



AGENDA REPORT

PROPOSED ACTION: **Resolution:** Approve and Authorize the Executive Director to Execute a Professional Services Agreement with ServiceTec International, Inc. For Onsite Support of Aviation Special Systems at the San Francisco Bay Oakland International Airport for a Five-Year Term with Two, One-Year Options to Extend for a Maximum Compensation Not to Exceed \$10,493,860. **(Technology and Innovation)**

Submitted By: Kyle Mobley Director of Technology and Innovation; Danny Wan, Executive Director

Parties Involved:

ServiceTec International, Inc. (dba
Delaware ServiceTec International, Inc.),
Herndon, VA

Amount:

\$7,205,352 (Five Year Total)
\$1,583,616 (1st Year Option)
\$1,634,892 (2nd Year Option)
\$70,000 (Total Potential Overtime
Costs & Misc. Expense for 7-Year Term)
Operating Expense

EXECUTIVE SUMMARY:

The Port of Oakland (Port) provides Aviation Special Systems at the San Francisco Bay Oakland International Airport (OAK or Airport). Aviation Special Systems include active data and voice networking; data centers; Airport operational systems such as passenger processing and resource allocation; dynamic wayfinding; licensed and unlicensed wireless; baggage handling systems; and integration of these systems into Airport command and control infrastructure. On site specialized technical support is required to ensure continuous operation and systems issues resolution. Port Staff conducted a formal competitive procurement process to solicit a new support contract for these services. ServiceTec International, Inc. (ServiceTec) was ranked the highest of two proposals received.

BACKGROUND & ANALYSIS

The Port owns and operates multiple specialized information technology systems that provide critical operational services to airlines and customers as well as Airport safety and security operations. These systems allow OAK to increase efficiency and customer experience of existing assets by allowing common use of facilities, processing passengers more quickly, and increasing safety and security. Specialized support is necessary to ensure continuous operation of these systems at the Airport.

In August 2008, after a competitive selection process, the Board approved a five-year agreement with ServiceTec to support these Aviation Special Systems. Subsequently, in July 2013, the Board approved a first supplemental agreement for a (i) one-year extension and (ii) two optional one-year extensions at the same annual amount. In February 2016, the Board approved a modification to the agreement, extending the coverage hours, adding another technician to support then new Automatic Passport Control Kiosks, and an additional year of support. In 2017, after a formal competitive

selection process, ServiceTec was awarded a five-year with two-optional year agreement for the same scope.

Current ServiceTec staff consists of a site manager, network engineer, supervisor, and six technicians. ServiceTec currently supports all OAK special systems onsite from 4:00 a.m. to 1:00 a.m., 7 days a week, 365 days a year. In addition, the site manager and network engineer are required to be available 24 hours a day by phone for after-hours support. These support services include but are not limited to:

- Ticket and Gate Common Use Passenger Processing Systems
- Multi-User Flight Information System
- Airport Operations Database
- Resource Management
- Content Management System
- Biometric Exit Kiosks
- Mapping and Wayfinding Kiosks
- Active and Passive Network Infrastructure
- Common Use Self Service Kiosks
- Public Announcement System and Visual Paging
- Security Network and Badging Office Infrastructure
- Parking Revenue Control System Infrastructure

With the current contract expiring on October 31, 2024, Port Staff conducted a competitive process to find a vendor to maintain the Aviation Special Systems.

In early 2024, Port Staff issued Request for Proposal, (RFP) No. 23-24/11, Maintenance of Airport Special Systems, to select the most qualified firm to provide First and Second Level onsite support of the Airport Special Systems at OAK. IT systems support levels are industry standard references designed to segment support response activities and are based on staff's functional abilities and responsibility. First Level support refers to the initial troubleshooting, diagnosis, and if possible, resolution of technical issues, whereas Second Level support is for issues that require additional technical expertise such as infrastructure and application issues. Port Staff disseminated the RFP in several ways:

- Available for download on Port website
- Advertisement in the Oakland Tribune
- Notice directly to known communicated to firms and stakeholders including known interested parties

Due to the highly specialized nature of most of the systems in this contract, a vendor must have relevant experience and technical expertise with Aviation Special Systems over the last five years and have provided Aviation Special Systems support services to a medium or large hub size airport, similar to OAK. This is important because the Port is not only looking for highly skilled technical staff, but also a company who is a major stakeholder in the aviation industry staying up to date on these systems and latest trends. The current staffing levels were published along with the scope to provide a guideline for what is currently in place at OAK.

The RFP schedule was as follows:

- RFP issued: January 5, 2024
- Mandatory Pre-Proposal Meeting: January 18, 2024
- Proposal Due Date: February 22, 2024
- Interviews with the Evaluation Committee: April 16th and 18th, 2024

Currently there are a very limited number of firms worldwide that can provide the needed support with experience in the Aviation Special Systems industry.

The Port received two proposals by the submission deadline. The Evaluation Committee (Committee), comprised of Port Staff from different divisions reviewed and scored the two proposals based on the criteria set forth in the RFP as listed below:

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.)	20%
2	<u>Knowledge and Experience</u> Respondent's knowledge and experience in providing IT special systems managed services as evidenced from your response to item 2 of Submission Requirements section.	20%
3	<u>Plan and Approach</u> As evidenced from response to item 4 of the Submission Requirements section.	20%
4	<u>Proposed Costs</u> As evidenced from response to item 5 of the Submission Requirements section, and as provided on the Proposal Worksheet.	25%
5	<u>Non-Discrimination and Small Local Business Utilization Policy (NDSLBUP)</u> Does the 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 NDSLBUP program and award points accordingly to qualifying companies.	15%
	Total	100%

After scoring the two submitted proposals, the Committee invited both to participate in interviews to clarify and support information provided in their submissions. Following the two interviews, the rankings were as follows:

Firm Name	Ranking
ServiceTec International	1
SITA	2

ServiceTec was ranked the highest making it the recommended firm based on its experience in the industry and their plan and approach.

To ensure local hiring, the following requirement is in the current agreement and will be included in the new agreement:

Consultant will be required to hire its onsite technical staff from the Port's Local Business Area (LBA). Consultant must make every good faith effort to hire new staff within the LBA, the counties of Alameda and Contra Costa in particularly those in its Local Impact Area (LIA) which includes the four cities of Oakland, Alameda, Emeryville and San Leandro. If Consultant is unable to source talent from the LIA then they source from the LBA.

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: The proposal to approve an agreement with ServiceTec was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA), and the Port CEQA Guidelines. The general rule in Section 15061(b)(3) of the CEQA Guidelines states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that executing this professional services contract will not result in a physical change in the environment; therefore, it is not a project under CEQA and no environmental review is required.

BUDGET

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

☒ Operating

☐ Non-Operating

☐ Capital

Analysis: The ongoing support of Aviation Special Systems 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.

	<input type="checkbox"/> <u>Additional Notes:</u>								
<p><u>SUSTAINABLE OPPORTUNITIES:</u></p> <p><u>Applies?</u> No.</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 present sustainability opportunities.</p>	<p><u>GENERAL PLAN</u> (City Charter § 727):</p> <p><u>Conformity Determination:</u></p> <p>Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.</p>								
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port's Strategic Business Plan:</p> <table border="0"> <tr> <td><input type="checkbox"/> Grow Net Revenues</td><td><input checked="" type="checkbox"/> Modernize and Maintain Infrastructure</td></tr> <tr> <td><input checked="" type="checkbox"/> Improve Customer Service</td><td><input type="checkbox"/> Pursue Employee Excellence</td></tr> <tr> <td><input checked="" type="checkbox"/> Strengthen Safety and Security</td><td><input checked="" type="checkbox"/> Serve Our Community</td></tr> <tr> <td><input type="checkbox"/> Care for Our Environment</td><td></td></tr> </table>		<input type="checkbox"/> Grow Net Revenues	<input checked="" type="checkbox"/> Modernize and Maintain Infrastructure	<input checked="" type="checkbox"/> Improve Customer Service	<input type="checkbox"/> Pursue Employee Excellence	<input checked="" type="checkbox"/> Strengthen Safety and Security	<input checked="" type="checkbox"/> Serve Our Community	<input type="checkbox"/> Care for Our Environment	
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