

AGENDA REPORT

Resolution: Approve and Authorize the Executive Director to Execute an Agreement with ZDEVCO for Maritime Port Registry, and Truck Positioning System Management and Maintenance for a Term of One (1) Year with Two (2), 1-Year Options to Extend, in a Total Aggregated Amount Not to Exceed \$1,100,000. **(Maritime)**

MEETING DATE: 2/14/2019

AMOUNT: \$1,100,000

PARTIES INVOLVED: ZDEVCO, Oakland, CA
Anastasios Zografos, CEO-Principal

SUBMITTED BY: John C. Driscoll, Director of Maritime

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

In October 2018, the Port of Oakland (“Port”) issued a Request for Proposals (“RFP”) for Maritime Port Registry & Truck Positioning System Management and Maintenance. Based on proposals received and evaluated in December 2018, Port staff (“Staff”) requests approval and authorization from the Board of Port Commissioners (“Board”) for the Executive Director to execute an Agreement with ZDEVCO to perform such services for a term of approximately one year with two, one-year options to extend. ZDEVCO is a Port certified LIA/LBA company, and will employ staff currently performing these services for the Port.

BACKGROUND

In June 2014, the Board awarded a professional services agreement (“PSA”) for Management and Maintenance of the Maritime Port Registry and Truck Positioning System to LEIDOS, Inc. The term of the PSA commenced on July 1, 2014 and is set to expire on February 28, 2019. Services provided in support of the Port Registry and Truck Positioning program include: (1) managing the Port Registry consisting of the drayage truck database that catalogs the licensed motor carriers (“LMC’s”), and drayage trucks that service the Port, along with the Secure Truck Enrollment Program (“STEP”), to provide domain awareness of entities doing business in the Port Maritime Area – per Item 02405 of Port Tariff 2-A; (2) maintaining the truck positioning system that works in conjunction with RFID (radio frequency identification) data gathered at security entrances/exits of the marine terminals and supplied to the Port via a third party

hosting service; and, (3) managing and staffing the Port’s Customer Service Center (“CSC”) that provides a myriad of services to Port customers including processing STEP agreements, trouble-shooting RFID equipment, and issuing “Day Passes” for eligible truckers to facilitate terminal access.

Port Registry and Truck Positioning System services over the expiring five-year term cost approximately \$1,750,000, averaging approximately \$350,000 per year. In anticipation of PSA expiration, Staff issued a RFP in October 2018 to continue these valuable services. Outreach efforts for the RFP process included the following:

- RFP was posted on the Port Website (<http://www.portofoakland.com/business/bids-rfps/>)
- Port’s Purchasing Department sent email notification to 3 companies
- RFP advertised in the Oakland Tribune
- 10 companies attended the mandatory pre-proposal meeting on October 18, 2018

ANALYSIS

Staff issued a RFP on October 10, 2018, for Maritime Port Registry and Truck Positioning System Management and Maintenance. To evaluate the proposals received, the Port established a five-person Evaluation Committee (the “Committee”) comprised of staff from the Port’s Maritime, Information Technology, and Social Responsibility divisions. The evaluation resulted in the following ranking:

Rank	Proposers	Location	Certified LIA/LBA*
1	ZDEVCO	Oakland, CA	Yes
2	Advent Intermodal Solutions	Murray Hill, NJ	No
3	Clear Business and Innovative Solutions	Irvine, CA	No
* Local Impact Area (“LIA”): Oakland, San Leandro and Emeryville; Local Business Area (“LBA”) Alameda and Contra Costa Counties			

The Committee evaluated each proposal based on criteria set forth in the RFP, and as listed below:

Item	Criteria	Weights
1	<u>Adherence to Port Policy and Other Requirements and Debarment Statement</u> Completion of forms attached to the RFP	Pass/Fail
2	<u>Company Information (Client References, Litigation and Other Information, and Required Forms)</u> Company Information, Client References, Litigation and Other Information, and Required Forms	15%
3	<u>Knowledge and Experience</u> Proposer's knowledge and experience in providing services of similar size and scope as services in RFP	25%
4	<u>Plan and Approach</u> Details of proposed plan/approach to address the requirements of the RFP	20%
5	<u>Proposed Costs</u> Fee proposal, including rates for PSOC supervisor and operator, profit, health benefits, etc.	25%
6	<u>Non-Discrimination and Small Local Business Utilization Policy</u> Ability to provide substantiating documentation to show company meets the Port's definition of Small Local Business	15%
	Total	100%

Advent Intermodal Solutions, ZDEVCO, and Clear Business and Innovative Solutions each submitted a complete proposal that qualified for a Committee review. After review and analysis of each written proposal, ZDEVCO, a Port-certified LIA/LBA company, received the overall highest ranking amongst the three proposers. While the Committee determined that all proposers could adequately perform the services requested, ZDEVCO ranked highest due to lower cost and being the only Port-certified LIA/LBA company to submit. Further, ZDEVCO has no issues with the Port's proposed terms and conditions.

In addition to seeking proposals for managing and maintaining the Port Registry and Truck Positioning System in its "as-is" state, and while not required, Staff also requested proposers to submit other potential alternatives for meeting the Port's requirements. While these additional methods were not considered with respect to scoring and awarding this new agreement, Staff noted some potentially promising alternatives that could result in significant cost savings over the next three to five years due to improvements in technology and system efficiencies that could be gained.

Staff wants to further explore alternatives that could result in cost savings and related efficiencies. To do so, Staff likely will seek vendors who can meet a modified scope of work, a process which will take some time and may involve pilot testing. Therefore, with these points in mind, and in accordance with the Port's right to modify the RFP, Staff desires to enter into a one-year agreement with two, one-year options to extend, instead of a three-year term with

two, 1-year options as promulgated in the RFP. The selected respondent, ZDEVCO, has agreed to the proposed terms.

BUDGET & STAFFING

Total cost for the maximum three-year term is \$1,095,154. The below table shows the Port's operating expenses for the length of the contract, including option years. These costs are about \$198,000 higher than the currently approved Maritime operating expense budget for the current fiscal year (FY19); however, staff expects this additional cost will be absorbed within the approved budget. Overall, these costs are consistent with the Port's most recent 5-year expense projections.

FY 19	FY 20	FY 21	FY 22	Total
\$197,654	\$385,296	\$349,924	\$162,280	\$1,095,154

The proposed action does not have any staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement ("MAPLA") and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Strengthen Safety and Security
- Goal: Improve Customer Service

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply to this agreement because as the service provider does not employ 21 or more employees working on Port-related work. However, the service provider will be required to certify that should living wage obligations become applicable, the service provider shall comply with the Living Wage Regulations.

SUSTAINABILITY

Port staff reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. Port staff concluded that there are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing equipment, or operations that presents sustainability opportunities.

ENVIRONMENTAL

California Environmental Quality Act ("CEQA") Determination: The proposal to authorize the Executive Director to enter into contract with ZDEVCO for Maritime Port Registry and Truck Positioning System Management and Maintenance services was reviewed in accordance with the requirements of CEQA and Port CEQA Guidelines. Section 15378 of the CEQA Guidelines defines a project by an agency as "an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." In particular, per section 15378(b), projects do not include "continuing administrative or maintenance activities" or "organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment." The proposed action entails continuation of a professional services agreement, with no potential for direct or indirect physical change in the environment. Therefore, this action is not subject to CEQA.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

Professional service agreements are not subject to the Port's Owner Controlled Insurance Program (OCIP) as professional services are not construction activities.

OPTIONS

Staff has identified the following options for the Board's consideration:

Option 1. Authorize the Executive Director to execute a professional services agreement with ZDEVCO, for a term not-to-exceed three years and cost not-to-exceed \$1,100,000. This is the recommended option.

Option 2. Do not authorize the Executive Director to enter into an agreement with ZDEVCO, and direct Staff to (a) select another respondent to the RFP for reasons determined by the Board, or (b) conduct a new RFP process for Maritime Port Registry and Truck Positioning System Management and Maintenance.

RECOMMENDATION

Staff recommends that the Board adopt a resolution authorizing the Executive Director to execute an agreement with ZDEVCO to perform Maritime Port Registry and Truck Positioning System Management and Maintenance for a term of one-year commencing on March 01, 2019 and ending on February 29, 2020, with two, 1-year options to extend the term through February 28, 2021, and February 28, 2022, respectively, subject to approval as to form and legality by the Port Attorney, in a total aggregated amount not to exceed \$1,100,000.