

2023 JUN 23 AM 11:03

FILED
OFFICE OF THE CITY CLERK
OAKLAND

APPROVED AS TO FORM AND LEGALITY



CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. 89806 C.M.S.

RESOLUTION RENEWING AND CONTINUING THE CITY COUNCIL'S DECLARATION OF LOCAL EMERGENCY WITHIN THE TERRITORIAL LIMITS OF THE CITY OF OAKLAND DUE TO A RANSOMWARE ATTACK, PROCLAIMED BY THE CITY ADMINISTRATOR ON FEBRUARY 14, 2023, AND RATIFIED BY THE CITY COUNCIL ON FEBRUARY 16, 2023, PURSUANT TO OAKLAND MUNICIPAL CODE CHAPTER 8.50 AND GOVERNMENT CODE SECTION 8630

WHEREAS, Oakland Municipal Code (OMC) section 8.50.050.C.3 authorizes the City Administrator, acting as the Director of Oakland's Emergency Operations Center (EOC), to proclaim a local emergency "when in the opinion of the City Administrator circumstances indicate the existence or threatened existence of a local emergency;" and

WHEREAS, the City of Oakland was subject to a ransomware attack between February 6 and February 9, 2023, and the City and its Information Technology Department (ITD) followed industry best practices to secure its network and launched an investigation to determine the scope and severity of the issue and develop and execute a response plan; and

WHEREAS, as a cautionary measure, ITD took certain non-emergency systems offline while they worked to secure and restore services safely, which may have resulted in delays in City services; and

WHEREAS, on February 14, 2023, the City Administrator acting as Director of the EOC declared a local emergency within the territorial limits of the City of Oakland due to a ransomware attack and the Proclamation is attached hereto as **Exhibit A**; and

WHEREAS, on February 16, 2023, the City Council confirmed and ratified the existence of a local emergency within the territorial limits of the City of Oakland pursuant to OMC Chapter 8.50 and Government Code section 8630 (Reso. 89592 C.M.S.); and

WHEREAS, the City has confirmed that a data breach occurred as part of the ransomware event, and that both current and former employees and a smaller number of non-employee members of the public were impacted, and the investigation is still ongoing;

WHEREAS, on March 15, 2023, the City began mailing notification letters to California residents via U.S. mail in accordance with California Civil Code § 1798.29 and is offering notified persons complimentary identity monitoring services; and

WHEREAS, on March 21, 2023, the City Council found that the local emergency continued to exist and, pursuant to Government Code section 8630, renewed and continued the declaration of a local emergency (Reso. 89643 C.M.S.); and

WHEREAS, on March 31, 2023, the City Administrator, as Director of the EOC, issued additional emergency orders (attached hereto as **Exhibit B**): 1) extending the due dates for certain tax payments; 2) suspending timelines for reporting under section 11 of the City of Oakland Investment Policy; and 3) suspending the provisions of OMC section 2.06.060 A and C, which provide for an interest penalty for failure to make timely payments and the latter two orders are still required; and

WHEREAS, on May 16, 2023, the City Council found that the local emergency continued to exist and, pursuant to Government Code section 8630, renewed and continued the declaration of a local emergency (Resolution 89730 C.M.S.); and

WHEREAS, the City has made significant progress in recovering from the ransomware attack, including threat containment, restoration of City applications, file servers, and access to critical documents; and public-facing applications. However, the overall recovery is not yet complete and continued examination of data files continues, among other efforts; and

WHEREAS, the City Administrator has properly determined that the recovery effort may require the procurement of professional services, equipment and materials and the payment therefor, the activation of emergency workers, and/or the promulgation of orders on an expedited basis and that need is ongoing; and

WHEREAS, the EOC team remains activated and continues to respond to the local emergency, as required; and

WHEREAS, the health and welfare of the citizens of the City as well as that of City employees is of paramount importance to the Mayor, City Council and the City Administration; and

WHEREAS, pursuant to Government Code section 8630, the City must renew the local emergency every 60 days; and now, therefore, be it

RESOLVED: That the City Council of the City of Oakland finds and proclaims that a local emergency continues to exist due to a ransomware attack, and pursuant to Government Code section 8630 does so declare; and be it

FURTHER RESOLVED: That during the existence of said local emergency the powers, functions, and duties of the emergency organization of the City of Oakland shall be those prescribed by state law, by ordinances, and resolutions of the City of Oakland; and be it

FURTHER RESOLVED: That the City Council fully supports and endorses the City Administrator's proclamation and order that all City departments and agencies take those actions, measures and steps deemed necessary to provide ongoing services to the City's residents, and to assure the safety and welfare of City employees, residents and property, including requesting mutual aid to the extent such aid is reasonably necessary; and be it

FURTHER RESOLVED: That the City Council reaffirms the City Administrator's request and also requests that a copy of this resolution be forwarded to the Director of the California Governor's Office of Emergency Services and that the Director be requested to find it acceptable in accordance with State law and that the Governor of California, pursuant to the Emergency Services Act, be requested to issue a State of Emergency and that he afford the City the benefit of recovering its costs as a result; and be it

FURTHER RESOLVED: That the City Council reaffirms the City Administrator's request and also requests that the Governor of California make available all relevant funds to the City and all eligible community members and businesses, including but not limited to, California Disaster Assistance Act funds and State Private Nonprofit Organizations Assistance Program funds; and be it

FURTHER RESOLVED: That the City Council reaffirms the City Administrator's request and also requests that the Governor forward a copy of this resolution to the President of the United States to seek a Presidential Declaration of a Federal Emergency and make all relevant funds available to the City of Oakland and all eligible community members and businesses, including, but not limited to, aid provided by the Small Business Administration to help the County of Alameda and the City of Oakland to keep the high level of response, recovery, and mitigation measures necessary to make our communities resilient from this disaster.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

JUN 28 2023

AYES - FIFE, GALLO, JENKINS, ~~KALB~~, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS - 7

NOES ~~0~~

ABSENT ~~0~~

ABSTENTION ~~0~~

1 - Excused - Kalb

ATTEST:


ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

EXHIBIT A

Approved as to Form and Legality



Office of the City Attorney

**PROCLAMATION OF LOCAL EMERGENCY
DECLARED BY INTERIM CITY ADMINISTRATOR G. HAROLD DUFFY
ON FEBRUARY 14, 2023**

WHEREAS, the City of Oakland recently learned that it was subject to a ransomware attack, and the City and its Information Technology Department (ITD) are following industry best practices to investigate the scope and severity of the issue and develop a response plan; and

WHEREAS, core functions, such as 911, are intact; and

WHEREAS, as a cautionary measure, ITD has taken certain non-emergency systems offline while they work to secure and restore services safely, which may result in delays in City services; and

WHEREAS, Government Code Section 8630 empowers the “governing body of a city, county, or city and county, or . . . an official designated by ordinance” to proclaim a local emergency due to the existence of conditions of disaster or of extreme peril to the safety of persons and property within the territorial limits of the City of Oakland caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, drought, sudden and severe energy shortage, plant or animal infestation or disease, and further provides that any emergency declared by the City Administrator will not remain in effect for more than seven (7) days, unless the City Council ratifies the existence of the local emergency; and

WHEREAS, the City Administrator in his capacity as the Director of the EOC has authority “to promulgate orders, rules, and regulations on matters reasonably related to the protection of life and property and the preservation of public peace and order, in accordance with Article 14 of the California Emergency Services Act, [and such] rules and regulations must be confirmed at the earliest practicable time by the governing body as required by law;” and

WHEREAS, the City Administrator has determined that the recovery effort may require the procurement of equipment and materials, the activation or emergency workers, and/or the promulgation of orders on an expedited basis;

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that based on the foregoing and in accordance with the authority vested in me pursuant to Oakland’s Emergency Services Act, Oakland Municipal Code Section 8.50.050.C., a local emergency now exists throughout the City of Oakland; and

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said local emergency the powers, functions, and duties of the emergency organization of the City of Oakland shall be those prescribed by state law, by ordinances, and resolutions of the City of Oakland; and that this emergency proclamation shall expire seven (7) days after issuance unless confirmed and ratified by the City Council of Oakland, California, County of Alameda; and:

IT IS FURTHER PROCLAIMED AND ORDERED that all City departments and agencies take those actions, measures and steps deemed necessary to provide ongoing services to the City's citizens, and to assure the safety and welfare of City employees, residents and property; and

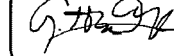
IT IS FURTHER PROCLAIMED AND ORDERED that a copy of this proclamation shall be forwarded to the Director of the California Governor's Office of Emergency Services and that the Director be asked to find it acceptable in accordance with state law and that the Governor of California, pursuant to the Emergency Services Act, be asked to issue a State of Emergency and that the Governor afford the City the benefit of recovering its costs: and

IT IS FURTHER PROCLAIMED AND ORDERED that the Governor of California be requested to make available all relevant funds to the City and all eligible community members and businesses, including but not limited to, California Disaster Assistance Act funds and State Private Nonprofit Organizations Assistance Program funds; and

IT IS FURTHER PROCLAIMED AND ORDERED that the Governor be asked to forward a copy of this proclamation to the President of the United States to seek a Presidential Declaration of a Federal Emergency and make all relevant funds available to the City of Oakland and all eligible community members and businesses including, but not limited to, any aid provided by the Small Business Administration to help the County of Alameda and the City of Oakland to keep the high level of response, recovery, and mitigation measures necessary to make our communities resilient from this emergency.

IN WITNESS WHEREOF I have hereunto set my hand this 14th day of February, 2023

DocuSigned by:



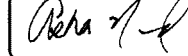
97A1866AABED400...

G. Harold Duffy

Interim City Administrator / Director of Emergency Operations Center, City of Oakland, California

Attest:

DocuSigned by:



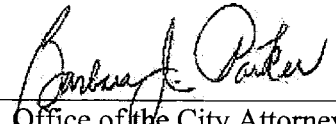
534D87B520664F5...

Asha Reed

City Clerk and Clerk of the City Council
City of Oakland, California

EXHIBIT B

Approved as to Form and Legality


Office of the City Attorney

**Emergency Order of the City of Oakland
Interim City Administrator/Director of the Emergency Operations Center**

Whereas, the City of Oakland (“City”) was subject to a ransomware attack between February 6 and February 9, 2023, and the City and its Information Technology Department (ITD) followed industry best practices to secure its network and launched an investigation to determine the scope and severity of the issue and develop and execute a response plan; and

Whereas, as a cautionary measure, ITD took certain non-emergency systems offline while it worked to secure and restore services safely, which may have resulted in delays in City services; and

Whereas, on February 14, 2023, the Interim City Administrator in his capacity as the Director of the Emergency Operations Center (“EOC”), issued a proclamation of local emergency due to the ransomware attack; and

Whereas, on February 16, 2023, the City Council adopted Resolution No. 89592 C.M.S., which confirmed and ratified the existence of a local emergency within the territorial limits of the City of Oakland pursuant to Oakland Municipal Code (“OMC”) Chapter 8.50 and California Government Code section 8630, which it subsequently extended on March 21, 2023, and the local emergency is ongoing; and

Whereas, the Interim City Administrator in his capacity as the Director of the EOC has authority “to promulgate orders, rules, and regulations on matters reasonably related to the protection of life and property and the preservation of public peace and order, in accordance with Article 14 of the California Emergency Services Act; and

Whereas, to the extent that the City’s emergency proclamation and/or the Emergency Services Ordinance codified at OMC Chapter 8.50.050 do not expressly or impliedly suspend or waive the following provisions of the City’s laws, policies or procedures, the Interim City Administrator in his capacity as the Director of the EOC hereby promulgates the following orders, rules and regulations;

Now, Therefore, I, Steven Falk, Interim City Administrator/Director of the Emergency Operations Center of the City of Oakland, in accordance with the authority vested in me pursuant to Oakland’s Emergency Services Act, OMC Chapter 8.50, specifically section 8.50.050.C.5(a), hereby order the following:

1. The due dates for any Parking Tax payments required to be remitted to City between February 8, 2023 and April 16, 2023 pursuant to OMC 4.16.110 are hereby extended to April 17, 2023.

The due dates for any Transient Occupancy Tax payments required to be remitted to City between February 8, 2023 and April 16, 2023 pursuant to OMC 4.24.070 are hereby extended to April 17, 2023.

The due dates for any Utility Users Tax payments required to be remitted to City between February 8, 2023 and April 16, 2023 pursuant to OMC 4.28.120 are hereby extended to April 17, 2023.

The Director of Finance shall have authority to adopt rules and regulations consistent with and necessary for the implementation of this order.

2. All timelines associated with reporting as required under section 11 of the City of Oakland Investment Policy for Fiscal Year 2022-23 are hereby suspended until July 31, 2023 or at such time as this order is rescinded or the City Council terminates the emergency, whichever is earlier. The report for the period ending June 30 shall include information for the two previous quarters (the period ending June 30 and the period ending March 30).
3. The provisions of OMC section 2.06.060.A and 206.060.C providing for an interest penalty for the failure to make timely payments in accordance with OMC Chapter 2.06 (Prompt Payment) are hereby suspended and shall not accrue for the duration of the local emergency or until such time as this order is rescinded, whichever is earlier.

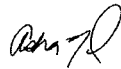
I FURTHER DIRECT that as soon hereafter as possible, this Order shall be filed in the Office of the City Clerk, posted on the City of Oakland website, and that widespread publicity and notice of this Order shall be provided to the public.

IN WITNESS WHEREOF I have hereunto set my
hand this 31 day of March, 2023



Steven Falk
Interim City Administrator/Director of Emergency
Operations Center, City of Oakland, California

Attest:



Asha Reed
City Clerk and Clerk of the City Council
City of Oakland, California