office, at 238-2038.

Respectfully submitted,



DONNA HOM

Budget Director

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2013 MAY 31 AM 9:16

APPROVED AS TO FORM AND LEGALITY:

BY: \_\_\_\_\_

City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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A RESOLUTION AMENDING THE CITY OF OAKLAND'S FY 2011-13 BIENNIAL BUDGET, WHICH WAS ADOPTED PURSUANT TO RESOLUTION NO. 83444 C.M.S. ON JUNE 30, 2011 AND AMENDED BY RESOLUTION 83943 C.M.S. ON JUNE 28, 2012, TO RECOGNIZE NEW REVENUE BASED ON THE FY 2012-13 THIRD QUARTER REVENUE AND EXPENDITURE REPORT, RESULTING IN A GENERAL PURPOSE FUND REVENUE INCREASE FROM \$409,346,763 TO \$431,290,617

WHEREAS, the City Council adopted Resolution No. 83444 C.M.S. on June 30, 2011 adopting the FY 2011-13 biennial budget, and appropriating certain funds to provide for the expenditures proposed by the said budget; and

WHEREAS, the City Council adopted Resolution No. 83943 C.M.S. on June 28, 2012 which amended the budget; now, therefore be it

**RESOLVED:** That the City's FY 2011-13 Policy Budget is hereby amended to include adjustments to general purpose revenues presented in Exhibit A; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to take any other action necessary consistent with this Resolution and its basic purposes.

BY COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2013

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN,  
PRESIDENT KERNIGHAN, REID, SCHAAF

NOES-  
ABSENT-  
ABSTENTION-

ATTEST: \_\_\_\_\_

LATONDA SIMMONS  
City Clerk and Clerk  
of the Oakland City Council

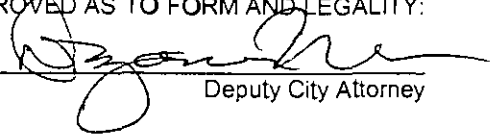


**Exhibit A: Revenue Appropriation  
City of Oakland - General Purpose Fund (1010)**

<b>Revenue Source</b>	<b>Midcycle Adopted Budget</b>	<b>Third Quarter Revised Budget</b>	<b>Variance Adopted to Revised</b>
Property Tax	\$ 125,166,501	\$ 140,635,054	\$ 15,468,553
Sales Tax	\$ 43,556,223	\$ 48,732,327	\$ 5,176,104
Business License Tax	\$ 51,800,000	\$ 58,000,000	\$ 6,200,000
Utility Consumption Tax	\$ 50,500,000	\$ 50,000,000	\$ (500,000)
Real Estate Transfer Tax	\$ 28,490,000	\$ 40,000,000	\$ 11,510,000
Transient Occupancy Tax	\$ 10,864,502	\$ 12,312,286	\$ 1,447,784
Parking Tax	\$ 8,103,857	\$ 9,009,346	\$ 905,489
Licenses & Permits	\$ 925,570	\$ 1,427,188	\$ 501,618
Fines & Penalties	\$ 25,425,535	\$ 19,962,898	\$ (5,462,637)
Interest Income	\$ 800,000	\$ 800,000	\$ -
Service Charges	\$ 43,338,382	\$ 43,338,382	\$ -
Grants & Subsidies	\$ 160,672	\$ 160,672	\$ -
Miscellaneous	\$ 2,733,000	\$ 712,465	\$ (2,020,535)
Interfund Transfers	\$ 3,200,000	\$ 3,200,000	\$ -
<b>Subtotal Revenue</b>	<b>\$ 395,064,242</b>	<b>\$ 428,290,617</b>	<b>\$ 33,226,374</b>
Transfers from Fund Balance	\$ 14,282,521	\$ -	\$ (14,282,521)
<b>Total Revenues</b>	<b>\$ 409,346,763</b>	<b>\$ 428,290,617</b>	<b>\$ 18,943,853</b>
Replenishment of GPF Reserve using excess RETT <i>Per Ordinance No. 13134 C.M.S.</i>	\$ -	\$ 3,000,000	\$ 3,000,000

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APPROVED AS TO FORM AND LEGALITY:

BY:   
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO APPROPRIATE FOUR MILLION FOUR HUNDRED THOUSAND DOLLARS (\$4,400,000) FOR THE OVERTIME THE OAKLAND POLICE DEPARTMENT IS PROJECTED TO SPEND OVER THE FY 2012-13 POLICE DEPARTMENT GENERAL PURPOSE FUND BUDGET, FROM UNDESIGNATED GENERAL PURPOSE FUND BALANCE

WHEREAS, the City Administrator published the FY 2012-13 Third Quarter Revenue and Expenditure Report on May 20, 2013, which showed that the Oakland Police Department was projected to exceed budgeted overtime funds by \$4.4 million; and

WHEREAS, the department is prudently using overtime as a cost effective means to backfill critical sworn and civilian staff during this current period of historically low staffing, including:

- Backfill of open beats in Patrol due to a high number of sworn vacancies,
- Backfill of 911 operators due to vacancies and low authorized strength relative to demand for service,
- Overtime related to planned protests, and
- Security for the President of the United States' visit

; now, therefore be it

**RESOLVED:** That the City's FY 2011-13 Policy Budget is hereby amended to increase the Oakland Police Department's FY 2012-13 General Purpose Fund overtime budget with funds from the Undesignated General Purpose Fund balance; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to take any other action necessary and consistent with this Resolution and its basic purposes.

BY COUNCIL, OAKLAND, CALIFORNIA

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, SCHAAF REID and  
PRESIDENT KERNIGHAN ,

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

LATONDA SIMMONS  
City Clerk and Clerk  
of the Oakland City Council

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2013 MAY 31 AM 9:20

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR  
HER DESIGNEE TO APPROPRIATE SEVEN MILLION DOLLARS  
TO A RESERVE FOR PENDING LITIGATION AND SETTLEMENTS  
FROM UNDESIGNATED GENERAL PURPOSE FUND BALANCE**

**WHEREAS**, it is anticipated that the the City of Oakland will incur significant expenses in connection with litigiaton and settlements; and

**WHEREAS**, the normal source from which the City would pay the expenses, the Self Insurance Liability Fund (Fund 1100), presently has a negative fund balance due to historic under-recovery; and

**WHEREAS**, the Self Insurance Liability Fund (Fund 1100) would increase its negative fund balance were it to fund the anticipated expenses, which is counter to Generally Accepted Accounting Practices (GAAP); now, therefore be it

**RESOLVED**: That the City Council hereby establishes a reserve within the General Purpose Fund of seven million dollars (\$7,000,000) solely for the purpose of paying pending litigation expenses and settlements.; and be it

**FURTHER RESOLVED**: That the City Administrator is authorized to take any other action necessary consistent with this Resolution and its basic purposes.

BY COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2013

**PASSED BY THE FOLLOWING VOTE:**

**AYES-** BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN,  
PRESIDENT KERNIGHAN, REID, SCHAAF

**NOES-**

**ABSENT-**

**ABSTENTION-**

ATTEST: \_\_\_\_\_

LATONDA SIMMONS  
City Clerk and Clerk  
of the Oakland City Council



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
**AGENDA REPORT**  
2013 MAY 31 AM 9:20

**TO:** DEANNA J. SANTANA  
CITY ADMINISTRATOR

**FROM:** Donna Hom  
Budget Director

**SUBJECT:** Appropriation for Compliance Director,  
Remedial Action Plan, and Strategic  
Policy Partners Recommendations  
**DATE:** May 30, 2013

City Administrator  
Approval

Date 5/30/13

**COUNCIL DISTRICT:** City-Wide

**RECOMMENDATION**

Adopt a resolution appropriating four million eight hundred fourteen thousand six hundred ten dollars (\$4,814,610) from undesignated General Purpose Fund balance to Compliance Director compensation and staff costs, Remedial Action Plan costs, and Strategic Policy Partners recommendations costs.

**OUTCOME**

Adoption of the resolution will provide funding for items mandated by the court-appointed Compliance Director, fund some additional priority items identified by Strategic Policy Partners, and prudently establish a set aside of \$1,000,000 for anticipated future mandates from the Compliance Director.

This supplemental report adds newly available information to the FY 2013-15 Proposed Policy Budget for City Council's consideration and will require new balancing measures along with the entirety of the FY 2013-15 Proposed Policy Budget.

**EXECUTIVE SUMMARY**

The City is required to compensate the court-appointed Compliance Director and their support staff. The City is also required to make expenditures on Remedial Action Plan items, and is expecting additional future required expenditures. The City is also in receipt of recommendations from Strategic Policy Partners on key investments that could improve the effectiveness of the Oakland Police Department. To address these required, recommended, and anticipated costs, the City Administrator is recommending the City Council appropriate resources from undesignated General Purpose Fund balance totaling \$4,814,610.

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**BACKGROUND/LEGISLATIVE HISTORY**

On January 3, 2003, Judge Thelton E. Henderson signed an order pursuant to a negotiated agreement by parties in the Delphine Allen case (NSA) that set forth numerous tasks to be completed by the Oakland Police Department. On March 4, 2013, Judge Henderson appointed Commissioner Thomas C. Frazier as the Compliance Director, who was tasked to issue a Remedial Action Plan (“Plan”), to facilitate sustainable compliance with all outstanding tasks by December 2013.

On March 4, 2013, when Judge Thelton E. Henderson appointed the Compliance Director, the City was also directed to deposit \$270,000 with the Court for the Compliance Director’s salary, with benefits to be resolved.

On April 17, 2013, Judge Thelton E. Henderson approved the three Compliance Director staff persons retroactive to March 11, 2013 and at the cost of approximately \$385,600 per year plus reasonable travel costs. The court order also stated that the Compliance Director may also hire a project manager or administrative assistant, as well as subject matter experts as required. The cost is to be determined and as of this report writing, is not resolved.

The City is required to compensate the court-appointed Compliance Director, Thomas C. Frazier, and compensate necessary support staff. As illustrated in Table 1 below, the City estimates that these costs will total over \$1.6 million from now through December 2014.

Table 1: Compliance Director and Associated Costs

Cost Item Descriptions	Amount	Period Covered
Compliance Director (CD) Salary (\$270K has been deposited with the Court in December 2012)	\$ 675,000	Dec. 2012-Dec.2014
Benefits for CC (Mandated)	TBD	
CD Staff (three staff) (\$100K has been deposited with the Court in March 2013)	\$ 900,000	Mar. 2013-Dec. 2014
Project Manager or Administrative Staff	TBD	
Reasonable Travel Costs	TBD	
Moving Costs for CD (Absorbed by Police Department’s budget)	\$ 10,000	One-time
Office Space & Parking (Absorbed by Police Department budget)	\$ 36,110	Mar. 2013- Mar. 2014
<b>Total Known CD &amp; Staff Related Costs:</b>	<b>\$1,621,110</b>	

The Compliance Director submitted his first Remedial Action Plan (“Plan”) to the City on May 1, 2013. The Plan calls for new investments in the Police Department beyond what is already

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included in the FY 2012-13 Amended Midcycle Budget and the FY 2013-15 Proposed Policy Budget. The Plan is available on the City's website at the following link:

<http://www2.oaklandnet.com/oakcal/groups/police/documents/webcontent/oak040879.pdf>

The Plan contains a list of training, technology, and other items that the Compliance Director believes the Police Department needs to comply with the Negotiated Settlement Agreement (NSA). These are listed in the Plan's budget addendum beginning on page 57. The costs for items proposed by the Compliance Director in the Plan that are quantifiable at the time of this report is \$1,825,000.

The addendum also includes a number of items for which the estimated cost is still to be determined (TBD). City staff believes that the cost for these items as well as some other potential near term items required by the Compliance Director will total appropriately \$1,000,000. As such, the Budget Office is proposing that the City Council establish a budget set aside in this amount to reserve resources for these anticipated expenditures.

When the total costs are determined for the items listed above, staff will bring a report with a resolution to finalize the appropriation.

While the Compliance Director was identifying steps to the Police Department's compliance with the NSA, the City was also under contract with Strategic Policy Partners (SPP) to evaluate Police Department operations and crime fighting tactics. As a result of its analysis, SPP also recommended some new investments by the Police Department, in addition to those items identified by the Compliance Director. SPP's recommended expenditures are estimated to total approximately \$368,500. This will include training and professional exchanges between Oakland Police Department's middle and senior management and peers in other jurisdictions; a post-academy community orientation for new graduates; a new employee performance evaluation design; racial profiling data analysis; critical incident training; on-call mental health professionals; effort on reducing domestic violence homicides; and improving recruitment strategies. Note that a policy discussion of the SPP report will take place at the Public Safety Committee on June 11, 2013.

Compliance Director compensation and staff costs, Remedial Action Plan items, a set aside for anticipated future Plan items, and the recommendations of SPP total \$4,814,610, as shown below in Table 2. The total amount for mandatory items is \$3,311,110. This is not the total cost for NSA related actions. Some of the cost items are being identified as initial costs, and the Compliance Director has stated that there will be subsequent costs. There are items that are pending for determining costs.

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Finance and Management Committee

June 11, 2013

Table 2: Summary of Proposed Cost Items from Compliance Director and SPP  
Recommendation

Descriptions	Amount	Comments
Compliance Director & Associated Staff Costs	\$1,621,110	This is a mandatory item. Details are listed in Table 1.
Compliance Director proposed Remedial Action Plan items	\$1,825,000	This is a mandatory item. Costs are initial and partial assessment.
Mandatory Item Sub-Total	\$3,446,110	
Anticipated Future Remedial Action Plan Expenditure Set Aside	\$1,000,000	
Strategic Policy Partners Recommended items	\$ 368,500	Items that are not overlapped with the Remedial Action Plan items, including training and professional exchanges between Oakland Police Department's middle and senior management and peers in other jurisdictions; a post-academy community orientation for new graduates; a new employee performance evaluation design; etc., as detailed above
Discretionary Item Sub-Total	\$1,368,500	
Grand Total:	\$4,814,610	

It is noted that some of the costing items are only initial costs and the CD anticipates additional costs for those times such as radio system assessment and repair. There are costs that are for staff, which are on-going such as staff for technology information and fingerprint identification expert. Many of the costing items related to trainings are anticipated to be recurring.

#### PUBLIC OUTREACH/INTEREST

The Compliance Director's Plan is prepared under the Court Order (Master Case File #C00-4599 TEH). The recommendations from Strategic Policy Partner are the result of active engagement with the community and the workforce, resulting from a Council approved action in January 2013.

#### COORDINATION

The report was prepared in coordination with the City of Oakland Police Department, City Attorney's Office, and Controller's Office.

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Finance and Management Committee  
June 11, 2013



Deanna J. Santana, City Administrator

Subject: Appropriation for Compliance Director, Remedial Action Plan, and Strategic Policy Partners  
Recommendations

Date: May 30, 2013

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**COST SUMMARY/IMPLICATIONS**

The summary of costs associated with (1) Compliance Director and his staff, (2) Remedial Action Plan, and (3) recommendations from Strategic Policy Partners are listed in Table 2.

Respectfully submitted,



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DONNA HOM  
Budget Director

Reviewed by:

Gilbert Garcia  
Director of Bureau of Services  
Oakland Police Department

Item: \_\_\_\_\_

Finance and Management Committee

June 11, 2013

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2013 MAY 31 AM 9:20

APPROVED AS TO FORM AND LEGALITY:

BY:   
City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO APPROPRIATE FOUR MILLION EIGHT HUNDRED FOURTEEN THOUSAND SIX HUNDRED TEN DOLLARS (\$4,814,610) FROM UNDESIGNATED GENERAL PURPOSE FUND BALANCE TO COMPLIANCE DIRECTOR COMPENSATION AND STAFF COSTS, REMEDIAL ACTION PLAN COSTS, AND STRATEGIC POLICY PARTNERS RECOMMENDATION COSTS**

**WHEREAS**, the City is required to compensate the court-appointed Compliance Director and their support staff; and

**WHEREAS**, the City is required to make expenditures as directed by the Compliance Director on Remedial Action Plan items, and is expecting additional future required Remedial Action Plan expenditures; and

**WHEREAS**, The City is in receipt of recommendations from Strategic Policy Partners on key investments that could improve the effectiveness of the Oakland Police Department; now, therefore be it

**RESOLVED**: That the City Council does hereby make the following appropriations totaling \$4,814,610:

- \$1,621,110 for compensation and related expenses for the Compliance Director and his staff,
- \$1,825,000 for Remedial Action Plan items,
- \$1,000,000 in a set aside for anticipated future Remedial Action Plan items, and
- \$368,500 for recommendations from Strategic Policy Partners (SPP) to strengthen Police Department operations and crime fighting tactics,

; and be it

**FURTHER RESOLVED**: That the source of funds shall be the undesignated General Purpose Fund balance; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to take any other action necessary consistent with this Resolution and its basic purposes.

BY COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2013

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF, AND  
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk  
of the Oakland City Council



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2013 MAY 31 AM 9:16

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Ahsan Baig  
Manager, DIT

SUBJECT: PUBLIC SAFETY  
TECHNOLOGY NEEDS

DATE: May 28, 2013

City Administrator  
Approval

*Deanna Santana*

Date

5/30/13

COUNCIL DISTRICT: City-wide

## RECOMMENDATION

Staff recommends that City Council approve a resolution authorizing the City Administrator to expend (\$3,042,000) Three Million Forty Two Thousand Dollars from the FY 2012-13 General Fund Undesignated Fund Balance on Public Safety Radio System (P25) including 911 infrastructure upgrades and immediate improvement needs to City dispatch communications centers and waive the competitive bidding, advertising, and the request for proposal process and delegate authority to the City Administrator to award contracts.

## OUTCOME

Adoption of this resolution will allow the City Administrator to expend monies on 911 infrastructure upgrades and immediate improvement needs to the City's dispatch communications center and award necessary contracts for the purchase of equipment and services as necessary.

## EXECUTIVE SUMMARY

As discussed in closed session on May 21, 2013, staff is returning with a recommendation and resolution appropriating and authorizing the City Administrator to invest in infrastructure upgrades and improvements to the P25 Radio System. These infrastructure upgrades are limited to replacing current equipment within existing City facilities and therefore requires each replacement and/or upgrade to conform to the space and technical specifications of existing public safety facilities and/or systems.

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The project requirements and limited scope restrict the City to a very limited pool of qualified vendors, which are familiar with existing City systems and facilities who could supply the necessary professional services and equipment to complete this project. In order to accomplish the project as expeditiously and cost effectively as possible, the project shall take into account the reuse of existing systems and facilities to the greatest extent possible, and ensure that professional services firms who perform the work have recent experience working with the existing systems and facilities.

Oakland Municipal Code ("OMC") Section 2.04.050 requires advertising and bidding for contracts for the purchase of supplies, equipment, and computer software and the award to the lowest responsible, responsive bidder if award is made. Section 2.04.050 I. 5 provides an exception to the advertising and competitive bidding requirement of the OMC upon a finding and determination by the Council that it is in the best interests of the City to do so.

Additionally, OMC Section 2.04.051 A. requires that a competitive Request For Proposal ("RFP") or Request For Qualifications ("RFQ") selection process for award of contracts that exceed \$25,000 for professional service contracts and which are exempt from bidding under Section 2.04.050.1.1. OMC Section 2.04.051 B provides that the Council can waive the RFP/RFQ requirement if it finds that it is in the best interests of the City to do so.

Staff recommends that the City Council finds and determines that it is in the best interests of the City to waive formal advertising and bidding requirements for the purchase of the equipment and professional services to accomplish these immediate upgrades and improvements to the City 911 Infrastructure, and to waive the RFP/RFQ selection requirement for the professional services aspects of this project.

The resolution will also waive the advertising, bidding, and the request for proposal process in order to remedy the immediate public safety related communications needs as expeditiously as possible. To the greatest extent possible, staff will utilize existing contracts for equipment and services, including but not limited to, WSCA, CMASS, GSA, and other City contracts as part of this project.

This report provides the City Council with information about the funding and spending plan to accomplish this project. A high-level project plan has been established with well-defined deliverables to meet the project schedule and reduce any risk that these infrastructure deficiencies may create to the City's public safety entities.

These improvements are required regardless of radio service providers; that is, whether the City joins the East Bay Regional Communications Systems Authority (EBRCSA) or maintains its own P25 radio system. Based upon the plan to design and implement these infrastructure improvements, the estimated completion date for this project is November 2013.

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## FISCAL IMPACT

This resolution will authorize the City Administrator to expend an amount not to exceed \$3,042,000 from the FY 2012-13 General Fund balance.

The Department of Technology is responsible for the maintenance of the equipment and facilities detailed in this project. The Radio Fund (4200) covers maintenance and operation of these systems and no additional maintenance costs are anticipated as a result of this project.

## BACKGROUND

Beginning in August of 2012, the City Administrator directed the Department of Information Technology to identify and resolve any issues related to failures of the P25 Public Safety Radio System. Since that time, staff has performed a detailed analysis of the P25 System including the supporting facilities and infrastructure, which supports the P25 Radio System, as well as many other critical public safety systems. The infrastructure that supports the City's 911 communications centers is nearing fifteen (15) years old, well past its useful life, and requires immediate upgrades to ensure these facilities can continue performing their duties to serve the residents of Oakland and ensure for the safety of our public safety employees. Numerous instances of communication failures and the ongoing issues related to premature failure of existing equipment have been identified as being caused by this aged supporting infrastructure, as well as, deficient power and grounding systems. In addition, two communications facilities that support both 911 centers was identified as being structurally deficient and require remediation to ensure their survivability during a seismic event.

The list of facilities and deficiencies are detailed below, they include the following:

- APL Communications Facility Uninterruptable Power Supply Replacement, Emergency Generator Power System Reconfiguration, Emergency Heat Exhaust Fan Installation.  
*Estimated Cost: \$450,000*
- 911 Communications Centers (OPD Dispatch Center and Fire Dispatch Center) - Electrostatic Discharge Remediation and Upgrades, Video Display Monitor Replacements, Dispatcher Console Seismic Upgrades, Power & Grounding Upgrades, Console Cabling Replacements, Communications Shelter Replacement.  
*Estimated Cost: \$1,592,000*
- Seneca Communications Facility – Building Shelter Replacement, Emergency Generator Replacement, Grounding & Power Upgrades.  
*Estimated Cost: \$500,000*

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- GWIN Communications Facility – Emergency Generator Replacement, Power & Grounding Upgrades, Communications Shelter Replacement.  
*Estimated Cost: \$500,000*

This one-time investment in public safety communication infrastructure upgrades will improve radio and 911 communications performance and help to ensure that our dispatch centers have the ability to maintain their mission critical function on a day-to-day basis. It will also increase the City's ability to function during regional natural disasters.

Further, the Council should consider that these upgrades to communications infrastructure are necessary regardless of the City continuing to operate its own public safety radio system, or opting to utilize an alternative radio system such as the East Bay Regional Communications Systems Authority (EBRCSA). It is also important to note that staff has uncovered additional cases of infrastructure related upgrades which require remediation, as well as operational deficiencies which may be contributing to reduced performance with its public safety technology systems, including radio communications. Staff recognizes that the City has limited personnel and financial resources to accomplish the full list of deficiencies and recommends that the above items be considered as highest priority items and should be considered as the first phase of a three phase approach to resolving the ongoing public safety technology deficiencies uncovered during this analysis.

Staff anticipates returning to the Council within the next ninety days to provide additional information and recommendations for the second phase of remediation.

### SUSTAINABLE OPPORTUNITIES

**Economic:** There are no economic development opportunities related to this report at this time.

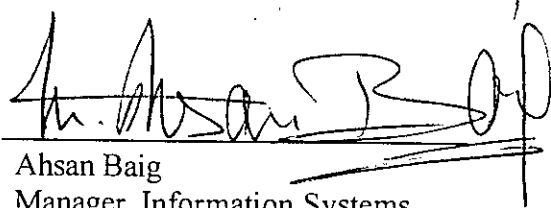
**Environmental:** There are no environmental opportunities related to this report.

**Social Equity:** The City of Oakland continues to ensure that the Public Safety personnel are able to communicate during emergencies with minimal disruptions therefore providing first responders the ability to respond during emergencies to all of Oakland's residents and the community.

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For questions concerning the contents of this report, please contact David Cruise, Information Systems Supervisor at 510-238-3917.

Respectfully submitted,



Ahsan Baig  
Manager, Information Systems  
Public Safety Systems Services  
Department of Information Technology

Reviewed by:  
Gilbert Garcia, Bureau of Services  
Oakland Police Department

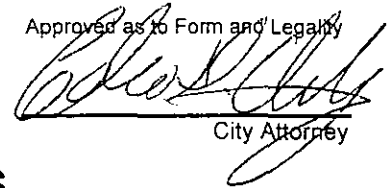
Prepared by:  
David Cruise  
IS Supervisor, Wireless Communications  
Public Safety Systems Services  
Department of Information Technology

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FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

  
City Attorney

2013 MAY 31 AM 9:17

RESOLUTION NO. \_\_\_\_\_

C.M.S.

Introduced by Councilmember \_\_\_\_\_

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO EXPEND (\$3,042,000) THREE MILLION FORTY TWO THOUSAND DOLLARS FROM THE FY 2012-2013 GENERAL FUND UNDESIGNATED FUND BALANCE ON PUBLIC SAFETY RADIO SYSTEM (P25) INCLUDING 911 INFRASTRUCTURE UPGRADES AND IMMEDIATE IMPROVEMENT NEEDS TO DISPATCH COMMUNICATIONS CENTERS AND 1) WAIVE THE COMPETITIVE BIDDING, ADVERTISING, AND REQUEST FOR PROPOSAL PROCESS AND 2) DELEGATE AUTHORITY TO THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO AWARD CONTRACTS**

**WHEREAS**, a public safety radio system is required in order to ensure the safety of residents who need emergency services and of emergency responders; and

**WHEREAS**, there are radio communications failures in the City of Oakland's public safety radio system; and

**WHEREAS**, staff has identified the causes of many of these radio communications failures and has developed an infrastructure improvement plan that will significantly decrease radio failures; and

**WHEREAS**, the radio system and our 911 infrastructure are critical and necessary tools which serves the City's public safety employees and residents and it is in the best interest of the City to remediate the identified needs as expeditiously as possible; and

**WHEREAS**, staff has determined the required upgrades and improvements must be able to integrate into existing systems and facilities and therefore limit the qualified vendors which are able to provide the equipment and services to facilitate the upgrades and improvements at the lowest possible cost; and

**WHEREAS**, staff shall utilize existing contracts for services and equipment to the fullest extent possible;

**WHEREAS**, Oakland Municipal Code ("OMC") section 2.04.050 requires advertising and bidding for contracts for the purchase of supplies, equipment, and computer software and the award to the lowest responsible, responsive bidder if award is made; and

**WHEREAS**, OMC section 2.04.051 requires that a competitive Request For Proposal ("RFP") or Request For Qualifications ("RFQ") selection process for award of contracts that exceed \$25,000 for professional service contracts and which are exempt from bidding under Section 2.04.050.1.1; and

**WHEREAS**, OMC sections 2.04.050.1. and 2.04.051.B permit the Council to waive advertising, bidding and the request for proposal/qualifications processes upon finding that it is in the City's best interest to do so; and

**WHEREAS**, staff has determined that a limited number of qualified vendors are able to supply the equipment and professional services City Administrator has determined that the services that will be needed for these public safety communication improvements are of a professional, scientific or technical and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service;

**WHEREAS**, the City Administrator has determined that the services that will be needed for these public safety communication improvements are of a professional, scientific or technical and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service;

**WHEREAS**, the appropriation of General Purpose Fund (1010) fund balance is necessary to implement these infrastructure improvements; now, therefore be it

**RESOLVED**, that the City Council hereby authorizes the City Administrator or her designee to negotiate and award contracts for public safety radio system upgrades and immediate improvements to the dispatch communications center in an amount not to exceed \$3,042,000; and be it

**RESOLVED**, the City Administrator is authorized to appropriate \$3,042,000 in fiscal year 2012-13 from the General Purpose Fund (1010) fund balance to effect these improvements; and be it

**RESOLVED**, the City Administrator will report to the City Council on the amount of each contract awarded and the improvements associated with each one; and be it,

**FURTHER RESOLVED**: That pursuant to OMC sections 2.04.050.1. and 2.04.051.B and based on the reasons set forth in the City Administrator's agenda report accompanying this resolution, the City Council hereby finds and determines that it is in the best interest of the City to waive the competitive request for proposal/qualifications process for the purchase of goods and services related to the delivery of 911 infrastructure upgrades; and be it

**FURTHER RESOLVED**: That the City Council finds and determines based on the above determinations of the City Administrator, that the goods and services provided pursuant to the agreements authorized hereunder are of a professional, scientific, or technical and temporary nature, and shall not result in a loss of employment or salary by any person having permanent status in the competitive service process; and be it

**FURTHER RESOLVED**, that the contracts shall be reviewed and approved by the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

**AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN**

**NOES -**

**ABSENT -**

**ABSTENTION -**

**ATTEST:** \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California