



AGENDA REPORT

PROPOSED ACTION: Approve and Authorize the Executive Director to Execute a Professional Services Agreement for State Governmental Consulting and Advocacy Services with Cruz Strategies, LLC for up to Two Years, with Two Additional One-Year Extensions Permitted at the Discretion of the Executive Director, for a Total Amount Not to Exceed \$680,000 Over Four Years (\$14,000 Per Month, Plus \$2,000 Per Year in Incidental and Preapproved Expenses); and Find that the Proposed Action is Exempt Under the California Environmental Quality Act.

Submitted By: Matt Davis, Chief Public Engagement Officer; Kristi McKenney, Executive Director

Parties Involved: Cruz Strategies, LLC;
Sacramento, CA

Amount: \$680,000 (FY 2026, FY 2027,
FY 2028, FY 2029)

EXECUTIVE SUMMARY: The Port of Oakland (Port) uses professional consulting and advocacy services at both the federal and state levels given the criticality of federal and state policy and legislation to Port activities. The current contract for these services at the state level will expire soon. Thus, in September 2025, the Port issued a Request for Proposal (RFP) for a new contract for state governmental consulting and advocacy services in support of state funding and policy priorities. The Port received one proposal from Cruz Strategies, LLC. This firm was deemed highly qualified and has performed well as the incumbent under the current expiring contract.

BACKGROUND & ANALYSIS

The Port's activities and operations are significantly affected by actions undertaken at the state governmental level. To ensure effective representation and strategic engagement in Sacramento, the Port has consistently retained experienced lobbying firms to provide strategic consulting advice and state advocacy services that complement and reinforce the in-house efforts of Port Staff and leadership.

Consultant services are used to help secure state funding for critical infrastructure investments and to advocate on policies affecting transportation infrastructure, clean energy and electric grid reliability, sustainable transportation, climate resilience, and land use matters. Given the direct impact of these issues on Port operations and revenues, continued use of outside lobbying expertise is warranted to ensure effective coordination, continuity, and strong state-level representation, and to complement and augment the efforts of Port Staff and executive leadership on these issues.

The Port issued an RFP on September 26, 2025, to solicit proposals from qualified lobbyists and/or lobbying firms to represent the Port's interests in Sacramento. Proposals were due on October 23, 2025. The RFP was disseminated in several ways, including:

- Port website listing and email distribution by Port staff to local Chambers, Community Based Organizations and relevant Port-certified Local/Small firms in the Port's certified database.
- RFP was advertised in the Bay Area News Group.
- RFP was shared with state trade organizations representing aviation and maritime interests.
- RFP was directly emailed by the Port's Purchasing Department to over a dozen state based lobbying firms with demonstrated subject matter expertise in the aviation, maritime and/or transportation sectors.

The RFP's weighted evaluation criteria are shown in Table 1.

Table 1
Request for Proposal Criteria

Item	Criteria	Weights
	<u>Adherence to Port Policy and Other Requirements and Debarment Statement</u> Proposals from companies who have not or will not adhere to the Port Policy and Other Requirements or who have been debarred and have not provided sufficient reasons/justification for the Port to review the circumstances surrounding the debarment will not be forwarded to the evaluation committee for review. (Items 6 and 8 of the Submission Requirements section.)	Pass/Fail
1	<u>Company Information, Client References, Litigation and Other Information, and Required Forms</u> Respondent's capacity to provide professional service as evidenced by past performance, company information, reference checks, litigation and other information, and required forms. (Items 1, 3, 7, and 8 of the Submission Requirements section.)	Pass/Fail
2	<u>Knowledge and Experience</u> Respondent's knowledge and experience in providing state government advocacy services as evidenced from your response to item 2 of Submission Requirements section.	35%
3	<u>Plan and Approach</u> As evidenced from your response to item 4 of the Submission Requirements section.	40%

Item	Criteria	Weights
4	<u>Proposed Costs</u> As evidenced from your response to item 5 of the Submission Requirements section, and as provided on the Proposal Worksheet.	10%
5	<u>Non-Discrimination and Small Local Business Utilization Policy (NDSLBP)</u> Does your company meet the Port's definition of Small Local Business and/or make a commitment to the Port's values and programs {e.g., mentoring small and/or very small local businesses and providing meaningful work for small and/or very small local sub-consultants; utilization of college and high school interns from the Local Impact Area (LIA); participation in job fairs and trade fairs targeted to LIA residents and businesses; and other work showing the consultant's efforts to contribute to the economic development of the LIA}? The Port will evaluate companies that have provided substantiating documentation to prove they meet the Port's NDSLBP program and award points accordingly to qualifying companies.	15%
	Total	100%

The Port received one response from the incumbent firm in response to the RFP. The Evaluation Committee highly rated the proposal and recommended their selection. Cruz Strategies, LLC, also included subconsultants Nielsen Merksamer Parrinello Gross & Leoni, LLP, and Steve Kawa Strategic Advising who have also worked under the current Port contract. These firms and individuals have provided effective and reliable advocacy on the Port's behalf in an ever-changing political and policy landscape, helping advance the Port's many of its key legislative priorities. They have been successful at producing consistent and measurable results. They also demonstrated deep subject matter expertise across the Port's seaport, airport, goods movement, and real estate priorities and have durable relationships across the Administration and the Legislature, including key committee chairs, state agencies, and the Governor's Office.

the firm's monthly retainer is being recommended, which would also be fixed across the full potential four-year contract period.

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

☐ Categorically exempt under the following CEQA Guidelines Section:

Choose an item.

☒ "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).

☐ Other/Notes:

BUDGET

☐ Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR

☒ Operating

☐ Non-Operating

☐ Capital

Analysis: Projected costs for state governmental consulting and advocacy services have been accounted for within the FY2026 budgeted amount in the Governmental Affairs Department.

STAFFING

☒ No Anticipated Staffing Impact.

☐ Anticipated Change to Budgeted Headcount.

Reason:

☐ Other Anticipated Staffing Impact (e.g., Temp Help).

Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

☐ Additional Notes:

LIVING WAGE (City Charter § 728):

Applies?

No (Not Covered Entity) – proposed action involves entity not covered by Living Wage requirements because it is not a covered service provider or tenant, does not employ at least 21 employees, or receive from or pay to Port at least \$50,000.

☐ Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? **No.**

Reason:

GENERAL PLAN (City Charter § 727):

Conformity Determination:

	Not Required – conformity determination not required because proposed action does not change use of or make alterations to an existing facility, or create a new facility.
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) in the Port's Strategic Plan:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Capture Our Market and Grow the Economic Base <input checked="" type="checkbox"/> Modernize and Upgrade Infrastructure <input checked="" type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience <input checked="" type="checkbox"/> Maximize Land Use Value and Revenues <input checked="" type="checkbox"/> Workforce Training and Jobs Development <input checked="" type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development 	