REPORT TO CITY COUNCIL

DATE: MARCH 26, 2008

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: LOUIS CELAYA, ASSISTANT TO THE CITY MANAGER

SUBJECT: BUDGET WORKSHOP - MASS NOTIFICATION TECHNOLOGIES

The recent wildfires in Malibu and San Diego County have generated much attention toward the "mass notification system" technology, commonly referred to as "reverse 911 technologies".

Mass notification systems provide cities and counties the ability to contact residents quickly in a short span of time, via telecommunication systems, to advise of pertinent information, particularly in emergency scenarios. This technology proved to be a valuable public safety tool, during the wildfires in San Diego County, as a means for evacuation notifications. The City currently utilizes an older system, American Emergency Network (AEN). This is a shared system with the cities of Calabasas, Malibu, Westlake Village, Hidden Hills, and the Las Virgines Municipal Water District and Las Virgines Unified School District and only allows one form of contact (telephone). The group shares the total cost for AEN and individual cost is based on population. The City's annual cost is $1,834 per year, plus $.25 per the number of phone calls made. At the assumption of three rounds of calls for approximately 7,800 households during an emergency scenario, a one-year cost for the AEN system is estimated at $7,684 ($1,834 - annual cost/$5,850 - phone calls). The annual cost is expected to increase as the cities of Calabasas and Malibu have recently secured separate services for an alternate system. There is also a growing trend with municipalities to secure independent services from companies specializing in mass notification technology that can provide many forms of communication methods, as well as having a system to meet their individual city needs.

Staff has conducted extensive research in this area and discovered there are two firms (The NTI Group Inc./Connect-CTY, & 3N) that are in the forefront of this technology. Each company utilizes a web based system requiring no hardware purchases by the City. Clients simply log onto a website or use a phone system to activate the notification system. The system is hosted offsite and only requires annual fees based on the estimated number of households to be contacted. Each company provides notifications that can be made by either a web or phone launch and notifications can be made to various forms of communication devices (phone – land line and mobile, pager, fax, email, PDA, etc.). Staff has met with both vendors for demonstrations and discussions on the systems.

Both vendors offer identical services at relatively the same prices, $2.00 and $1.94 per household (for approximately 7,800 households), and each provides training and assistance with promotional marketing to kickoff the program.

After reviewing both vendors, staff favors The NTI Group Inc./Connect-CTY as the price includes a "one stop shop". The price covers all support, training, and assistance with promotion of the program via a marketing specialist. While 3N offers the same services, there are charges for incidentals such as additional training and operator assisted calls (when web access is not available) after a preset limit. Additionally, The NTI Group Inc./Connect-CTY has a wealth of experience servicing and working for municipalities. Some municipal clients include the cities of Calabasas, Malibu, Commerce, Culver City, Santa Maria, and Palo Alto. 3N's primary cliental consist of federal, educational, and private corporations, and as of last year entered the municipal client arena.

Staff has made reference checks on cities that currently utilize The NTI Group Inc./Connect-CTY and continues to get similar responses such as reliability, quick responses to requests, excellent post agreement followup, and selection of the vendor as a result of the "one price for all" features versus incidental charges. Additionally, during a discussion with the City of Palo Alto who engaged in a lengthy RFP process, The NTI Group Inc./Connect-CTY stood out as result of its ability to process and integrate the City's internally created GIS layers, whereas 3N was unable to provide this service. Also, the City of Palo Alto indicated that during a request to establish a mock trail set up, The NTI Group Inc./Connect-CTY was able to establish their program within a week, whereby its competitor took three weeks. As the City of Palo Alto indicated, "The NTI Group Inc./Connect-CTY walks their talk". Finally, during a demonstration at a neighboring city, 3N was unable to demonstrate their program which led to the City selection of the The NTI Group Inc./Connect-CTY.

Cost

As mentioned previously, costs are based on estimated household number and most companies are looking for one, three, or five year agreements. Each company offers opt out clauses one month prior to the anniversary date of the agreement, thereby affording the client the ability to exit a multi-year agreement. The estimated costs for this program are as follows (The NTI Group Inc./Connect-CTY cost):

Term	One Year	Three Year	Five Year
Annual Cost	$16,884	50,652	$84,442

Although the total cost under the AEN system is substantially less, it should be noted that the NTI Group Inc./Connect-CTY notification system provides unlimited calls to various communications devices, while the AEN provides only one source of communication. Also, the per phone call costs could meet or exceed the NTI Group Inc./Connect-CTY estimated costs during a major emergency scenario where the City may be required to issue more than one notification and/or update.

For the purpose of the workshop, staff has arranged for a demonstration by The NTI Group Inc./Connect-CTY of their system for the Council's benefit.

RECOMMENDATION

Staff is requesting direction from the City Council on which avenue to proceed on this issue.