



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: JANUARY 4, 2023**

**FROM: MEDIA RELATIONS AND STRATEGIC COMMUNICATIONS**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AGREEMENTS BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND FAYE BUSINESS SYSTEMS GROUP AND SILVERTECH FOR AS-NEEDED WEB DESIGN, DEVELOPMENT AND SUPPORT SERVICES**

**SUMMARY:**

Staff requests approval of two (2) separate three-year agreements with Faye Business Systems Group, Inc. (Faye), a software solutions and optimization partner, and SilverTech, Inc. (SilverTech), a digital experience agency, to provide as-needed website design, development, and support services for Port of Los Angeles-hosted websites. The Port has utilized outside contractors for managed web hosting services since the late 1990s. Spending will not exceed \$690,000, in aggregate, on a pooled basis across the two proposed Agreements. The Harbor Department is financially responsible for payment of expenses incurred under the proposed Agreements.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the Los Angeles City Charter Section 1022, the services required can be performed more feasibly by an outside contractor than by City employees;
3. Approve the three-year agreement with Faye Business Systems Group, Inc. for a pooled amount not-to-exceed \$690,000;
4. Approve the three-year agreement with SilverTech, Inc. for a pooled amount not-to-exceed \$690,000;
5. Authorize the Executive Director to execute and the Board Secretary to attest to the said agreements; and
6. Adopt Resolution No. \_\_\_\_\_.

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Background and Context – Port of Los Angeles-hosted websites serve a critical role in the Harbor Department's business and public outreach. The Port's primary website (portoflosangeles.org) provides a repository of current and historical information and data to enhance communication and relationships with Port stakeholders. It also provides a daily operational status snapshot for business and cargo owners. The LA Waterfront website (lawaterfront.org) serves as a guide for tourism and recreation and provides project updates for the Port's redevelopment and public access projects. The Logistics Victory Los Angeles (LoVLA) website (lovla.org) was established at the onset of the pandemic as a marketplace for personal protective equipment donations.

Port websites are currently managed by Harbor Department staff with the support of one outside contractor, Faye Business Systems Group, Inc. Web contractors perform more specialized tasks during peak workloads, provide complex, technical programming and infrastructure support, and support the ever-evolving landscape of web design and development due to increasing demands and rapidly changing technologies. The model of using a combination of City staff and outside contractors on an as-needed basis is comparable to other City Departments. The scope of these services exceeds the job description and functions of Harbor Department staff, as there is no existing civil service classification that performs all of the duties outlined in the proposed contract.

Proposed Agreement – The proposed agreements with Faye (Transmittal 1) and SilverTech (Transmittal 2) are for as-needed design, development, and support services for Port-hosted websites. Design includes web, mobile, digital marketing for routine and/or special projects; development includes Content Management System (CMS) programming; and support includes web monitoring and maintenance, including hosting infrastructure. Both firms are qualified to perform this work.

The Contracts and Purchasing Division inquired with other City of Los Angeles Departments to determine if City staff is available to assist with this work, as part of the Charter Section 1022 process. The departments that responded stated no staff is available.

The proposed three-year agreements are for a combined amount not-to-exceed \$690,000. Expenditures are based on actual needs to be incurred only when the Harbor Department authorizes services to be performed. Total expenditures will not exceed \$690,000 over the term of both contracts; however, the Harbor Department is not committed to spending this entire amount.

Selection Process – The recommendation to select Faye and SilverTech is based on a Request for Proposal (RFP) released by the Media Relations Division on July 29, 2022. Five organizations responded to the RFP and submitted qualifying proposals (Transmittal 3). The selection committee, comprised of five Harbor Department staff members from

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the Media Relations, Information Technology, and Graphics Services divisions, and one City staff member from LA City Sanitation, evaluated the proposals based on the following: 1) firm’s qualifications, experience, and references; 2) project organization, personnel, and staffing; 3) project approach, work plan, and management; 4) rates, fees, and budget control; and 5) quality and comprehensiveness of the proposal. Two firms were selected for virtual interviews with the selection committee for further clarification on the proposals. Based on the scoring criteria, the selection committee recommends Faye and SilverTech (Transmittal 4).

Faye is headquartered in Woodland Hills and certified as a Local Business Enterprise (LBE) and Small Business Enterprise (SBE); however, the project scope does not require SBE or VSBE participation. SilverTech is headquartered in Manchester, New Hampshire.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of two separate three-year agreements with Faye and SilverTech to provide as needed website design, development, and support services, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Agreements would authorize aggregate spending of \$690,000 on a pooled basis across the two Agreements over a three-year period. Although staff has identified services valued at \$540,000 to be provided under the proposed Agreements, contingency funds of \$150,000 have been included within the Agreements in the event that unexpected needs arise.

Spending is anticipated to occur as follows:

	FY 2023	FY 2024	FY 2025	FY 2026	Total
Budgeted	\$90,000	\$180,000	\$180,000	\$ 90,000	\$540,000
Contingency	\$25,000	\$ 50,000	\$ 50,000	\$ 25,000	\$150,000
<b>Total</b>	<b>\$115,000</b>	<b>\$230,000</b>	<b>\$230,000</b>	<b>\$115,000</b>	<b>\$690,000</b>

Fiscal Year (FY) 2023 funding in the amount of \$90,000 is available within Account 54310 (Information System Consulting), Center 0250, Program 000. Staff has also requested that funding of \$180,000 be included within the FY 2024 Budget, subject to Board approval. If additional funds are ultimately required in either FY 2023 or FY 2024 to meet

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contingent needs and alternate funding options are unavailable, then staff will request additional funds at a later date, subject to Board approval.

Funding for future fiscal years, if necessary, will be requested to be budgeted as part of the annual budget adoption process, upon Board approval. If in any subsequent fiscal year funds are not appropriated by the Board for the work required by the Agreements, then the Agreements shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the proposed Agreements as to form and legality.

**TRANSMITTAL(S):**

1. Proposed agreement with Faye Business Systems Group, Inc.
2. Proposed agreement with SilverTech, Inc.
3. RFP for As-Needed Web Design, Development and Support Services.
4. Selection Committee Recommendations.

FIS Approval: MB  
 CA Approval: SO



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