

# CITY OF OAKLAND

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

AGENDA REPORT

To: Office of the City Administrator  
Attn: Dan Lincheim  
From: Police Department  
Date: February 8, 2011

Re: A Report And Proposed Resolution Authorizing The City Administrator Or His Designee, On Behalf Of The City Of Oakland To 1) Waive The Competitive Request for Proposals (RFP) Process, And 2) Enter Into A Contract With LeadsOnline For The Period Of July 1, 2010 Through June 30, 2011, With Two One-Year Options to Extend, In An Amount Not To Exceed Thirty-Two Thousand Two Hundred Forty-Two Dollars (\$32,242) Annually For Providing Electronic Data Transfer Services

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## SUMMARY

Staff has prepared a report and proposed resolution authorizing the City Administrator to, 1) waive the Competitive Request for Proposals (RFP) Process, and 2) enter into a contract with LeadsOnline for the period of July 1, 2010 through June 30, 2011, with two one-year options to extend, in an amount not to exceed thirty-two thousand two hundred forty-two dollars (\$32,242) annually for providing electronic data transfer services.

## FISCAL IMPACT

Approval of this resolution will allow the Department to enter into a contract with LeadsOnline for the purpose of providing electronic data transfer services for the period of July 1, 2010 through June 30, 2011. Funds in the amount of \$32,242 are included in the Department's FY 2010-2011 Asset Forfeiture Fund (2912), Project (H76010), Criminal Investigations (102310), Online Database Account (55214). Should Asset Forfeiture funding be unavailable in future budget cycles, the Department will determine another available funding source, lower the service level to align with available Asset Forfeiture funding or cease receiving the service. The Captain of Criminal Investigations is the Contract Administrator for this project.

### *Waiver of RFP Process*

LeadsOnline is the sole provider of electronic data services for pawn, second hand, scrap metal recycler and eBay data operating statewide and nationally. LeadsOnline provides more than 290 million transaction records from over 7,000 businesses in all 50 states. They provide law enforcement investigative access across jurisdictional boundaries – borders previously used to the advantage of criminals in order to escape detection by local authorities. The LeadsOnline program also does not require business owners to change software and adapts to virtually all store systems in place today. The Oakland Police Department has actively been working with

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businesses to join the LeadsOnline program and the agency's investigators are trained and proficient on the use of LeadsOnline and have used the service to gather evidence in not only routine property crime cases but also high profile investigations leading to the arrest and prosecution of violent offenders. Further, the LeadsOnline program is the most efficient and secure method of collecting and analyzing pawn, second hand, scrap metal recycler, and eBay transaction data for criminal investigations. Given the Department's decreasing sworn staff levels, the efficiency of the LeadsOnline program is more important than ever in terms of utilizing this information for criminal investigations.

## BACKGROUND

LeadsOnline has been in business since 2000 and is the nation's largest online investigative system used by law enforcement agencies to solve crimes, including burglary, homicide and narcotics offenses. LeadsOnline currently serves over 1600 law enforcement agencies full time; the Oakland Police Department is in the company of thousands of law enforcement agencies throughout California and across America who have turned boxes and file drawers full of pawn tickets into useful data for solving crimes.

LeadsOnline serves law enforcement in 35 states, including California and has data from all 50 states. LeadsOnline is currently serving 32 California agencies (Bay Area Agencies in bold lettering):

- |                               |                            |
|-------------------------------|----------------------------|
| Anaheim CA PD                 | Atherton CA PD             |
| Barstow CA PD                 | Berkeley CA PD             |
| Burlingame CA PD              | Cathedral City CA PD       |
| Chula Vista CA PD             | Clovis CA PD               |
| Concord CA PD                 | Fresno CA PD               |
| Fresno County CA Sheriff      | <b>Hercules CA PD</b>      |
| Indio CA PD                   | Los Gatos CA PD            |
| Madera CA PD                  | <b>Millbrae CA PD</b>      |
| National City CA PD           | Newport Beach CA PD        |
| Oceanside CA PD               | Pacifica CA PD             |
| Palm Springs CA PD            | <b>Redwood City CA PD</b>  |
| San Francisco CA PD           | San Mateo CA PD            |
| <b>San Rafael CA PD</b>       | Santa Clara CA PD          |
| Santa Clara County CA Sheriff | Santa Maria CA PD          |
| <b>Santa Rosa CA PD</b>       | Siskiyou County CA Sheriff |
| Stockton CA PD                |                            |

Oakland has been using LeadsOnline since July 2006; since then LeadsOnline has conducted multiple training sessions to make sure users are up to date on the best ways to solve crimes using their service.

## KEY ISSUES AND IMPACTS

The Oakland Police Department receives an average of 8000 pawn slips a week. Prior to using LeadsOnline services, an officer reviewed each hand written pawn slip and compared the items to any recently stolen items they were investigating. A secondary investigative technique was to categorize the names and the numbers of pawn slips to recognize any patterns. These two methods would take an officer several hours to complete. The LeadsOnLine database has the pawn slips available on line allowing officers to use a fraction of the time to check for stolen items and identify any patterns by known suspects. LeadsOnLine is automatically connected to the National Crime Information Center (NCIC) which quickly informs the department when a stolen item has been pawned. This service is an essential tool our investigators use in solving cases involving stolen property.

One of our solved cases includes when Officer David Wong identified and recovered jewelry taken during a residential burglary. The vicim believed the suspect, a second strike parolee, may have pawned her loss items at a nearby pawnshop. The known suspect's name was run through the LeadsOnline database and four out of seven items were identified as the victim's property and a hold was placed on the evidence.

## PROGRAM DESCRIPTION

LeadsOnline provides the agency with the tools necessary to perform and monitor several statutorily required activities. These activities mandated by law include:

➤ **Second hand Dealer and Pawn Shop Transactions** - Business and Professions Code Section 21625 *et seq.*, regulating the activities of second hand dealers and pawn shops. State law requires the agency to receive reports of transactions from second hand dealers and pawn shops. The required information, including identifying information and thumb print of the person offering items for sale, is collected by second hand dealers and pawn shops and electronically transmitted to the agency. LeadsOnline affords the agency the opportunity to receive, process, store and research not only these transactions in Oakland but in other surrounding agencies as well. The availability of and ability to research this information is vital to the investigation of burglaries, robberies and other property related crimes.

➤ **Junk Dealers and Recycler Transactions** - AB 844 (Berryhill) amending Business and Professions Code Sections 21606, 21606.5, 21608 and 21609 and adding to the code Sections 21608.3 and 21608.5 requiring the Chief of Police to receive monthly reports of transactions from junk dealers and recyclers similar to second-hand dealer reporting requirements. The Police Department does not currently have a

program or the ability to receive, process, store and research these mandated reports; however, LeadsOnline allows this to occur.

## **SUSTAINABLE OPPORTUNITIES**

*Economic:* By contracting with LeadsOnline, collecting and analyzing electronic transfer data is done more efficiently and effectively, helping to increase the rate of prosecution of criminals which increases public safety. With safer streets, the City is more attractive to consumers and investors.

*Environmental:* There are no environmental issues associated with this report.

*Social Equity:* Enactment of the contractual agreement for the availability of electronic transfer data will enhance the Department's ability to investigate, capture, and prosecute criminals; thereby increasing public safety.

## **DISABILITY AND SENIOR ACCESS**

There are no ADA or senior citizen access issues identified in this report.

## **RECOMMENDATION / RATIONALE**

LeadsOnline provides the Oakland Police Department with the tools necessary to perform and monitor several statutorily required activities efficiently and effectively. The Department's investigators are trained and proficient in the use of LeadsOnline. In addition, The Department has been able to use the service to gather evidence in not only routine property crime cases, but also high profile investigations leading to the arrest and prosecution of violent offenders.

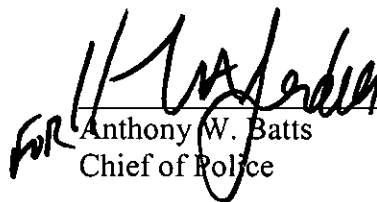
The Oakland Police Department recommends authorization for the City Administrator to, 1) waive the Competitive Request for Proposals (RFP) Process, and 2) enter into a contract with LeadsOnline for the period of July 1, 2010 through June 30, 2011, with two one-year options to extend, in an amount not to exceed thirty-two thousand two hundred forty-two dollars (\$32,242) annually for providing electronic data transfer services.

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**ACTION REQUESTED OF THE COUNCIL**

Staff requests that the City Council grant authorizing to the City Administrator or his designee, on behalf of the City of Oakland to 1) waive the competitive request for proposals (RFP) process, and 2) enter into a contract with LeadsOnline for the period of July 1, 2010 through June 30, 2011, plus two one-year extension options, in an amount not to exceed \$32,242 annually for electronic data transfer services.

Respectfully submitted,

  
Anthony W. Batts  
Chief of Police

Prepared by:  
Officer R. Silva Rodriguez  
Criminal Investigations Division  
Oakland Police Department

Reviewed by:  
Ms. Cynthia P. Perkins  
Legislative Analyst  
Office of Chief of Police

APPROVED AND FORWARDED TO  
THE PUBLIC SAFETY COMMITTEE:



Office of the City Administrator

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OFFICE OF THE CITY CLERK  
OAKLAND

  
City Attorney

# OAKLAND CITY COUNCIL

2011 JAN 27 PM 12:11

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

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HIS DESIGNEE, ON BEHALF OF THE CITY OF OAKLAND TO 1) WAIVE THE COMPETITIVE REQUEST FOR PROPOSALS (RFP) PROCESS, AND 2) ENTER INTO A CONTRACT WITH LEADSONLINE FOR THE PERIOD OF JULY 1, 2010 THROUGH JUNE 30, 2011, PLUS TWO ONE-YEAR EXTENSION OPTIONS, IN AN AMOUNT NOT TO EXCEED THIRTY-TWO THOUSAND TWO HUNDRED FORTY-TWO DOLLARS (\$32,242) ANNUALLY FOR PROVIDING ELECTRONIC DATA TRANSFER SERVICES**

**WHEREAS**, the Police Department has used LeadsOnline as its electronic data transfer service provider since 2006 to provide pawn, second hand, scrap metal recycler and eBay data in order for the Department to comply with State law that mandates regulating pawn shops and second hand dealers; and

**WHEREAS**, LeadsOnline is the only electronic data transfer provider capable of providing the Department with pawn, second hand, scrap metal recycler, and eBay transactions nationwide; and;

**WHEREAS**, using the LeadsOnline service is the most efficient and effect method of the Police Department to monitor data from pawn, second hand, scrap metal recycler, and eBay transactions and;

**WHEREAS**, LeadsOnline is the sole provider of electronic data services for pavm, second hand, scrap metal recycler, and eBay data operating establishments statewide and nationally, and provides more than 290 million transaction records from over 7,000 businesses in all 50 state; and

**WHEREAS**, given the Department's decreasing sworn staff levels, the efficiency of the LeadsOnline program is more important than ever in terms of utilizing this information for criminal investigations.

**WHEREAS**, the Police Department has funding in the amount of \$32,242 available for said services in its FY 2010-11 Asset Forfeiture Fund (2912), Project (H76010), Criminal Investigations (102310), Online Database Account (55214); now therefore be it

**RESOLVED:** That pursuant to Oakland Municipal Code 2.04.051.B and information set forth in the agenda report accompanying this item, the City Council finds and determines that it is in the City's best interests to dispense the competitive request for proposal/qualifications process for electronic data transfer services; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator, or his designee, to enter into a one-year contract with LeadsOnline for the period of July 1, 2010 through June 30, 2011, in an amount not to exceed \$32,242 for electronic data services; and be it

**FURTHER RESOLVED:** That funding in the amount of \$32,242 for said services is available in the Department’s FY 2010-11 Asset Forfeiture Fund (2912), Project (H76010), Criminal Investigations (102310), Online Database Account (55214); and be it

**FURTHER RESOLVED:** That the City Administrator or his designee is authorized to complete all required negotiations, certifications, assurances, and documentation required to accept, modify, renew, extend and/or amend this agreement for services for two one-year extensions, except for any increase in the annual contract amount without returning to the City Council; and be it

**FURTHER RESOLVED:** That the City Attorney shall review and approve said contract with LeadsOnline, as to form and legality and a copy of the fully executed agreement shall be placed on file with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

**AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, REID, SCHAAF, and PRESIDENT REID**

**NOES-**

**ABSENT-**

**ABSTENTION-**

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

**LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California**