



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Christopher M. Moore
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: January 3, 2012

Approved

Date 1/10/12

SUBJECT: APPROVAL OF THE PROPOSED 2011-2013 SPENDING PLAN FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES (SLES) FUND GRANT AND ADOPTION OF RELATED APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

RECOMMENDATION

It is recommended the City Council approve the following actions:

1. Approve the proposed 2011-2013 Spending Plan for the Supplemental Law Enforcement Services (SLES) Fund for \$1,819,465 and authorize the Chief of Police to amend the spending plan in conformity to the budget priorities set out in this Memorandum in the event State SLES Grant payments are less than expected.
2. Adopt the following 2011-2012 Appropriation Ordinance and Funding Sources Resolution Amendments in the Supplemental Law Enforcement Services Fund (Fund 414):
 - a) Increase the Earned Revenue by \$298,357; and
 - b) Establish an appropriation for the Police Department for the SLES Grant 2011-2013 for \$298,357.
3. City Council certification that: (1) funding strategies will be pursued so that the projected funding for operations and maintenance of the Police Department's Automated Field Reporting/Records Management System (AFR/RMS) will be made available in the first year of operation; and (2) appropriate efforts will be undertaken so that those funding strategies cover the entire cost of the project, including operations and maintenance costs, as to not require a decrease in existing basic neighborhood services.

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OUTCOME

The 2011-2013 SLES amount allocated to San José is \$1,819,465. This allocation is the City of San José's share of funds awarded to the County of Santa Clara for front-line law enforcement activities. Approval of the 2011-2013 SLES Spending Plan will provide additional resources to the City for front-line law enforcement activity.

BACKGROUND

Supplemental Law Enforcement Services Grant funding is received from the State of California's Citizen's Option for Public Safety (COPS) Program via the County of Santa Clara. The program began in fiscal year 1996-1997 and continues to be funded. The use of the SLES funds is only for front-line, municipal police services and should supplement, not supplant, current front-line law enforcement services. Funds must be encumbered or spent within the two-year grant cycle. The Spending Plan for these funds is approved by a separate, five-member Supplemental Law Enforcement Oversight Committee (SLEOC) chaired by the Santa Clara County District Attorney's Office. Approval by SLEOC will occur once City Council has approved the proposed Spending Plan.

In November 2011, the City received its first payment for the 2011-2013 SLES Grant in the amount of \$298,357. Three additional quarterly payments are estimated to be approximately \$500,000 each. The sunset date for expending or encumbering the 2011-2013 SLES Grant funds is June 30, 2013. In order for the Police Department to utilize these funds, approval of the proposed Spending Plan and related appropriation of funds is required.

Payments for the 2010-2012 SLES Grant fell short of the expected \$1,230,297. Only \$1,091,416 was received due to budget shortfalls at the State level, causing overall SLES Grant funding reductions. With these reductions, and some changes in priorities, funding was shifted to purchase officer safety items such as radios and tasers for Project #2. In order to make this purchase, it was decided to delay the purchase of some of the computers until SLES 11-13. The following table illustrates the changes to the original 2010-2012 Spending Plan for this grant:

SLES 2010-2012 Updated Spending Plan			
Project #	Item	Original Amount	Updated Amount
1	Department Hardware, Software and Technology Upgrades (includes AFR/RMS, computers, and electronic storage)	\$860,000	\$642,115
2	Officer Safety Equipment and Enhancements in Investigative Abilities (includes Mobile ID Phase 3, radios, tasers, and investigative equipment)	\$364,146	\$443,150
	Grants Administration Funding	\$6,151	\$6,151
	Total	\$1,230,297	\$1,091,416

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ANALYSIS

The Police Department proposes the following 2011-2013 SLES Spending Plan:

SLES 2011-2013 Spending Plan	
Item	Amount
AFR/RMS Implementation (Hardware, Software, and backfill and overtime for training)	\$1,713,314
Officer Safety Equipment and Enhancements in Investigative Abilities	\$100,000
Grants Administration Funding	\$6,151
Total	\$1,819,465

AFR/RMS Implementation: Funding is being set aside to fund a portion for the Automated Field Reporting/Records Management System (AFR/RMS) project. The Department's current RMS is inefficient from a record processing standpoint. The new AFR/RMS is intended to centralize data, reduce data entry redundancies and enable the Police Department to conduct more thorough and detailed analysis of crime and resources. In addition to funding hardware and software, SJPD will use the funding for overtime and backfill to ensure adequate staffing levels in patrol, investigations, and dispatch while staff are receiving training.

Officer Safety Equipment and Enhancements in Investigative Abilities: Funding is allocated in the Spending Plan for equipment to directly enhance the safety of the officers in the field and to enhance the investigative abilities of the officers in the detective bureau. Funding is being set aside to fund the purchase of handpack radios, tasers and/or other officer safety equipment.

Grants Administration: Funding is allocated to provide a portion of salary and benefits as allowed under the grant guidelines for grant administrative duties such as planning, development, procurement, and financial reporting.

At this time, the Police Department is requesting appropriation of only the funding received by the State to date. As additional funds are received, the Department will return to the City Council to request appropriation of the remaining grant amounts. If subsequent payments total less than expected, the Department's priorities are the Automated Field Reporting/Records Management System, Officer Safety Equipment and Enhancements in Investigative Abilities, and Grants Administration Funding.

EVALUATION AND FOLLOW-UP

Expenditures will be made according to the Spending Plan once approved by the City Council and the SLEOC committee and upon receipt of funding. All funding must be expended or encumbered before June 30, 2013. As the remaining funds are received, the Department will

request appropriation of the remaining grant amounts, including any interest earned on SLES funds. According to the grant guidelines, interest earned must be used in the same manner as the grant funds for front-line municipal law enforcement.

PUBLIC OUTREACH

- ✓ **Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum meets Criterion 1 and will be posted on the City's website for the January 24, 2012 City Council Agenda. The City is required to report on the expenditure of these funds to the five-member Santa Clara County SLES Oversight Committee. Members include representatives from the Santa Clara County District Attorney's Office, Sheriff's Office, County Executive's Office, a Santa Clara County Police Chief, and a Santa Clara County City Manager.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

Staff is recommending City Council certification for the AFR/RMS project to comply with Budget Principle 8. This Budget Principle states that Capital projects with annual maintenance and operations (M&O) costs greater than \$100,000 in the General Fund should not proceed without City Council certification. This certification recommendation was not brought forward previously, because the ongoing M&O costs of AFR/RMS were uncertain; however, the ongoing M&O costs, which exceed \$100,000, are discussed below.

COST SUMMARY/IMPLICATIONS

The handpack radios may have minor ongoing maintenance and repair expenses. These expenses will be absorbed in the Police Department's existing non-personal/equipment budget.

The City Council approved the AFR/RMS project on March 1, 2011 (Item 8.1). The ongoing M&O costs for the AFR/RMS project are subject to the annual appropriation of funds. Currently, the system has an expected “go-live” date of July 1, 2012. Once the system is live, the Department will need to maintain the current RMS for three years. Due to the quality of the data in the current RMS and the staff work required, the Department has decided not to convert data from the current RMS to the new AFR/RMS. The current system will be maintained in a static state to allow personnel to access past information since the Department will not be migrating old information into the new system. This will ensure the information in the new system is accurate and consistent. The M&O costs for the current RMS is budgeted at \$236,000 annually. This cost will decrease to \$100,000 annually from FY 2013-2014 to FY 2015-2016. The savings will be used to offset M&O of the new AFR/RMS.

Current RMS M&O Budget and Costs

EXISTING RMS	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	TOTAL
Current RMS M&O Budget	\$236,000	\$236,000	\$236,000	\$236,000	\$236,000	\$236,000	\$1,416,000
Current RMS Costs	\$236,000	\$100,000	\$100,000	\$100,000	0	0	\$536,000
Available Savings for new AFR/RMS	0	\$136,000	\$136,000	\$136,000	\$236,000	\$236,000	\$880,000

M&O will be required for the new system once fully implemented. The costs include a one year warranty period and 24x7 full emergency support and upgrades, per the Support Agreement with Versaterm, our AFR/RMS vendor. This will impact the General Fund since ongoing maintenance costs typically are not paid through grant funding. The total Phase 1, 2 and 3 costs for the first five years of maintenance after the initial one-year warranty period for each phase is \$2.26 million. These costs, which would be incurred between FY 2013-2014 and FY 2017-2018, would average \$452,166 per fiscal year. A portion of the \$2.26 million total cost would be offset by maintenance cost savings of \$880,000 from the existing system over the five-year period.

New AFR/RMS M&O Costs

NEW AFR/RMS	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	TOTAL
Versaterm		\$370,615	\$473,903	\$497,006	\$511,916	\$407,392	\$2,260,832
Additional Vendors		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Current RMS Savings		-\$136,000	-\$136,000	-\$136,000	-\$236,000	-\$236,000	-\$880,000
Total M&O Costs for new AFR/RMS		\$334,615	\$437,903	\$461,006	\$375,916	\$271,392	\$1,880,832

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If the City Council certifies the AFR/RMS project, as outlined in Recommendation 3 of this memorandum, M&O funding for the project will be addressed as part of the 2013-2017 General Fund Forecast. The remaining ongoing maintenance of approximately \$1.88 million for Versaterm and the additional vendors will be factored into the General Fund Five-Year Forecast for 2013-2017. Staff will renew the maintenance agreement annually, but anticipate the cost to remain consistent, aside from end-of-life hardware replacements.

BUDGET REFERENCE

<u>Fund #</u>	<u>Appn #</u>	<u>Appropriation Name</u>	<u>Total Appropriation</u>	<u>2011-2012 Adopted Budget Page</u>	<u>Last Budget Action (Date, Ord. No.)</u>
414	3877	SLES Grant 2010-2012	\$ 1,032,997	XI - 87	10/18/11 Ord. No. 28979

CEQA

Not a Project, File No.PP10-066 (a).

/s/

CHRISTOPHER M. MOORE
Chief of Police


JENNIFER A. MAGUIRE
Budget Director

I hereby certify that there will be available for appropriation in the Supplemental Law Enforcement Services Fund in the Fiscal Year 2011-2012 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$298,357.


JENNIFER A. MAGUIRE
Budget Director

For further questions, please contact Rick Cheney, Grants Analyst, at 537-1632, or Melanie Jimenez, UASI Project Manager, at 537-1663.