



AGENDA REPORT

PROPOSED ACTION: Resolution: Approve and Authorize the Executive Director to Increase the Professional Services Agreement with Hill International Inc. by \$4,100,000 to a Total Not-to-Exceed Amount of \$9,100,000; and Find that the Proposed Action is exempt under the California Environmental Quality Act. (Engineering)	
Submitted By: Emilia Sanchez, Director of Engineering; Kristi McKenney, Executive Director	
Parties Involved: Hill International, Inc. Oakland, CA	Amount: \$4,100,000 – Total not to exceed (\$3,600,000 capital and \$500,000 operating expense)
EXECUTIVE SUMMARY: Hill International, Inc. has supported implementation of the Port of Oakland’s (Port) Project Management Information System (PMIS) to improve project controls, reporting consistency, portfolio visibility, and vendor utilization tracking. To move from pilot to completing the next phase of full implementation of system enhancements, across the Port’s operating and capital programs, additional contracting authority is now necessary.	

BACKGROUND & ANALYSIS

On May 23, 2024, the Board of Port Commissioners (Board) approved Resolution No. 24-37 authorizing a three-year \$5,000,000 Professional Services Agreement (PSA), including two one-year options to extend, with Hill International, Inc. The corresponding PSA for Engineering Program Management Office (EPMO) services and implementation of a Project Management Information System (PMIS) is dated July 1, 2024. The EPMO/PMIS effort was initiated to enhance project management capabilities, streamline engineering processes, and align the Port’s data reporting abilities more closely with industry standards.

Port Staff is requesting authorization to increase the amount of the PSA by \$4,100,000 to transition the PMIS from pilot use to sustained operations. The pilot has demonstrated early signs of improved consistency in reporting and greater visibility into project performance. Additional effort is now required to scale these outcomes across the full project portfolio. This includes expanding coverage beyond the initial capital-project focus, applying consistent controls to operating (expense) projects, and strengthening vendor utilization reporting and payment validation to support transparency and compliance objectives.

Increasing the PSA amount will support the following:

- Completing PMIS configuration for operating expense projects

- Finalizing data standards and KPI definitions
- Strengthening delivery controls (scheduling, forecasting, change management, risk/issue tracking)
- Aligning PMIS data with Port systems of record
- Implementing targeted system integrations, where feasible
- Delivering training, documentation, and rollout support

EPMO/PMIS enhancement will focus on the following key objectives:

- Vendor Utilization & Payment Validation:
 - Track prime and subcontractor utilization
 - Small and local business participation analysis
 - Provide geographic utilization visibility
 - Validate payments to first-tier subcontractors
- Expansion to Operating Projects;
 - Extend PMIS coverage to operating (expense) projects using consistent setup, controls, and reporting frameworks
- Operational Efficiency & Transparency: Improve early visibility and decision-making through standardized KPIs, dashboards, and workflows, reducing staff reliance on ad hoc reporting and manual processes.

Accomplishments and benefits to date (PMIS is in pilot):

- Established foundational EPMO governance and delivery accountability structures
- Standardized KPI reporting for schedule, cost, forecasting, and issue/risk tracking to improve visibility and reduce spreadsheet-based reporting.
- Delivered pilot portfolio dashboards and executive-ready reporting (program-level rollups, prioritization views) to support budgeting, sequencing, procurement planning, and stakeholder communications.
- Implemented pilot workflows and reporting for vendor payment tracking, certification/compliance tracking, and utilization reporting to support small local business participation, geographic utilization analysis, and first-tier payment validation.
- Provided training, workshops, job aids, and working sessions with project teams to improve adoption of standard processes and PMIS-enabled tools.
- Supported early software licensing, procurement planning, and coordination with Port financial and procurement systems to inform implementation planning.

The PMIS pilot has validated the Port's approach to standardized reporting, data governance, and portfolio visibility. The proposed extension will transition these pilot capabilities into sustained operations by:

- Strengthening system integration and data alignment
- Expanding adoption across all project types
- Enhancing transparency, compliance reporting and payment validation objectives
- Reducing staff time spent on manual and ad hoc reporting

These improvements will support more informed decision-making, increased operational efficiency, and greater accountability across the Port's capital and operating programs.

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:

	Prior Authorization	Requested Authorization	Total Authorization
Expense	\$ 5,000,000	\$ 500,000	\$ 5,500,000
Capital	\$ -	\$ 3,600,000	\$ 3,600,000
Total	\$ 5,000,000	\$ 4,100,000	\$ 9,100,000

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? Choose an item 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?

Choose an item No (No Covered Agreement) – proposed action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage requirements.

- Additional Notes:

SUSTAINABLE OPPORTUNITIES:

GENERAL PLAN (City Charter § 727):

<p><u>Applies?</u> Choose an itemNo.</p> <p><u>Reason:</u> There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities.</p>	<p><u>Conformity Determination:</u></p> <p>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>
<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 type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience <input type="checkbox"/> Maximize Land Use Value and Revenues <input type="checkbox"/> Workforce Training and Jobs Development <input type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development 	