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## STAFF REPORT

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**TO:** THE HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**MEETING DATE:** MARCH 2, 2026

**FROM:** TOM DUBOIS, CITY MANAGER

**SUBJECT:** CONSIDER SURVEILLANCE TECHNOLOGY  
POLICY

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### RECOMMENDATION

It is recommended that the City Council:

1. Receive this report regarding the implementation of "intelligent" surveillance cameras and Automated License Plate Readers (ALPR).
2. Consider adoption of a Surveillance and Privacy Protection Ordinance similar to the attached example, establishing a transparent framework for the approval and oversight of surveillance technologies. This item will be brought back before the City Council for introduction at a later regular meeting date.
3. Direct staff to prepare a specific "Surveillance Impact Report" and "Surveillance Use Policy" for ALPR technology prior to the final execution of any vendor contracts.

### BACKGROUND

The City of Sutter Creek is currently exploring the modernization of its public safety infrastructure. Specifically, the Police Department has identified "intelligent" cameras and Automated License Plate Readers (ALPRs) as critical tools for deterring crime and solving investigations.

However, the deployment of such technology raises valid community concerns regarding privacy, data security, and civil liberties. To address these concerns proactively, staff has reviewed surveillance policies from several California jurisdictions.

## **Recent Developments and Lessons Learned**

In drafting this policy, staff closely monitored recent developments in other California municipalities regarding ALPR vendors, specifically Flock Safety. Several cities have recently moved to cancel or suspend their contracts due to privacy violations, highlighting the absolute necessity of the strict guardrails proposed in this report.

- **Santa Cruz (Jan 2026)**: The City Council voted 6-1 to terminate its contract with Flock Safety after discovering that license plate data collected locally had been accessed by out-of-state agencies and federal entities (including ICE), in violation of the California Values Act (SB 54).
- **Mountain View (Feb 2026)**: The Police Chief suspended the use of all 30 ALPR cameras after an internal audit revealed that a "nationwide sharing" setting had been enabled without the department's knowledge. This allowed federal agencies, including the ATF, to access local resident data for over a year.
- **Mountlake Terrace, WA**: The City Council unanimously canceled their contract citing "community division" and the discovery that federal agencies like U.S. Border Patrol had gained access to data without local consent.

While the above municipalities are important and noteworthy, to date, over 4,800 agencies currently utilize FLOCK as public safety partners.

## **Implication for Sutter Creek**

These incidents underscore that relying on vendor promises is insufficient. The City can adopt a binding municipal ordinance that mandates strict, independent auditing and prohibits the "default on" data-sharing settings that led to these breaches elsewhere.

## **SURVEILLANCE TECHNOLOGIES**

### **1. What are Intelligent Cameras and ALPRs?**

- **Intelligent Cameras**: Video cameras equipped with software that can classify objects (e.g., distinguishing a person from a car) and allow for rapid searching of footage.
- **ALPR (Automated License Plate Readers)**: High-speed computer-controlled camera systems that capture license plate numbers and compare them against "hotlists" (stolen vehicles, Amber Alerts, felony warrants).

### **2. Benefits vs. Risks**

Pros (Public Safety Benefits)	Cons (Privacy & Risk Factors)
<b>Objective Evidence:</b> Provides unbiased investigative leads for crimes like hit-and-runs or burglaries where no eyewitnesses are present.	<b>"Dragnet" Surveillance:</b> Continuous monitoring creates a database of movements for law-abiding citizens, not just criminals.
<b>Patrol Enhancement :</b> Acts as a "virtual officer," monitoring key entry/exit points 24/7 without the recurring salary costs of patrol units.	<b>Unauthorized Data Sharing:</b> As seen in Mountain View and Santa Cruz, vendors may inadvertently grant access to federal agencies without local consent.
<b>Real-Time Alerts:</b> Officers receive immediate notifications for stolen vehicles or Amber Alerts and other critical alerts, allowing for rapid interception.	<b>False Positives:</b> ALPR systems can misread plates, leading to potential unwarranted stops if officers do not visually verify the plate first.

### **3. Other Technologies**

As technology continues to evolve, other tools beyond cameras could be used for surveillance. Surveillance technology is any device or system primarily designed and actually used or intended to be used to collect and retain audio, electronic, visual, location, or similar information constituting personally identifiable information associated with any specific individual or group of specific individuals, for the purpose of tracking, monitoring or analysis associated with that individual or group of individuals.

Examples of surveillance technology include drones with cameras or monitoring capabilities, automated license plate readers, closed-circuit cameras/televisions, cell-site simulators, biometrics-identification technology and facial- recognition technology.

If Council adopts a surveillance ordinance, it should be written to be broad enough to apply to all surveillance technologies.

#### **Reference Model: City of Palo Alto Ordinance**

Staff recommends adopting an ordinance based on **Palo Alto Municipal Code Chapter 2.30**. This ordinance shifts the power of approval from administrative staff to the City Council and ensures ongoing public oversight. See the Attachment.

#### **Detailed Policy Requirements**

Under this proposed framework, the following steps must be taken *before* the City acquires any new surveillance technology:

##### **1. Pre-Acquisition Reports**

The Police Department must submit two documents to the City Council for a public vote:

- **Surveillance Impact Report (SIR)**: A public risk assessment detailing capabilities, fiscal impact, and potential impacts on civil liberties.
- **Surveillance Use Policy**: A legally binding rulebook specifying authorized use, data retention, access rights, and third-party sharing limits.

## **2. Council Approval Findings**

The City Council may only approve the technology if they vote to find that:

1. The technology is effective for the stated purpose.
2. The benefits to the community **outweigh** the costs (financial and civil liberties).
3. There are no feasible alternatives with fewer privacy impacts.

## **3. Ongoing Oversight (Annual Report)**

The Police Department must present an **Annual Surveillance Report** to the Council detailing:

- **Usage Stats**: How often the technology was used (e.g., number of scans vs. hits).
- **Audit Results**: Verification that data retention schedules were followed and a summary of all data shared with outside agencies.
- **Complaints**: Summary of any community complaints received.

### **Proposed Policy Guardrails for the City of Sutter Creek**

In light of the recent cancellations in other cities, staff recommends the following **specific and non-negotiable rules** be written into the Sutter Creek Surveillance Use Policy:

#### **A. Strict Prohibition on Federal & Out-of-State Sharing**

- **Policy**: The system shall be configured to **block** all data sharing with federal agencies (ICE, CBP, ATF) and out-of-state agencies by default.
- **Verification**: The Police Department must physically verify these settings are disabled on a quarterly basis and report this in the Annual Surveillance Report.

#### **B. Data Retention Limit: 60 Days**

- **Policy**: Non-evidentiary ALPR data (scans of innocent vehicles) shall be automatically deleted after **60 days**.
- **Reasoning**: This balances the need for investigation with the privacy right to not have one's movements permanently cataloged.

#### **C. "Verify Before You Stop" Rule**

- **Policy:** An ALPR alert is an *investigative lead*, not probable cause for a stop. Officers must visually verify the plate matches the alert before initiating a detention to prevent errors caused by machine misreading.

### **BUDGET IMPACT**

The adoption of the oversight ordinance itself has no direct fiscal cost. Future costs will be associated with the acquisition of hardware and software subscriptions. By adopting this policy *first*, the Council ensures that any future vendor contracts are negotiated with these privacy requirements as binding terms, protecting the City from the legal liabilities and contract cancellations seen in Santa Cruz and Mountain View.

### **CONCLUSION**

The implementation of intelligent cameras and ALPRs represents a significant step forward for public safety in Sutter Creek. However, as recent news confirms, technology providers cannot always be trusted to self-regulate. By adopting the strict oversight, transparency, and retention requirements, Sutter Creek can effectively utilize modern policing tools while maintaining the highest standards of constitutional protection for its residents.

### **ATTACHMENT**

1. Sample Surveillance Technology Ordinance