



AGENDA REPORT

PROPOSED ACTION: Resolution: Approve and Authorize the Executive Director to Execute an Agreement with Magnetic Ticket and Label Corporation to Provide Airline Boarding Pass and Baggage Tag Paper Stock for a Three-Year Term and a Maximum Compensation Not to Exceed \$350,000. (Technology and Innovation)	
Submitted By: Kyle Mobley, Director of Technology and Innovation; Danny Wan, Executive Director	
Parties Involved: Magnetic Ticket and Label Corporation, Dallas, Texas	Amount: \$350,000 for three years total (Operating Expense)
EXECUTIVE SUMMARY: The Port of Oakland (Port) owns and maintains a common use system that consists of airline ticket counter and gate podium software and hardware in Terminal 1 of the San Francisco Bay Oakland International Airport (Airport). This system allows any airline to operate from any ticket counter or gate creating operational and construction flexibility, allowing the Port to maximize the capacity of existing assets. The common use system produces boarding passes and baggage tags for the traveling public. The Port purchases the stock for the common use system and provides it to the airlines to ensure the passes and tag stock are consistent for size and thickness to fit the equipment.	

BACKGROUND & ANALYSIS

On February 22, 2024, the Technology and Innovation Department through the Purchasing Department published a formal Invitation for Bid to solicit competitive bids for Airline Boarding Pass and Baggage Tag Paper Stock (Bid No. 23-24/18) for a multi-year term agreement. This paper stock is used in the Port provided common boarding pass and baggage tag printers. The details of the bid were to secure a guaranteed pricing for a minimum of three years. After the three years, Port Staff intend to publish a new request for bids. The Port received two bids, and they were ranked in the following order based on lowest cost. Below numbers are based on quarterly usage of 342,000 boarding passes and 234,000 baggage tags.

Rank	Bidder	Total
1	Magnetic Ticket and Label Corporation	\$22,629.42
2	Canada Ticket Inc	\$42,732.54

Currently the Port spends approximately \$91,000 a year on paper stock for the Airport. Port Staff is requesting a not to exceed amount of \$350,000 for three years to accommodate any increase in traffic, additional carriers, escalation of up to two percent per year included in the bid, and tax. With the expanded use of electronic boarding passes, it is anticipated that the need for paper will reduce over time.

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.

☒ Not a "Project" under CEQA, as defined in Public Resources Code § 21065.

☐ Other/Notes:

BUDGET

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

☒ Operating

☐ Non-Operating

☐ Capital

Analysis: The ongoing procurement of paper stock is included in Aviation's FY 2025 Operating Expense Budget and budgeted in Aviation IT. IT support costs associated with the terminal operations are recoverable in part from airline rates and charges.

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.**

GENERAL PLAN (City Charter § 727):

Conformity Determination:

Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.

Reason: There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that present sustainability opportunities.

STRATEGIC PLAN. The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port's Strategic Business Plan:

- | | |
|--|--|
| <input type="checkbox"/> Grow Net Revenues | <input type="checkbox"/> Modernize and Maintain Infrastructure |
| <input checked="" type="checkbox"/> Improve Customer Service | <input type="checkbox"/> Pursue Employee Excellence |
| <input type="checkbox"/> Strengthen Safety and Security | <input checked="" type="checkbox"/> Serve Our Community |
| <input type="checkbox"/> Care for Our Environment | |