



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 04/24/07
AGENDA ITEM 7
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: City Manager
SUBJECT: Participation in the East Bay Radio Communication System Joint Powers Authority

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolutions authorizing Hayward's participation in the Joint Powers Authority and appropriating \$75,000.

BACKGROUND:

The Bay Area is no stranger to disasters, which underscores the importance of having a coordinated communication system in order to successfully respond to and mitigate the effects of any type of disaster. We have seen firsthand the negative consequences that ensue when communication systems fail, as was painfully evident during the September 11 tragedy and Hurricane Katrina disasters.

The public agencies of Alameda and Contra Costa counties face the same challenges as other metropolitan areas with communication systems that have developed over time utilizing different spectrum and proprietary technologies. The disparity of systems makes seamless communication extremely difficult, requiring, in many cases, incorporating technology patches that are extremely inefficient and complicated to set up and operate. The situation is compounded by the fact that most of the systems in use today are nearing the end of the useful lives and need replacing.

The two counties have been working together over the last few years as part of the federally sponsored Urban Area Security Initiative (UASI) to establish priorities for homeland security funding. Through the assistance of the federally funded Urban Area Security Initiative (USAI), a group of technical advisors from the Interoperable Communications Technical Assistance Program (ICTAP) worked to evaluate the status of existing communications systems and develop different alternatives to achieve the goal of interoperability. From this work, it became clear that the most cost effective and technically superior solution for both counties, and the numerous public safety agencies located within both counties, is to construct a shared regional communication system. Interoperability and funding the build out of such a communication system has become the highest priority for the UASI.

To this end, committees with representatives from both counties have been working over the last two years to develop the technical parameters for the system, establish a governance model, and obtain political support from the jurisdictions within the two counties.

A system design has been completed which is capable of serving both counties from 31 sites strategically located throughout the region, with an estimated infrastructure cost of about \$60 million. The system will be a Project 25 compliant system providing interoperable communications between all the agencies that subscribe to the system. Assuming a decision is made to implement a regional communication system, it is anticipated it will take between two to three years to complete the project.

Federal Homeland security funding has been allocated over the past three years to begin to build out the system. Significant progress has been made towards completing a digital microwave system linking sites in both counties, purchase of the master site controller which will operate the system, and finally the purchase of equipment to build out 10 of the proposed sites. Efforts are underway to secure federal grants to support the build out of the remainder of this infrastructure, and the prospect of receiving such funding is promising. Indeed, it was recently reported that both Senators Dianne Feinstein and Barbara Boxer indicated to a delegation of area elected officials that formation of a comprehensive, coordinated communication system is essential to receipt of federal funds.

The system described above represents the backbone of a two-county communication system. Because it is the backbone (the network, if you will), it also means that each jurisdiction may still have to make certain improvements to its own specific communication system. As described elsewhere in this agenda, Hayward has already made a significant investment in this regard. Some, but not all of the features contained in the City's upgrade will be transferable to the new system.

COSTS AND FINANCING:

There are three components of cost that must be considered in order to participate in the system. The build out of the infrastructure is expected to cost in the neighborhood of \$60 million. While grant funding has been received to date, and more is expected to be available in the near future, that source of funding will likely be insufficient to cover the entire cost of the system. Ultimately, it is expected that local jurisdictions that elect to utilize this communication system will be responsible to pay a proportionate share of the remaining build out costs. While final financial figures have not been developed, it is presently anticipated that it may be necessary to finance this project by issuing long term debt in the amount of between \$45 and \$50 million. Once the specific amount is known, the cost to each member will be identified. A number of factors will influence this amount, including the term and cost of borrowing, together with the number of participating agencies. Assuming the cost-sharing formula described below, and a fifteen-year financing period, Hayward's share would be approximately between \$230,000 and \$250,000 per year. However, additional Council action will be necessary before committing the City to this obligation.

The second component is the cost associated with purchasing new radios to use on the new system. Each jurisdiction will be responsible for the radios they plan to use on the system. By

buying in large quantities to address the needs of multiple agencies, it should be possible to use the related purchasing power to obtain the lowest possible price for the radios. Lastly there will be a cost associated with the maintenance, technological upgrades and system reserve for the replacement of the system. Again, Council action will be required to earmark funds for this purpose.

A variety of approaches were examined relative to the development of a cost sharing formula, including population, calls for services and a number of other methods. From these discussions, a consensus emerged to employ a method which would allocate costs to each jurisdiction based on the quantity of the radios utilized by each jurisdiction. Each jurisdiction will be responsible for a proportionate share of the infrastructure costs, along with an ongoing subscriber fee for operating expenses. Subscriber pricing will be determined and adjusted as necessary as new users come on to the system. It is also anticipated that once the system is operational there will be opportunities to increase revenue by attracting new users.

In 2005, the Council was advised that to make the City's communication system fully interoperable would require an expenditure in excess of \$10 million. Staff reported that even after investing such a substantial sum of money, there was no assurance that full interoperability would be realized. As a result, staff recommended waiting to make such an investment, in anticipation that the concept of establishing a regional system would mature and ultimately become a reality. Tonight, the Council is being asked to make a decision that moves the City in this direction.

As an initial investment, to demonstrate that agencies are serious about moving forward with establishing a regional communication system, agencies are being asked to contribute \$100 per radio to this effort. As Hayward has 750 radios, this equals \$75,000. No other financial commitment is being made as a result of your decision tonight.

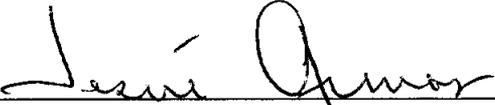
ORGANIZATIONAL STRUCTURE AND CONCLUDING REMARKS:

In order to manage the system, a governance model has been developed to assume responsibility for managing overall system implementation and operations while providing all users a voice in the management of the system. There are several working models throughout the United States where large regional areas have formed regional communication systems, with shared governance. A task force of elected officials, city and county administrators and public safety representatives from both counties has been working to develop a specific governance model. What emerged from this work is a recommendation to form a joint powers authority, which, if formed, would have overall responsibility for designing, constructing and operating a system that provides seamless communication capabilities across jurisdictional boundaries. Proposed to be named the East Bay Regional Communications System Joint Powers Authority, the JPA will include a Board of Directors of 23 members, representing elected and appointed officials from both counties, including Mayors, Councilmembers, and County Supervisors; City Managers and County Administrators; as well as Police and Fire Chiefs, and Sheriffs. In its oversight capacity, the Board will appoint technical and operational committees as necessary to address system implementation issues.

Achieving true interoperability, an important and critical objective, can only be realized if there is a commitment on the part of cities and the counties in both Alameda and Contra Costa to work

together. The other cities in Alameda County are scheduled to take action on formation of the JPA during the months of May and June. A favorable response is expected, particularly since formation of the JPA has been reviewed and endorsed by the Alameda County Mayor's Conference, and a positive response has also been expressed by jurisdictions in Contra Costa County.

Staff therefore recommends that the City Council adopt the attached resolutions which both authorize our participation in the JPA and appropriate \$75,000. Approval of the resolutions represent a key first step toward achieving the goal of enabling public agencies to communicate with one another when responding to a disaster, whether natural or man-made.



Jesús Armas, City Manager

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

Introduced by Council Member _____

Mac
4/20/07

RESOLUTION AMENDING RESOLUTION 06-080, AS AMENDED, THE BUDGET RESOLUTION FOR FISCAL YEAR 2006-07, RELATING TO AN APPROPRIATION OF FUNDS TO PARTICIPATE IN THE EAST BAY RADIO COMMUNICATION SYSTEM JOINT POWERS AUTHORITY

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that Resolution No. 06-080, as amended, the Budget Resolution for fiscal year 2006-07, is hereby amended by approving an appropriation of \$75,000 from the General Fund (Fund 100) to participate in the East Bay Radio Communication System Joint Powers Authority.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____

City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward