



DATE: August 18, 2026

TO: Mayor and City Council

FROM: Chief of Police

SUBJECT: Adopt a Resolution (1) Authorizing the City Manager to Negotiate and Execute a Five-Year Agreement with Axon Enterprises, Inc. for a Real-Time Information Center Technology Package, including “Drone as a First Responder” Equipment, 64 Replacement Automated License Plate Recognition Cameras, and Other Integrated Technologies with a Maximum Compensation Amount Not-to-Exceed \$2,945,000 Consistent with Previous City Council Direction; (2) Authorizing the City Manager to Execute Future Amendments that Result in Reduced Costs or Impacts to the General Fund; and (3) Authorizing Related Budget Actions Contingent on Maintaining or Reducing the General Fund Allocation

RECOMMENDATION

That the Council adopts a resolution (Attachment II) (1) authorizing the City Manager to execute a five-year agreement with Axon Enterprises, Inc. (Axon) for the purchase of a Real-Time Information Center (RTIC) technology package, including “Drone as a First Responder” (DFR) equipment, 64 replacement automated license plate recognition (ALPR) cameras, and other integrated technologies with a maximum compensation amount not-to-exceed \$2,945,000 consistent with previous City Council direction on June 16, 2026; (2) authorizing the City Manager to execute future amendments as long as they result in reduced costs or impacts to the General Fund; and (3) authorizing related budget actions contingent on maintaining or reducing the amount of funds allocated from the General Fund.

SUMMARY

On June 16, 2026, the City Council adopted a resolution that (1) renewed Hayward Police Department’s (HPD) Military Equipment Use Policy No. 706 and Ordinance 22-06, and (2) authorized the purchase of eight DFR units and associated software, subscriptions, licensing, and accessories in an amount not to exceed \$589,000 annually or \$2,945,000 over five years. Staff was directed to return to Council with a proposed DFR technology contract for approval. This item fulfills that direction.

HPD intends to supplement its existing Unmanned Aerial (UAS) System Program with a DFR program, with the goal of enhancing public safety services and the ability of HPD and the

Hayward Fire Department (HFD) to respond to emerging incidents more effectively and efficiently. Given the City's strained financial situation, the use of technology that strategically deploys public safety resources as efficiently as possible is crucial to maintaining a high level of service, especially considering HPD's current 27 sworn officer vacancies.

Additionally, the proposed DFR program is a foundational component of HPD's vision to implement a RTIC concept, which would create a centralized information hub that integrates all live data sources (i.e., DFR, ALPRs, in-car camera systems, Body Worn Camera systems), Computer Aided Dispatch (CAD) information, and records management systems into a single platform that would allow staff to analyze data in real time for emergency response, operational, and investigative purposes.

On June 29, 2026, HPD issued RFP 26-059 seeking a RTIC technology package, including a comprehensive DFR program that would integrate aerial drone response with other existing and proposed RTIC technology solutions. There were three responsive proposals, including one from Axon, who HPD currently contracts with for body worn cameras, digital evidence storage through Evidence.com, transcription software, redaction software, virtual reality training aids, and other accountability tools and products.

Staff recommends awarding an agreement to Axon for the full RTIC technology package due to the strategic interoperability Axon provides with the other services contracted by HPD. Axon has also demonstrated a proven track record of a high level of customer service and privacy protection.

Axon's proposal covers the following components in addition to a comprehensive DFR program, all within the existing budget amounts authorized by the Council for the DFR program: (1) replacement of 64 of the City's ALPR cameras to begin transitioning away from Flock ALPRs in the City; (2) the Axon Fusus platform that unifies information from the HPD's data sources into a single, map-based interface; and (3) "prepared assistive call-taking" software that allows RTIC personnel to see and respond to calls for service before dispatchers finish the call and provides real time translation capabilities.

The proposed agreement is for a five-year period, with a maximum compensation not-to-exceed \$2,945,000 and is consistent with previous City Council authorization. Additionally, due to the City's ongoing fiscal challenges, the contract and associated resolutions request Council authorization to provide for flexibility for staff to respond to future needs that specifically reduce funding from the General Fund, including the acceptance of future grant funds for RTIC technologies, including the DFR Program, and the incremental phasing in or downsizing of the DFR program due to future funding availability.

FISCAL IMPACT

As mentioned above, on June 16, 2026, Council authorized the purchase of eight DFR units and associated items in an amount not to exceed \$589,000 annually or \$2,945,000 over five years. The funding source is a combination of asset forfeiture funds, grant funds, and HPD's existing supplies and services budget, with no new General Fund allocation.

Based on Axon’s competitive proposal, the proposed budget of \$589,000 annually, or \$2,945,000 over five years, includes the comprehensive DFR program plus 64 replacement ALPRs, and other additional RTIC technologies described in greater detail below. The following table proposes a five-year funding plan using only non-General Fund sources other than Capital Improvement Program (CIP) funds already included in the FY2026/27 approved budget and five-year capital plan:

Funding Source	Fund #	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31
CIP - Cameras	405	\$69,313	\$206,800	\$389,000	\$389,000	\$389,000
Federal Grants	820	\$120,960	\$0	\$0	\$0	\$0
Federal Appropriations	220	\$198,727	\$182,200	\$0	\$0	\$0
HPD Asset Forfeiture	265	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>
TOTAL		\$589,000	\$589,000	\$589,000	\$589,000	\$589,000

The annual funding for this contract, including the General Fund CIP amount, will be subject to City Council approval, as part of future annual budget processes. HPD will continue to seek out and apply for additional grants or other outside funds to reduce the impact to the City’s General Fund. As a result, City staff will propose the exact combination of sources of funds for the contract each year, subject to City Council’s annual budget approval, with the intent of balancing any restrictions related to grants or other outside funding sources with the goal of minimizing the impact to the City’s General Fund.

In order to allow for flexibility to respond to specific grant or other outside funding requirements, City staff requests authorization to (1) negotiate and execute amendments to the agreement in order to modify annual payment amounts if needed in order to meet requirements for external funding that result in the reduction of the overall General Fund allocation to the RTIC and DFR program; and (2) if external sources of funds are awarded, make budget adjustments to increase revenue and appropriations in order to spend funds as required under those funding sources, resulting in the reduction of General Fund funding. For example, some outside funding sources may need to be used within a year of the award date. This may result in spending more than the anticipated \$589,000 amount in a single fiscal year, but the five-year total shall not exceed the authorized amount of \$2,945,000 and the use of funding sources from the General Fund would be reduced.

BACKGROUND

In 2022, the City Council authorized HPD to operate a UAS Program, which allows for the use of UAS to assist in response to Calls for Service (CFS) and emerging incidents as outlined in HPD Policy 611 (Unmanned Aerial System (UAS) Operations) – HPD Policy 611 is attached for reference (Attachment III). HPD created a standalone webpage dedicated to its UAS Program which provides information about the program itself, associated policies and procedures, and a UAS usage log which provides the date, time, location, and reason for each UAS use case. This webpage and the associated information related to the HPD’s UAS Program has been available

to the public since the program's inception. Since the UAS Program's inception, HPD has conducted a total of 321 UAS flights to assist with a variety of CFS and emerging incidents, including but not limited to offender apprehension, barricaded subjects, and searches for missing persons. To date, the HPD has not received any complaints regarding UAS usage nor have there been any usages that have violated existing laws, policies, or procedures.

HPD intends to supplement its existing UAS Program with a DFR concept, with the goal of enhancing public safety services and the ability of HPD and HFD to respond to emerging incidents more effectively and efficiently. This supplemental concept leverages technological advancements that will allow police officers and firefighters to improve emergency response, enhance situational awareness, and support safer outcomes for police officers, firefighters, and community members, all of which can be achieved despite ongoing fiscal and staffing challenges.

Additionally, the proposed DFR program is a foundational component of HPD's vision to implement an RTIC concept, which would create a centralized information hub that integrates all live data sources (i.e., DFR, ALPRs, in-car camera systems, Body Worn Camera systems), CAD information, and records management systems into a single platform that would allow staff to analyze data in real time for emergency response, operational, and investigative purposes. Given the City's strained financial situation, the use of technology that strategically deploys public safety resources as efficiently as possible is crucial to maintaining a high level of service, especially considering HPD's current 27 sworn officer vacancies.

On May 14, 2026, during HPD's AB 481 public meeting, this supplemental DFR concept was presented and discussed with the members of the Council Public Safety Committee (CPSC). At the conclusion of the CPSC discussion, the members expressed their support for the supplemental DFR program and recommended it be sent to the full City Council for authorization.

On June 16, 2026, the City Council adopted a resolution renewing HPD's Military Equipment Use Policy No. 706 and Ordinance 22-06 and authorized the purchase of additional and/or replacement equipment to supplement HPD's UAS Program with the DFR concept, provided that costs do not exceed \$589,000 annually and budget is available in the annual budget process for eight DFR UAS units and associated software, subscriptions, licensing, and accessories. Staff was directed to return to Council with a proposed DFR technology contract for approval. This item fulfills that direction.

City Council provided clear direction that due to the current City budget, no new General Fund allocation or use of salary savings would be available to fund the project. Staff committed that the DFR Program would be funded through other existing funds such as asset forfeiture funds, grant funds, federal congressional appropriations, funds already incorporated into the five-year capital plan, and HPD's existing supplies and services budget.

DISCUSSION

Following that authorization, on June 29, 2026, HPD issued RFP 26-059 seeking a RTIC technology package, including a comprehensive DFR program that would integrate aerial drone response with other existing and proposed RTIC technology solutions. There were three responsive proposals, including Axon who submitted a responsive proposal on July 13, 2026, covering the following components in addition to a comprehensive DFR program: (1) replacement of 64 of the City's ALPR cameras to begin transitioning away from Flock ALPRs in the City; (2) the Axon Fusus platform that unifies the City's data sources information into a single, map-based interface; and (3) "prepared assistive call-taking" software that allows RTIC personnel to see and respond to calls for service before dispatchers finish the call and provides real time translation capabilities, all within the cost of \$589,000 per year consistent with Council direction on June 16, 2026. In addition, this contract results in \$120,000 in annual cost savings to the General Fund due to the expiration of the Flock ALPR camera contract for the 64 cameras.

Staff recommends awarding an agreement to Axon for the full RTIC technology package due to the strategic interoperability Axon provides with the other services contracted by HPD with Axon for body worn cameras, digital evidence storage through Evidence.com, transcription software, redaction software, virtual reality training aids, and other accountability tools and products. Axon has also demonstrated a proven track record of a high level of customer service and privacy protection.

This agreement also provides strong safeguards for ALPR data with Axon's proven track record and data governance framework and would be compliant with the information-sharing restrictions set forth in the California Senate Bill 34 and California Senate Bill 54 (California Values Act) as they relate to immigration enforcement.

In summary, staff recommends that Council approve the proposed agreement for the RTIC technology package, including a DFR program with Axon for a five-year period, with a maximum compensation not-to-exceed \$2,945,000 consistent with previous City Council direction. Additionally, the contract and associated resolutions request Council authorization for flexibility for staff to respond to future needs that specifically reduce funding from the General Fund, including the acceptance of future grant funds for RTIC technologies, including the DFR Program and the incremental phasing in or downsizing of the DFR program due to future funding availability.

ECONOMIC IMPACT

While these planned expenditures do not have any direct economic impact on the Hayward community, improvements in public safety response and the strategic allocation of resources, despite ongoing staffing challenges, will have a positive impact on the quality of life of residents and the livelihood of local businesses.

STRATEGIC ROADMAP

The RTIC, including a DFR program, supports the strategic priority, “Enhance Community Safety & Quality of Life” by optimizing public safety services. It improves the City’s response capabilities, including for natural disasters. The capabilities of the DFR concept will also reduce the need to physically deploy staff to some calls for service that can be cleared remotely. That benefit supports the “Invest in Infrastructure” and “Confront Climate Crisis & Champion Environmental Justice” strategic priorities by reducing traffic on City roads and the City’s associated carbon footprint.

This item is not specifically related to a particular project identified in the Strategic Roadmap; staff are bringing forth this item to optimize City services and public safety through the deployment of new response technology.

SUSTAINABILITY FEATURES

The capabilities of the DFR concept will reduce the need to physically deploy staff to some calls for service that can be cleared remotely. That benefit reduces traffic on City roads and the City’s associated carbon footprint.

PUBLIC CONTACT

Prior to City Council approval in 2022 and its inception, HPD did extensive community engagement and outreach in developing the UAS Program, associated training manuals, and associated policies and procedures. One of the primary concerns expressed by some members of the community was regarding authorized use of UAS technology, prohibited use of UAS technology, and individual privacy. In fact, community members and City Council members were engaged in and participated in the development of HPD Policy 611, which has been effective since March 17, 2022, and is available for public review on HPD’s website. Additionally, on May 14, 2026, during HPD’s AB 481 public meeting, the supplemental DFR concept was presented and discussed with the members of the CPSC. At the conclusion of the CPSC discussion, the members expressed their support for this supplemental concept and recommended it be sent to the full City Council for authorization.

NEXT STEPS

If Council adopts this resolution, staff will enter into a five-year purchase/service agreement with Axon Enterprises, Inc. for the purchase of a RTIC technology package, including DFR equipment, 64 replacement ALPR cameras, and other integrated technologies in an amount not-to-exceed \$2,945,000.

Prepared by: Dan Olsen, Police Captain
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Recommended by: Bryan Matthews, Chief of Police

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott". The signature is fluid and cursive, with the first name "Jennifer" and the last name "Ott" clearly distinguishable.

Jennifer Ott, City Manager