

PORT OF LOS ANGELES SETS NEW STANDARD FOR ONLINE BIDDING FOR CONSTRUCTION PROJECTS WITH PLANETBIDS

HOW PLANETBIDS HELPED



Vendor Experience

Vendors can access and submit bids online, reducing questions, no-bids, and protests.



Project Evaluation

Standardized criteria, auto calculations, and evaluator collaboration.



Efficiency

Bid and specification templates speed up solicitation creation and ensure correct scope.



Transparency

Moving procurement online gives the public better insights for fairness and transparency.

OVERVIEW

The Port of Los Angeles, which has been ranked the busiest container port in North America for more than two decades, boasts an efficient and sustainable supply chain and new technologies to improve the reliability and efficiency of the flow of cargo across global seaborne trade.

In any given year, construction projects for the container terminal can include demolishing structures, rebuilding portions of the wharf, resurfacing pavement, constructing terminal operator buildings, installing utilities, and handling community beautification projects. Because of the massive size of its operations, the Port is viewed as a small city with construction projects ranging from \$50 to \$200 million annually.

However, until 2019, all procurement operations outside of online solicitation postings for the Port were completely manual.

Once bids were posted online for viewing and downloading, the Port handled communications with potential bidders via email or phone call, paper bids were submitted by hand, bid meetings, evaluations, and awards were done in-person, and contract and certification management meant stacks of documents, confusing spreadsheets, and rooms full of filing cabinets.

All this cumbersome and time-intensive paperwork and in-person meeting meant procurement lifecycles were bogged down, purchasing team members were overwhelmed, and the Port was set up for potential risk.

The Port's purchasing team knew that to continue to scale the port and maintain reliability and efficiency, they would need a digital procurement software solution to help. That's where PlanetBids' end-to-end procurement system came in.

THE RESULTS

The Port's evaluation team consulted with other government agencies with similar operational needs and construction projects to find out what systems they were using, and what systems their vendors would be familiar with navigating. Overwhelmingly, PlanetBids – which has been the leader in procurement software in California since 2000 – was the answer.

After selecting PlanetBids and transitioning to the new system, the Port of Los Angeles' procurement team practiced running purchasing projects through the system's demo environment.

"As we began to transition to the new system, our team was offered the opportunity to access a demo site where we could perform rehearsal projects using the system," said Brian Chuc, Harbor Engineer for the Port of Los Angeles Construction Division. Chuc was part of the initial RFP process and evaluation team that ultimately selected PlanetBids.



PLANETBIDS' CUSTOMER SERVICE TEAM BUILT OUR CONFIDENCE AND MADE GOING LIVE MUCH EASIER.

– Brian Chuc, Harbor Engineer for the Port of Los Angeles Construction Division

"Practicing with fictitious bids and the quick responsiveness to our questions from the PlanetBids' customer service team built our confidence and made going live much easier."

Excited to go live, the Port of Los Angeles procurement team began to initiate their first online bids through their new vendor portal, which allows vendors to view and download open solicitation documents, receive automatic notification of updates or addenda, submit their bids online, and get transparent notification of evaluation and award.

The Port, meanwhile, eliminated paper submittals, increased efficiencies, and reduced the opportunity for human error. Since moving online, the Port has virtually eliminated rebids due to mathematical errors.

“No matter where we are working from – the office or home – we can easily access the system,” Chuc said. “During the COVID-19 pandemic, with many employees working from home offices, the virtual system was crucial to keeping projects moving. Contractors have also expressed appreciation for a system that can take all bids documents virtually, with little need for human contact during the bid submittal process.”

BID MANAGEMENT

Simplifying the RFP Process from Creation to Evaluation

- **Challenge:** Manual bid creation for complicated, expensive construction projects was cumbersome and time-consuming, and mathematical errors from hand-calculated evaluations resulted in rebids or bid protests.
- **Solution:** Streamlined bid creation with unlimited templates and a comprehensive specification library allows the Port to more efficiently and confidently create bids and RFPs. Digital, collaborative evaluation eliminates errors and boosts transparency. More importantly, PlanetBids is designed to handle construction and public works projects, allowing vendors to interactively search, view, and respond to bid opportunities securely online.

VENDOR MANAGEMENT

Improving Communication and Building Relationships with Vendors

- **Challenge:** Open solicitations were posted online, but there was no way to know which vendors were seeing or intending to bid on them, or whether they had seen all addenda. Bids were submitted either by mail or in person, meaning tons of time-consuming paperwork to sort through to ensure complete bids.
- **Solution:** An intuitive vendor portal gives potential bidders all required bid information automatically and allows them to submit secure and encrypted responses, eliminating late or incomplete bids. The Port gains access to vendor records and can run advanced searches on multiple sets of vendor data, perform real-time verification of provided information (i.e., certifications and licenses) against third party databases, generate comprehensive reports with visual charts, and broadcast messages to selected vendors.

BUSINESS CERTIFICATION

Achieve Diversity Goals and Eliminate Risk

- **Challenge:** Paper certifications and pre-qualification documents had to be stored in filing cabinets, making it hard to know when something was missing or outdated.
- **Solution:** The Port can better manage small business and minority business certification programs and contractor pre-qualifications by digitally retrieving up-to-date information and getting automatic notifications for upcoming expirations. Registered vendors can also view certified/prequalified vendors for potential subcontracting opportunities.

RESULTS AND IMPACT

By implementing PlanetBids, the Port of Los Angeles eliminated bid protests and rebids, improved procurement sustainability, and gained access to a wider community of potential vendors and suppliers.

Improved Vendor Experience

Vendors can access all bid documentation online and upload their bids securely online, reducing questions, no-bids, and bid protests.

More Efficient Bid Creation

Bid and specification templates expedite solicitation creation and ensure that the right scope of work is included.

More Accurate Evaluations

Standardized evaluation criteria, automatic formula calculations, and collaboration between evaluators improve evaluation accuracy and eliminate errors.

More Transparent Purchasing

Moving the Port's procurement operations online allows auditors, vendors, leaseholders, and the public to get better insights into solicitations, responses, and awards to ensure fairness and better understand spending.

ABOUT PLANETBIDS

PlanetBids' end-to-end procurement platform helps procurement professionals in the public, private, education, and non-profit sectors streamline their purchasing operations and improve vendor and supplier relationships for better budget and resource management.

ABOUT THE PORT OF LOS ANGELES

The Port of Los Angeles the nation's premier gateway for international commerce and the busiest seaport in the Western Hemisphere. Located 25 miles south of downtown Los Angeles in San Pedro Bay, the Port encompasses 7,500 acres of land and water along 43 miles of waterfront. Incoming shipments represent 20% of all cargo entering the United States, with 25 cargo terminals, 84 ship-to-shore container cranes, 8 major container terminals, and 122 miles of rail, 2 cruise terminals, and 15 marinas.

While it operates as a department of the City of Los Angeles, the Port is not supported by City taxes but rather by revenues from leasing and shipping service fees as a landlord port with 200 leaseholders. The Port is currently amid a multi-year, \$2.6 Billion infrastructure investment program aimed at improving cargo efficiency and focusing on new technologies to enhance digital information flow throughout the supply chain.