TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER         DEPARTMENT: POLICE

DATE: JULY 16, 2007         CMR:305:07

SUBJECT: APPROVAL OF A FIVE-YEAR CONTRACT IN AN AMOUNT NOT TO EXCEED $275,000 WITH NTI GROUP, INC. FOR A FULLY-HOSTED AND MANAGED COMMUNITY ALERTING AND EMERGENCY NOTIFICATION SYSTEM – CAPITAL IMPROVEMENT PROGRAM PROJECT NUMBER TE-07001

RECOMMENDATION

Staff recommends that Council authorize the City Manager or his designee to execute a contract in an amount not to exceed $275,000 with NTI, Inc. for the procurement of a community alerting and emergency notification system.

BACKGROUND

As a result of public concerns following the Palo Alto floods of 1998, it was determined that a methodology for notification of disasters and/or emergencies by the City to residences and businesses was necessary. A Blue Ribbon Task Force, consisting solely of citizens, was tasked with researching available mass-notifications options and eventually recommended the Teleminder notification system.

While the Teleminder notification system was recognized as leading edge technology at the time and a viable means of immediately notifying the segment of the population in imminent danger of an emergent situation, the timeliness of the notifications were delayed if the segment of the population for notification was of any significant geographical size. As a result, only a limited segment of the community is contacted while the remainder of the population remains generally uninformed of the situation.

The Teleminder notification system uses 16 dedicated telephone lines and is augmented with 32 additional City PBX lines rerouted when needed for Teleminder usage. While the transfer was activated, the use of facsimile machines and other City PBX lines was prevented. Using a 30-second message, it would take hours - sometimes more than 24-hours - to notify the entire community of an emergency situation. The Teleminder relied upon telephone numbers from the 9-
1-1 database to outreach to the community. Two of the significant problems with relying upon the 9-1-1 database were a restriction for use of the system for emergency notifications only, and the potential for outdated information as the City received updated data on a monthly basis.

It became apparent, that the Teleminder system would no longer meet the needs of the City and in 2006, the City Council authorized funding through a CIP project to procure a replacement community alerting and emergency notification system. As part of the Fiscal Year 2006-07 budget process, the City Council authorized CIP project number TE-07001. Following extensive research, the City developed specifications and requirements and issued a Request for Proposal (RFP) on February 27, 2007. During the Fiscal Year 2007-08 budget process, the City increased the allocation for this CIP by $125,000 for the two proposed additional years. A copy of the bid proposal is provided in Attachment B.

**DISCUSSION**

Attachment A to this report is the contract with NTI Group, Inc. (NTI) for annual services related to providing a fully-hosted and managed community alerting and emergency notification system. NTI is a privately held company that provides comprehensive communication systems designed specifically for local, regional, State, and Federal government entities to enable rapid dissemination of critical information via voice and text devices.

Keeping pace with the quickly changing technology market and responding to a desire by government agencies to outreach to large numbers of residents through a variety of means and for a variety of purposes, community alerting and emergency notification systems have changed. Increasingly, public agencies no longer rely upon dial-up systems that they own and operate and opt to contract with fully hosted and managed alerting systems that offer diverse functionality and offer the ability to reach out to tens of thousands of residents simultaneously.

**Community Input**

The City conducted an inclusive process that included community involvement in the bid requirement, evaluation and solicitation process, as well as interdepartmental meetings throughout the process.

To assist in the bid requirement and needs development process, Palo Alto Neighborhood (PAN) leaders conducted a survey of their membership. Although admittedly unscientific, the PAN leaders received feedback from all 27 neighborhood associations and 49 percent of the membership indicated they were unhappy with the timeliness of the current alerting system and 77 percent wanted a better system for community-wide notifications on emergencies and crime. Many preferred notification via an alternative means (e.g., text messaging or email).
PAN leaders represented their membership through the entire selection process, participating in the evaluation process, demonstrations with the two finalist vendors, selection review and currently participate on the community/interdepartmental policy development working group that will have oversight responsibility as the new alerting system is implemented.

Along with PAN members, the City partnered with the City of Menlo Park on the bid process, with Police Department staff participating both jointly and individually in the evaluation process. The bid process was structured so that additional area communities could participate in the process and procure the same system in collaboration with the City of Palo Alto, or select a different vendor that might more closely meet their needs.

Summary of Solicitation Process

The City outreached directly to approximately 20 community alerting and emergency notification vendors who offered a fully-hosted system, a hardware-software solution that the City would purchase, and a hybrid of the two solutions. It was important to City staff that the bid process be as open as possible, to ensure it had the opportunity to evaluate all the solutions that were available in the notification system market. The chart below provides an overview of the bid process.

<table>
<thead>
<tr>
<th><strong>PROJECT NAME/NUMBER</strong></th>
<th>Community Alerting and Emergency Communications System – RFP Number 120880</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROPOSED LENGTH OF PROJECT</strong></td>
<td>Phased implementation over 90 days following contract signing – Five year contract</td>
</tr>
<tr>
<td><strong>NUMBER OF PROPOSALS MAILED TO VENDORS</strong></td>
<td>25, plus published on City of Palo Alto Website under Open Solicitations and local media articles</td>
</tr>
<tr>
<td><strong>TOTAL DAYS TO RESPOND TO RFQ</strong></td>
<td>21 Business Days</td>
</tr>
<tr>
<td><strong>PRE-PROPOSAL MEETING</strong></td>
<td>Yes – 20 vendors participated in mandatory pre-bid conference</td>
</tr>
<tr>
<td><strong>NUMBER OF PROPOSALS RECEIVED</strong></td>
<td>Eight</td>
</tr>
<tr>
<td><strong>SOLICITATION PRICE RANGE</strong></td>
<td>$5,600* - $132,675 (per year)</td>
</tr>
</tbody>
</table>

* Various vendors required additional per minute usage charge ranging from .05 cents to .30 cents per minute. Additional one-time set-up, training and other required implementation fees would be required.
Two vendors contacted the City following the mandatory pre-bid conference to indicate withdrawal from the process, and it is assumed that others did not submit applications because they did not meet the City’s bid requirements.

As part of the proposal review and vendor selection process, the Police Department put together an evaluation committee consisting of PAN leaders and other key personnel from a number of City departments. The committee evaluated each of the eight proposals submitted by vendors, consulted with Purchasing and City Attorney’s office and screened out the proposals based on non-compliance with the required specifications. Each of the proposals was individually and carefully screened for adherence to the specifications.

The City evaluated proposals based on the following criteria:

- Compliance with Bid Format
- Quality of Proposal
- System Design
- Overall Integration
- Quality of System Components
- Bidder’s Experience
- References
- Acceptance of the City’s Contract Terms
- Ease of Use and Quality of Public Access

Although each of the vendors’ proposed solutions had merits, the chart below outlines the Committee’s evaluation, and provides an overview of the scoring and ranking of the vendor proposals.

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>3N</th>
<th>NTI</th>
<th>GOV-BLAST</th>
<th>DIRECT APPS</th>
<th>FIRST CALL</th>
<th>INTERACT</th>
<th>CITY WATCH</th>
<th>MESSAGE ONE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL POINTS – MAXIMUM POINTS 500</td>
<td>377</td>
<td>374</td>
<td>137</td>
<td>266</td>
<td>287</td>
<td>293</td>
<td>223</td>
<td>287</td>
</tr>
<tr>
<td>RANKING</td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>PERCENTAGE OF TOTAL AVAILABLE POINTS</td>
<td>75%</td>
<td>75%</td>
<td>27%</td>
<td>53%</td>
<td>57%</td>
<td>59%</td>
<td>45%</td>
<td>57%</td>
</tr>
</tbody>
</table>
Both NTI and 3N were invited to participate in a full day of demonstrations. The Department invited members of the City Council, the Human Relations Commission, all City departments, as well as the community and media to attend the demonstrations. City staff from Stanford University, the City of Milpitas, East Palo Alto and Menlo Park sent personnel to the demonstrations. In addition, the City solicited assistance from the community to participate as recipients of messages. A number of PANDA members volunteered and participated in the process, receiving multiple calls during the day and providing the City with feedback on the two solutions. This process gave working group members from the evaluation team the opportunity to ask additional questions of the two finalist vendors to assist in the evaluation process, and afforded the opportunity to other City staff and members of the community to be a part of evaluation process. The City had attendees complete a survey card (Attachment C) providing feedback on the systems they were seeing.

The chart in Attachment D provides an overview of the important functional needs and demonstrated compliance by each vendor with the critical system requirements. In addition to NTI being the vendor of choice by individuals attending the vendor demonstrations, the attached chart confirms that NTI was able to demonstrate full compliance with the system specifications.

Reference checks were conducted on NTI and the Connect-CTY product. Each of the user agencies rated it highly and recommended the system. The Connect-CTY product was used to communicate with local community members and evacuees, as well as public agency personnel following the Katrina disaster. The City of Menlo Park conducted an independent evaluation process and selected NTI Connect-CTY as well. Stanford University staff who are also interested in securing a community alerting system opted against NTI, as the system doesn’t currently dial international numbers and it has a large population of students and professors with international wireless phone numbers. Stanford has been approached by City staff to consider letting the City utilize a distribution list for communication with Stanford personnel and students in the event of an emergency, and is considering this request.

Features and Functionality of NTI Connect-CTY System

Some of the most important factors that led to the City selecting NTI’s Connect-CTY system are its multi-purpose functionality capabilities; all-inclusive access with technical and operational support; public relations assistance; and most important, unlimited use of the Connect-CTY system for routine, urgent and emergency outreach to its first responders, City staff, the public and outside agencies. With the payment of one annual fee, the City can use the system for any purpose it deems appropriate for communicating with City employees and community groups.

The NTI system has the ability to make upwards of a million calls per hour and has service level agreements with multiple telecommunications carriers (landline, wireless, and Voice over Internet
Protocol (VoIP) from multiple locations across the nation to deliver voice recordings, email and Short Message Service (SMS) text messages to wireless devices to City staff and the public.

Although the NTI system has the ability to deliver upwards of a million messages per hour, an important consideration is the capacity of the local telephone central office network capacity to deliver voice messages without overburdening and degrading the ability for the public to dial 9-1-1 or make other phone calls from their landlines. City staff worked with AT&T and confirmed that the local central office network capacity is approximately 22,000 calls per minute. Although not all messages will be delivered via landline phone lines that route in this manner, with the increasing number of wireless devices, the City wanted assurance that the rapid and mass delivery alerting and notification system would not compromise the ability for residents to use their landline telephones from a local business or residence in an emergency while notifications are sent. The City has verified that the NTI network relies upon scientific algorithms that throttle back and manage the delivery of calls so as to not overburden the local phone systems. It has also confirmed with other users of the NTI Connect-CTY product that they have not experienced this problem, relying on the system to deliver tens-of-thousands of messages simultaneously. In addition, the City can assist by delivering messages to defined areas or groups gradually and still reach large numbers of individuals quickly and efficiently.

The Connect-CTY system will be fully integrated with the City’s robust Geographical Information System (GIS). By leveraging the City’s GIS maps, City staff can take advantage of already drawn boundaries for neighborhoods, fire districts and beat patterns, utility zones, and ensuring delivery to one or multiple locations with a simple and easy process.

One of the problems with the existing Teleminder system is that it required City staff to be present at City Hall in order to initiate an emergency alert. It was virtually impossible for on-duty emergency personnel to activate the system, as they were often committed to the emergency itself. Often times, someone had to be called in, which resulted in additional delays in getting the notifications started. NTI Connect-CTY system can be accessed from anywhere by any user that has been authorized by the City to access the system. The alerting and notification system can be activated by authorized personnel via the Internet, stepping through a user-friendly menu or through an NTI 24-hour call center. These call centers are distributed across the country to avoid any localized emergency impact the delivery of messages.

There are a number of ways that messages can be delivered. One is to use pre-determined calling lists (e.g., neighborhood association members, downtown business owners, PANDA and other volunteers, department emergency responders, or individuals with special needs, etc.). The NTI system offers language translation for several languages and will provide the opportunity to listen to a message recorded in Spanish or other language when receiving a phone call. The NTI Call Center has personnel that can translate a message for voice and text delivery, or the City could utilize the translation services accessible through the 9-1-1 system to conference call with the call center and
have them record a message in a non-NTI supported language. In addition, the system can turn text messages into voice recordings when the system is accessed for alerting via the Internet.

For contact numbers in the community, NTI draws from 240 public sources of information and determines a primary telephone number for each business or residence address in the City. In addition, residents or business owners can access a profile screen via the Internet and update the contact number, provide alternative wireless device SMS numbers, or email addresses. By providing updated information, the public can request to be notified at an alternate phone number or email address if, for example, they would like to be notified while at work outside the City of an event that may be occurring in the City.

Through a carefully timed and comprehensive public outreach program and in partnership with the Palo Alto Neighborhood Associations, PAUSD and others, City staff will facilitate access to the Internet for those that opt to change their profile information and don’t have computer access. The City has begun this outreach, and the PAN leaders have done an exceptional job on communicating the features of functions of this new system.

The City will work with the PAUSD to create pre-determined call lists for students, parents and school administrators to get time-sensitive information out in the event of an emergency at a Palo Alto school. It was evident with the recent tragedy at Virginia Tech University, that communication capability during an emergency can be vastly improved through the use of this system. Students, parents and school officials can be notified instantaneously with critical life-saving information. The Police Department School Resource Officers will work with school administrators to put this program in place.

Other System Uses

The capabilities and uses of the system are vast and will be implemented using a phased approach. Within 30-days of contract signing, the City will begin use of the system – relying upon primary public numbers and those pre-established lists that are under development. As mentioned previously, the system can be utilized to enhance routine communication with the public; an example would be for street closure information. More time-sensitive notifications that are important or required might include Utilities notification of residents or businesses in power zones or areas when there is a planned outage. Currently, Utilities must notify the resident that the power is being turned off to a location or resident by physically sending a Utilities employee to the address with a flyer. By utilizing the community alerting and notification system, there is no longer the need to use staff resources for this labor-intensive purpose and residents can be notified while at work outside the City of a power outage or other related event occurring at their residence or business.
Other enhanced communications capabilities with this system will be timely delivery of information and updates to the media, the City Council and City personnel during an emergency. Using the system, City departments can poll personnel on their availability to respond to work during an emergency incident. The recipient can use a keypad to respond to questions. Through timely communication, City staff can more effectively manage resources and pace the response of personnel over several hours for prolonged emergencies. The City could opt to utilize this same feature to poll specific residents, for example, to elicit feedback from residents on the success or failure of traffic calming techniques in a given neighborhood.

Along with enhanced communication with the community, there is the opportunity for improved communications capability for City personnel. Through this system, each authorized user can establish up to six individual distribution lists that are specific to them. For example, the Public Information Officer can establish a media list for timely and effective delivery of information to the press.

Because the potential uses for a system as robust as the NTI Connect-CTY system are vast, the City has established an interdepartmental and community representative working group to establish a City policy that will govern the use of this system. Although the emergency uses for such a system are easy to determine, City staff want to work together with the community and businesses to establish priorities and ensure the system doesn’t result in over-communication with the public, resulting in desensitizing the effectiveness of the system when a true emergency message is sent out. Following full implementation, the Community Alerting and Emergency Notification Policy will transition to the Emergency Preparedness Steering Committee and Working Group for oversight and updates.

Cost-Benefit

NTI system pricing was mid-range for the proposals, but was higher than the other finalist vendor for the annualized fee for service system proposed. However, NTI was the only vendor that offered an all-inclusive package (public relations and outreach support, training, technical integration of GIS and other related services), along with unlimited use of the system for one fixed annual fee. The City determines when the system is needed and is not constrained by limiting its use due to routine communication because of a concern over price. In addition, the City was able to negotiate a $12,500 per year reduction over the $62,500 per year annual fee proposed by NTI during each of the first three years, by entering into a multi-year agreement.

Although selecting a system that offered the City the maximum benefit and flexibility in such an important system, price was also important given the City’s fiscally challenging environment. The fee for service price is based on the number of residence or business addresses in Palo Alto (approximately 22,500). Based on this figure, this system will cost the City roughly $2.20 per address for an entire year of enhanced communication and rapid emergency alerting with the public.
If resident population is used, that figure is reduced to less than $1 per person. That figure is further reduced when one takes into consideration that multiple pre-determined call distributions lists can be created for each location with numerous individuals (e.g., students, parents and administrators for each school).

Implementation and Training

The Police Department will continue to serve as lead project manager on this effort and will continue to work with the Fire Department’s Office of Emergency Services and other City departments to effectively implement this system. It is expected that the system will be fully implemented (all pre-determined distribution lists, community outreach, etc.) within 90 days of contract signing.

Brochures, links via the City’s website will be added and other tools and resources as determined by the interdepartmental working group.

The final policy will be incorporated into the City’s Emergency Plan.

RESOURCE IMPACT

Funding in the amount of $275,000 has been authorized by the City Council through the CIP process and managed through the Technology Fund for this five-year contract. No additional funding is required.

POLICY IMPLICATIONS

This agreement is consistent with existing City policy.

ENVIRONMENTAL REVIEW

This contract service is not subject to CEQA pursuant to Title 14 California Code of Regulations Section 15061(b)(3), and it can be seen with certainty that there is no possibility of a significant effect on the environment.
ATTACHMENTS

Attachment A: NTI Contract
Attachment B: RFP
Attachment C: Demonstration Survey Tool
Attachment D: Comparison Chart

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