



AGENDA REPORT

PROPOSED ACTION: Resolution: Approve and Authorize the Executive Director to Modify and Extend the Existing Professional Services Agreement with Electronic Data, LLC and The Port of Oakland for an Enterprise Asset Management System, to Increase the Term by Two Years for a Total Term Length of Nine Years Expiring January 4, 2031, and Increase the Total Cost Not to Exceed \$5,499,108; and Finding that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Aviation)**

Submitted By: Craig Simon, Director of Aviation; Kristi McKenney, Executive Director

Parties Involved:

Electronic Data, LLC; St. Petersburg, FL, a wholly owned subsidiary of Aurora Engineers, Inc., Chadds Ford, PA

Amount:

\$3,940,753.00 (FY 2022– FY2031)
Capital Expenditure

\$1,558,355.00 (FY 2022 - FY 2031)
Operating Expense

EXECUTIVE SUMMARY: A Port of Oakland (Port) Staff task force was formed to advance the Port’s capabilities in asset management and address gaps in existing processes and systems. As part of that effort, the Port procured and implemented an Enterprise Asset Management (EAM) system. Since this initial implementation, the software manufacturer has restructured its offering and pricing structure, resulting in changes to both cost and system configuration. In addition, Port Staff continues to add assets, enhance reporting capabilities and expand system functionality to further support asset management.

BACKGROUND & ANALYSIS

An EAM system is a software system that brings together services and data analysis to support staff maintaining and controlling an organization’s physical assets used for its operations. Such assets may include buildings, vehicles, jet bridges, cranes, pavement, substations, etc. The aim of this software is to provide its users with a complete understanding of an asset’s parts, location, reliability and cost so that the user can plan for the future, manage resources, reduce equipment failures and overall costs.

In January 2021, the Port released a Request for Proposals for an EAM system. Twelve responses were received by the due date of March 18, 2021. Electronic Data, LLC (EDI) was selected to provide the EAM system utilizing IBM’s Maximo software.

Current Agreement

The current agreement between the Port and EDI has a term length of five years with two one-year extensions for a total possible seven years if all options are executed (expiring January 4, 2029) for a total not-to-exceed cost of \$2,979,189. The agreement

called for EDI to lease a number of licenses for Maximo version 7.6 on an annual basis. Licenses to use Maximo, a product of IBM, were only available through a subscription service at the time the Port entered into the agreement with EDI. IBM has recently dropped this method of leasing licenses, and replaced it for a point-based system, called App Point. This has created a disparity between our current contract's license requirements and how Maximo can actually be utilized going forward.

Moreover, IBM has announced that as of September 30, 2025, IBM will no longer support the version of Maximo that the Port currently uses. To continue the use of the software, the Port must now upgrade to the App Point system and upgrade to the newest version of the software. Failure to make that change would result in no support for potential software outages, configuration issues, etc. Given that this software is the main method for communicating work orders and work requests at the Port, failure to upgrade would drastically impact maintenance across the Port.

Software Expansion and Development

As Maximo has become more fully integrated into the Port's Facilities Departments in recent years, Port Staff have recognized the value of expanding its use to additional areas of the Port to improve the accuracy of asset data and associated spending. This expansion includes increased interaction with GIS systems, financial billing and tracking systems and other operational platforms. The overarching objective is to establish a comprehensive, Port wide asset management framework for the Port, with Maximo serving as the primary tool to support that effort.

In addition to upgrading to the latest version and switching to the new points-based pricing scheme. The requested increase in contractual funding will enable the development of more detailed reporting, assistance with asset integrations, tracking of materials expended on workorders for cost recovery, Assistance with GIS locations and tracking, and provide a more robust data platform for more complete asset management.

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: There is no impact to the FY2026 Operating Expense Budget. Unbudgeted spending in the Board approved FY2026 Capital Budget will be absorbed by underspending in other capital projects. Portions of the costs will be reimbursed through airlines rates and charges.

STAFFING

- No Anticipated Staffing Impact.
- Anticipated Change to Budgeted Headcount.
- Other Anticipated Staffing Impact (e.g., Temp Help).

Reason:

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? **Yes.**

GENERAL PLAN (City Charter § 727):

Conformity Determination:

<p><u>Reason:</u> The proposed action will assist Port staff with an understanding of OAK assets including parts, location, reliability and costs, so that the Port can proactively plan for future projects.</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>STRATEGIC PLAN. 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 	