



AGENDA  
Regular Commission Meeting  
Port of Portland Headquarters  
7200 N.E. Airport Way, 8<sup>th</sup> Floor  
December 13, 2017  
9:30 a.m.

---

**Minutes**

Approval of Minutes: Regular Commission Meeting – November 8, 2017

**Executive Director**

Approval of Executive Director's Report – November 2017

**Action Items**

1. PROPERTY SALE – 7.64 ACRES TO ELEMENT SIX TECHNOLOGIES (OREGON) CORP. – GRESHAM VISTA BUSINESS PARK *DOUG SMITH*

Requests approval to sell 7.64 acres of property located on Stark Street in Gresham, designated as Lot 7 in the Gresham Vista Business Park, to Element Six Technologies (Oregon) Corp.
2. PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT *GEORGE SEAMAN*

Requests authority to amend a personal services contract and also approval of an exemption from competitive bidding for a public improvement contract related to the Terminal Core Redevelopment project at Portland International Airport.
3. COLLECTIVE BARGAINING AGREEMENT – AVIATION MAINTENANCE *BLAISE LAMPHIER*

Requests tentative approval of a five-year collective bargaining agreement between the Port of Portland and the District Council of Trade Unions, comprised of the Laborers International Union of North America, Local 483 and the International Brotherhood of Electrical Workers, Local 48.

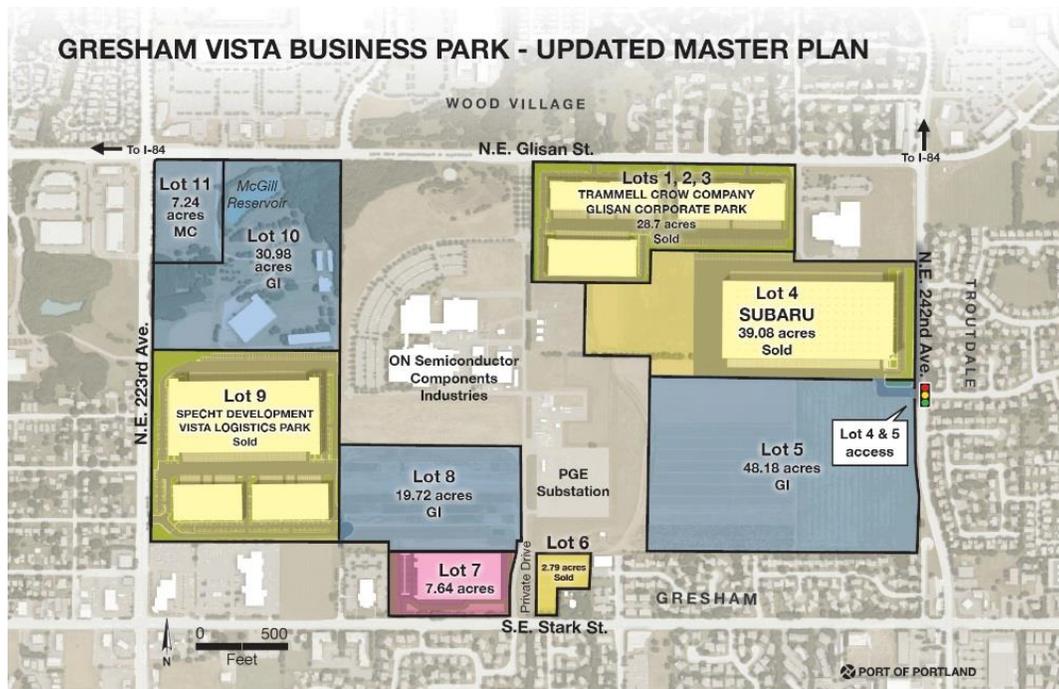
**PROPERTY SALE – 7.64 ACRES TO ELEMENT SIX TECHNOLOGIES (OREGON) CORP. – GRESHAM VISTA BUSINESS PARK**

December 13, 2017

Presented by: Doug Smith  
International Business  
Development Manager

**REQUESTED COMMISSION ACTION**

This agenda item requests approval to sell 7.64 acres of property (Property) located on Stark Street in Gresham, designated as Lot 7 in the Gresham Vista Business Park (GVBP), to Element Six Technologies (Oregon) Corp., a wholly owned U.S. subsidiary of Element Six Holdings Ltd. (Element Six) based in the United Kingdom. The total purchase price for the Property is \$2,329,586.



**BACKGROUND**

Element Six is the world’s leading producer of synthetic diamond for industrial purposes, a class of advanced engineered materials referred to as “super-materials.” The company proposes to construct a new facility on the Property to produce synthetic diamond. Element Six produces synthetic diamonds that are widely used across a variety of industries and markets around the world. For example, uses for synthetic diamonds range from playing a vital role in the production of next generation automotive engines, to powering high-speed digital telecommunications equipment.

PROPERTY SALE – 7.64 ACRES TO ELEMENT SIX TECHNOLOGIES (OREGON) CORP. –  
GRESHAM VISTA BUSINESS PARK

December 13, 2017

Page 2

The proposed facility, once operational, would initially bring approximately 60 new advanced manufacturing jobs to the community. Element Six plans to evaluate opportunities for training and apprenticeship programs in cooperation with Mt. Hood Community College to recruit and train a local workforce.

The sale of the Property for the purposes of developing an advanced manufacturing facility is consistent with the economic development goals of the City of Gresham (City) and the Port of Portland (Port), insofar as it would bring new, high-quality jobs in the traded sector and produce products for distribution to global markets.

The design and construction of the proposed facility would be required to comply with the Port's Development Standards for GVBP as well as City zoning, design and permit requirements. Separately, the City has made an application to change the zoning on the Property from Corridor Mixed-Use to General Industrial. The zoning change contemplated by the City's application is currently scheduled for a final decision in early January.

The selection of the Property followed a competitive site selection process managed locally by Greater Portland Inc., with the support of the City, Business Oregon and Portland General Electric.

The sale terms are summarized as follows:

Property:	Approximately 7.64 acres
Purchase price:	\$2,329,586, based on \$7.00 per square foot
Due diligence period:	90-days
Earnest money:	\$75,000
Improvements:	All site improvements to be designed and constructed by Element Six.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to sell approximately 7.64 acres of property designated as Lot 7 in the Gresham Vista Business Park to Element Six Technologies (Oregon) Corp., consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That the Executive Director or his designee is authorized to execute documents on behalf of the Port of Portland Commission in a form approved by counsel as reasonably necessary to close the transaction.

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

---

December 13, 2017

Presented by: George Seaman  
Engineering Project Manager

**REQUESTED COMMISSION ACTION**

This agenda item requests authority to amend the existing personal services contract with ZGF Architects LLP (ZGF) for the Terminal Core Redevelopment (TCORE) project at Portland International Airport (PDX), in the amount of \$33,782,595, to provide for schematic and initial detailed design development services.

This agenda item also requests approval of an exemption from competitive bidding, enabling the Port of Portland (Port) to use a competitive request for proposals (RFP) process to procure the public improvement contract for construction of the TCORE project.

**BACKGROUND**

Beginning with the 2010 PDX Master Plan (Airport Master Plan) and continuing with the 2012 Ticket/Check-In Lobby Concept Plan (Lobby Concept Plan), the Port has evaluated the core terminal area and developed a comprehensive strategy to reconfigure the terminal, ensuring: 1) the most effective possible passenger processing; 2) the best possible passenger experience; 3) the maximum possible concession revenues; and 4) a long-range plan that is sustainable, affordable and adaptable.

In July 2014, Port staff presented the results of the Lobby Concept Plan to Commissioners. In August 2015, the Commission approved the award of a personal services contract to ZGF for architectural and engineering design services for the project, beginning with conceptual planning for the terminal redevelopment. At that time, the Commission also approved the award of a pre-construction support services contract to Turner Construction Company (Turner). In April 2016, the Commission approved amendments to these contracts to proceed with conceptual design of the selected plan. The conceptual design is now complete. Significant elements of the program now being considered include:

- Expanding the terminal core area by constructing a seismically-resilient addition to the existing building about 180 feet to the west.
- Relocating the security checkpoints into the newly-constructed addition.
- Constructing a “clear span” roof structure from the curbside to the westward edge of the existing ticket lobby, spanning the entire terminal building east to west and opening up the building functionally and architecturally.

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

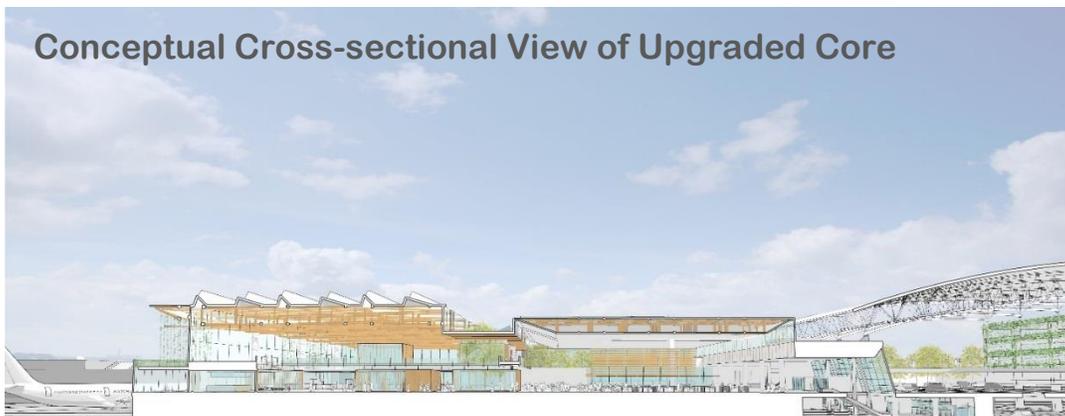
Page 2

- Removing the existing roof and mezzanine over the terminal building.
- Relocating and reconstructing the post-security concession nodes further to the west to better align passenger flow with the newly constructed building.

Project Location



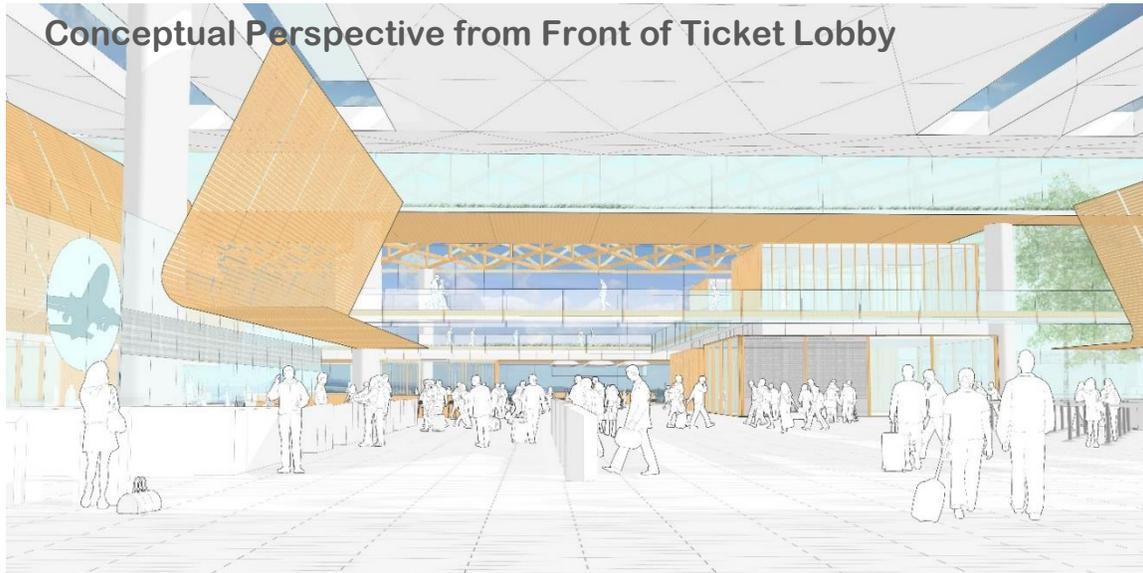
Conceptual Cross-sectional View of Upgraded Core



PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 3



**PROJECT APPROACH**

Due to the size of this project, its complexity, and its potential for significant impacts to the airlines, concessionaires, tenants and the traveling public, the Port developed a four-phased program for its planning, design and construction:

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 4

### **1. Conceptual Plan Selection (Complete)**

This first phase in the program was to compare and evaluate the structural, seismic, operational, phasing, constructability and cost implications of the conceptual plan options. These included three primary approaches to renovating the ticket lobby: first within the confines of the existing building footprint and floors; second, removing the central mezzanine and opening up the terminal building functionally and architecturally; and third, expanding the terminal building to the west. The third concept, which was selected, is known as the “westward expansion.”

### **2. Conceptual Design Development and Phasing (Complete)**

The next phase of the program was to evaluate options and phasing concepts to develop the selected conceptual plan. To obtain these conceptual design development services and phasing alternatives, the Port engaged ZGF and Turner under amendments to their existing contracts, as contemplated when awarded. Commission approved these contract amendments in April 2016.

The Airport Airline Affairs Committee (AAAC) approved the program conceptual design development and phasing plans in April 2016.

This phase of the project further developed the selected conceptual plan by relocating the post-security concession nodes into extensions of the “westward expansion” in Concourses C and D, removing the mezzanines above the existing nodes, redeveloping the “Clock Tower Plaza” concept between ticketing and security, expanding the ticketing counters further along the front of the terminal and further developing the mechanical, electrical and structural aspects of the program.

The AAAC approved the budget for the design of the entire project and construction of the initial portion (Concourse B renovation, Concourse A demolition and construction of the “westward expansion”) in November 2017.

### **3. Schematic and Final Design Development**

Schematic Design. To obtain schematic design services, the Port intends to engage ZGF under an amendment to the existing contract. The contract allows the Port to invoke this scope of work at its option. The Port and ZGF have agreed on terms acceptable to the Port, and the Port is now seeking contracting authority from the Commission to award the schematic design amendment. Additional information about the proposed amendment is provided below in this agenda item.

The schematic and final design work will include providing all architectural, structural, mechanical and electrical services necessary to provide comprehensive plans and specifications based on the selected plan. Staff anticipates that the schematic design development phase will be completed within the next 12 months.

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 5

Final Design. Final design development will commence at the completion of schematic design, and is anticipated to require an additional three years. To obtain final design development services, the Port intends to engage ZGF under an amendment to their existing contract, as contemplated when awarded. Provided the Port and ZGF can agree on terms acceptable to the Port at that time, the Port will also seek contracting authority from the Commission to award the final design amendment.

#### **4. Public Improvement Contract; ZGF Construction Support Services**

Public Improvement. As discussed in more detail below in this agenda item, staff plans to select the program public improvement (construction) contractor during the schematic design development phase. Staff proposes selecting a Construction Manager/General Contractor (CM/GC) to deliver the project, through a qualifications-based selection process. The CM/GC project delivery method allows construction to begin on the program prior to the completion of the entire design. During the final design development phase, the Port and the CM/GC will negotiate a “guaranteed maximum price” (GMP) for all construction work, based on reimbursable expenses and a fixed fee. The Port will seek contracting authority from the Commission to award the public improvement contract, in phases, after the selection process.

Construction Support – ZGF. To obtain final construction support services, the Port intends to engage ZGF under an amendment to their existing contract. The contract allows the Port to invoke this scope of work at its option. The Port will negotiate with ZGF for construction support services when negotiating the GMP. Provided the Port and ZGF can agree on terms acceptable to the Port at that time, the Port will also seek contracting authority from the Commission to award the construction support services amendment.

#### **PERSONAL SERVICES CONTRACT AMENDMENT – ZGF (SCHEMATIC DESIGN DEVELOPMENT)**

As discussed above, staff now wish to amend the ZGF design contract to perform the schematic design development phase of work. These services will provide detailed mechanical, electrical, architectural and structural design drawings, architectural renderings, construction phasing plan development, passenger modeling, space planning and cost estimating. In addition to the direct architectural work ZGF will be performing, their team includes several sub-consultants to address the aviation planning; mechanical engineering; civil engineering; electrical engineering; and plumbing, structural, lighting, sustainability, cost estimating, security, signage and telecommunications aspects of the program design.

As discussed in previous agenda items, the contract provides for payment on an hourly basis at negotiated rates, plus expenses. The small business participation goal for the design contract is 10.3 percent.

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 6

To date, the ZGF design contract has been amended as follows:

Original contract amount	\$2,760,936
Concept design amendment	\$7,804,530
Rate adjustment*	\$102,297
Ticket lobby simulations	\$28,000
Terminal expansion evaluation	\$830,131
Simulations funded by the PDX Terminal Balancing (TBAL) project	\$20,000
Extend conceptual design	\$483,597
AAAC ballot support/option development	\$495,767
<b>This amendment</b>	<b>\$33,782,595</b>
New total contract amount	\$46,297,865

\*The contract allows ZGF to request a rate adjustment annually, to reflect actual increases in the cost of performing the services.

The detailed scope of work for the final design development and construction support services phases will be determined during the schematic design phase. As described above, should the Port elect to add those phases of the work to the ZGF design contract, the Port will do so via one or more contract amendments, which will require Commission approval.

**EXEMPTION FROM COMPETITIVE BIDDING**

This request is in accordance with the Oregon Public Contracting Code, which allows an agency's contract review board to approve the use of an alternative contacting method by granting an exemption from competitive bidding under ORS 279C.335(2).

As discussed in more detail in the Findings in Support of an Exemption from Competitive Bidding (Findings) that are attached as Exhibit A, this project entails complex operational issues, phased construction activities, subcontractor design requirements, critical security constraints and important schedule optimization demands. For primarily those reasons, the Port intends to use a competitive RFP procurement to select a CM/GC to construct this project.

The Port has successfully used CM/GC contracts on four major projects in recent years: the Port headquarters/long-term parking garage, inline baggage screening, deicing enhancement and access control replacement projects. The Port is also currently using the CM/GC method to deliver the Rental Car Quick Turnaround Facility and Terminal Balancing projects at PDX. Port staff considered other contracting methods for this project – including design-build and traditional

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 7

“low bid” procurement – but ultimately recommends the CM/GC structure to best assure successful project delivery given the project’s complexities, operational sensitivities and schedule demands.

The RFP would use a competitive process to select the contractor, which is based in part on the proposers’ qualifications. RFP evaluation criteria would include, for example: the proposer’s experience with similar types of projects; construction management planning, scheduling and coordination capability; experience with highly-visible public projects that require skilled communications; and proposed fees. As discussed in the Findings, this selection process is considered to be unlikely to encourage favoritism in awarding the contract or to substantially diminish competition for the contract. Using an RFP to provide for project delivery via a CM/GC would also likely result in substantial cost savings and other substantial benefits for the Port.

After public notice, the Port held a public hearing on October 2, 2017 to take comments on the draft Findings, as required under Oregon law. The Port previously held a public hearing for this same purpose in early 2016. As the Findings indicate, no public comments were received at either hearing. The Port now seeks the Commission’s approval of the Findings, acting in its capacity as the Port’s Contract Review Board (CRB). The Port also seeks an exemption from competitive bidding from the CRB, to allow the Port to procure the project public improvement contract using an RFP.

**SCHEDULE**

Preliminary planning	November 2014 – December 2014
Consultant selection	January 2015 – July 2015
Commission action (approve award of personal services and preconstruction support services contracts)	August 2015
Conceptual plan selection phase	September 2015 – February 2016
Commission action (approve contract amendments for conceptual design and pre-construction support services)	April 2016
Conceptual design development phase	April 2016 – April 2017
<b>Commission action (approve design contract amendment, exempt public improvement contract from competitive bidding)</b>	<b>December 2017</b>
Contractor selection (public improvement contract)	December 2017 – February 2018
Commission action (approve award of public improvement contract)	April 2018
Construction	December 2019 – October 2024

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE  
BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE  
REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 8

**PROGRAM RISKS**

Risk: Adverse impacts to stakeholders.

Mitigation Strategies:

- The Port brought construction expertise (Turner) into the program during the conceptual plan selection phase to assist with constructability analysis.
- Develop phasing plans early in the program to determine potential impacts.
- Develop phasing plans that allow relocation of a large portion of ticketing and security functions in a single move.
- Communicate program goals, directions and plans to the various stakeholders affected by the program throughout the planning and design phases.
- Select CM/GC during the schematic design phase to develop construction plans and complete constructability analysis.

Risk: Construction cost greater than anticipated.

Mitigation Strategies:

- Have independent estimates performed by ZGF, Turner, and the CM/GC during the conceptual design development and final design development phases.
- Develop the construction schedule and approach during the conceptual plan selection phase and update it throughout the program design phase.
- Engage the CM/GC as soon as possible after the conceptual design phase is complete and the program is approved.
- Utilize GMP compensation methodology in the public improvement contract to enhance cost certainty.

Risk: Changing conditions of the global aviation industry.

Mitigation Strategies:

- Phased approach allows the Port to delay program phases in response to external conditions.
- Design the terminal modifications to allow for flexibility as future passenger processing options evolve.
- Coordinate program concept activities with airline technical representative (J. A. Watts, Inc.).

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 9

**BUDGET**

At this time, the AAAC approval for the project includes only the initial phase shown below. In the future, staff anticipates engaging the airlines to request approval for the remainder of the total project, including the ticket lobby remodel, reconstruction of the existing north and south post-security concession nodes and the baggage claim area.

	Initial Phase	Remainder of Project	Total Project
Consultant design services	\$109,000,000	\$10,000,000	\$119,000,000
CM/GC services (including construction)	\$582,000,000	\$361,000,000	\$943,000,000
Procurements/equipment	\$31,000,000	\$14,000,000	\$45,000,000
Port staff/contracted services	\$50,000,000	\$14,000,000	\$64,000,000
Permits	\$10,000,000	\$6,000,000	\$16,000,000
Contingency	\$170,000,000	\$51,000,000	\$221,000,000
<b>Total Program</b>	<b>\$950,000,000</b>	<b>\$458,000,000</b>	<b>\$1,408,000,000</b>

The overall program contingency, representing 22 percent of the current program cost estimate, is considered reasonable given the stage of the project, the nature of the work and the risk profile for the project.

Program funding is from the Airline Cost Center.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to amend the existing personal services contract with ZGF Architects LLP to provide for schematic design development services for the Terminal Core Redevelopment project at Portland International Airport, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That the Port of Portland Commission, in its capacity as the Port of Portland Contract Review Board, approves the findings set forth in the attached Exhibit A "Findings in Support of an Exemption from Competitive Bidding – Portland International Airport (PDX) Terminal Core Redevelopment," dated October 2, 2017; and

PERSONAL SERVICES CONTRACT AMENDMENT AND EXEMPTION FROM COMPETITIVE  
BIDDING FOR PUBLIC IMPROVEMENT CONTRACT – TERMINAL CORE  
REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

December 13, 2017

Page 10

BE IT FURTHER RESOLVED, That the Port of Portland Commission, in its capacity as the Port of Portland Contract Review Board, specifically exempts from competitive bidding the public improvement contract for the Terminal Core Redevelopment Project, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That the Executive Director or his designee is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.



## **FINDINGS IN SUPPORT OF AN EXEMPTION FROM COMPETITIVE BIDDING**

### **Portland International Airport (PDX) Terminal Core Redevelopment**

**PROJECT No. 102191**

**DATE OF DRAFT FINDINGS: SEPTEMBER 15, 2017**

**DATE OF FINAL FINDINGS: OCTOBER 2, 2017**

#### **Project Background**

The Terminal Core Redevelopment (TCORE) project will modernize the heart of Portland International Airport (PDX). The terminal's core passenger processing area, which includes the security checkpoints, is reaching its capacity. This project is necessary to ensure sufficient capacity for future passenger demand, upgrade the terminal's seismic resiliency, and replace aging systems and infrastructure. The focus is to create spaces that preserve and build upon a quality customer experience at every passenger touch point, demonstrate leadership in visionary design and operational efficiency, add flexibility for technology and passenger processing, and that showcase sustainable building design and construction. As passenger count continues to rise, customer service levels will be compromised unless the terminal's capacity is increased.

In 2016, 18.4 million passengers traveled through PDX. By 2035, annual passenger count is projected to reach 27 million. A terminal area master plan completed in 2014 recommended adding passenger capacity by modifying the terminal's existing core area. Among other recommendations, the security checkpoint lanes would be moved toward the terminal's core, displacing the existing concessions and relocating them post-security. The 2010 Airport Futures Master Plan contemplated that, when needed, capacity could be further increased by expanding the terminal to the east.

Subsequent analysis revealed that modifying the existing building to create additional capacity would require structural upgrades to the building's subsurface pilings and foundations. This approach would be extremely disruptive to the recently-constructed baggage handling system, and to baggage claim areas. In addition, projections indicate that even with the recommended modifications, the existing terminal building footprint could only accommodate up to approximately 26 million annual passengers.

The Port has determined that instead of creating additional passenger capacity within the existing building footprint, the terminal core should be expanded to the west by constructing a seismically-resilient building addition. Doing so will simplify construction phasing, reduce impacts to the traveling public and airlines, and increase the terminal core's capacity to over 34 million annual passengers. In comparison to working within the existing building footprint, the TCORE project approach is expected to provide at least 10 more years before additional terminal expansion is required.

#### **Project Description**

This project will expand the existing terminal core about 180 feet to the west, relocating the security checkpoints into the newly-constructed building. The project will also relocate the existing post-security concession nodes into the newly constructed buildings, remove the mezzanine from

the current terminal building, and replace the roof with a new clear span structure creating a more open and inviting environment for the terminal core. The mechanical and electrical systems located in the existing mezzanine have reached the end of their useful life and will be replaced. The ticket lobby and security functions will be relocated to provide capacity for future growth and flexibility to allow the space to be adapted to the changing pre-security passenger processing systems. Also, a significant portion of the pre-security concessions will be relocated post-security.

Although the main elements of the project scope have been determined, many of the smaller elements and project specifics have yet to be identified. The Port completed the conceptual design phase in April 2017 and anticipates beginning schematic design in October 2017. Construction is tentatively scheduled to start by the fall of 2019 with substantial completion by the end of 2024.

Key project elements are expected to include, but not be limited to, the following:

- Western Expansion:
  - Extend the terminal core westward approximately 180 feet from the western wall of the current food court area, including:
    - Construct approximately 140,000 sq. ft. of space on both the ticketing level and deplaning level to house the western expansion.
    - Construct a multi-floored open space in the terminal core to provide an open and inviting space to perform the ticketing and security functions.
    - Install ticket counters, security checkpoints and concessions in the new space.
    - Design the new space to resist a level 9 Cascadia subduction zone earthquake and be repairable and operational after an earthquake.
    - Relocate the existing concourse corridor connector to the far western end of the western expansion. Phase its installation to maintain a functional connector at all times.
    - Install new mechanical, electrical and plumbing systems to support both the western expansion and the existing terminal core spaces. Construct the new systems with strong consideration of sustainability features.
    - Install new restrooms to support the additional passenger load.
    - Relocate the existing loading dock, airplane tug and access roads to the edge of the western expansion. Maintain use of these facilities during the project.
    - Provide shell space in the deplaning level for future baggage system relocation. This space may be utilized temporarily to house airline operations or relocated mezzanine functions.
    - Provide concessions space for restaurants, beverage, shopping and newsstands.
    - Extend the utility tunnels into the western expansion.
    - Provide new and more robust vertical circulation between the public sectors of the terminal building.
  - Airside modifications, including:
    - Remove existing concourse gates C2 and D2.
    - Temporarily impact gates C4 and D4 during subsurface infrastructure modifications while minimizing impacts to airside operations. Intermittently impact other gates during various construction activities.
    - Tie in utility services including fuel line and fuel hydrant modifications.
    - Rebuild and replace the existing sanitary lift station servicing the terminal facility.
- Existing terminal core modifications, including:
  - Remove and relocate airline ticket counter spaces and adjacent airline ticket office and support space.

- Relocate baggage system input from current locations to new ticket counter locations.
- Install cross-tie to allow any luggage input into the baggage system to be able to access either the north or south baggage inspection matrix.
- Update meeter/greeter area and/or relocate meeter/greeter area to baggage claim.
- Install concession modifications for pre- and post-security locations in the existing terminal core and concourse nodes.
- Remove the existing mezzanines and replace the roof with a new structure while minimizing operational and passenger impacts.
- Provide new vertical circulation for meeter/greeter area and to meet fire egress requirements.
- Remodel the terminal core architecturally to improve the visual aesthetics and functionality of the space.
- Deplaning and passenger tunnel locations, including:
  - Install new meeter/greeter area in baggage claim.
  - Upgrade utilities to allow installation of concessions in deplaning level.
  - Replace the slatted ceiling with new ceiling.
  - Modify the locations structurally to provide natural light to the deplaning space.
- Infrastructure and utilities, including:
  - Upgraded data, power, lighting and lighting controls, fire alarm, card access, and paging to meet current standards and levels of need.
  - Plumbing, heating, cooling, and ventilating for new and remodeled spaces.
  - Structural upgrades as required by fire/life/safety and/or seismic codes.
  - Separation of fats, oils, and greases from all new concessions effluent.
- Enabling projects, including:
  - Fit-up upper floors of new rental car center to allow relocation of displaced mezzanine program.
  - Potentially construct new airport operations center building as an essential facility.
- Temporary phasing and improvements, including:
  - Provide space planning, programming, and design services for temporary facilities, as required, for airline and mezzanine relocations.
  - Provide phasing plans (including alternative analyses) for temporary relocation of airlines, baggage handling, office space, Port police, Transportation Security Administration (TSA) and conference center.
  - Provide phasing plans for removal and relocation of mechanical, electrical and plumbing systems.
  - Provide new common use ticket counters and gate equipment to facilitate airline relocations.

## **Construction Risks**

Much of the work will be done in and around active airline and airport operations. If the work is not carefully and properly planned, communicated and executed by a capable and experienced firm, the operational, safety and financial risks are high. In addition, the large majority of the work occurs within the airport's secured area, requiring close coordination with the Federal Aviation Administration (FAA) and the TSA.

The TCORE western expansion overlies ground with a high-water table and known soil contamination. Excavation for the foundation, sanitary pump station and utility tunnel will require careful planning and execution by qualified and experienced contractor.

To accomplish this work scope will require a complex and well-coordinated phasing plan in order to minimize disruption to airport operations, maintain security and provide safety to the traveling

public and stakeholders. Working with the Port staff and the design team throughout planning and execution of the various construction phases will be critical in mitigating these risks.

Utilizing an alternative contracting method on this project is expected to reduce the scheduled duration of the project by about 20 months, because the recommended method will allow construction to start on the building foundations and utility relocations before the total design is complete.

### **Alternative Contracting Methods; Exemptions from Competitive Bidding**

Under Oregon’s Public Contracting Code (Code), public agencies generally must procure public improvement contracts using competitive sealed bidding, awarding the contract to the lowest responsible bidder.<sup>1</sup> However, the Code also embraces alternative contracting methods for complex public improvement projects, enabling agencies to select contractors based on factors in addition to price.

A stated policy goal of the Code is to: “[p]rovide a public contracting structure that can take full advantage of evolving procurement methods as they emerge within various industries, while preserving competitive bidding as the standard for public improvement contracts unless otherwise exempted.”<sup>2</sup> Similarly, the Port’s Contracting Rules promulgated under the Code are intended to: “maximize the Port’s flexibility in adjusting its contracting procedure to the specific circumstances of each procurement, and to ensure that the Port receives the maximum benefit from the public funds expended on public contracts.”<sup>3</sup>

Under the Code, when appropriate, an agency’s Local Contract Review Board (LCRB) may direct the use of alternative contracting methods that “take account of market realities and modern practices and are consistent with the public policy of encouraging competition.”<sup>4</sup>

An agency’s LCRB directs the agency to use an alternative contracting method by granting an exemption from competitive bidding.<sup>5</sup> In granting the exemption the CRB must require and approve or disapprove written “findings”<sup>6</sup> that support the award of the contract without the competitive bidding requirement.<sup>7</sup> The findings must show that the exemption of the contract complies with the requirements set forth below under “Findings.”<sup>8</sup>

### **Proposed Procurement Method**

For the reasons discussed above and as further explained below, for this project Port staff propose to use an open, competitive Request for Proposals (RFP) procurement process to select a contractor and award a public improvement contract. Notice of the RFP will be advertised publicly and posted on the Port’s online bidding system.

The Port’s Contracts and Procurement department will facilitate the review and scoring of proposals by the selection committee based on evaluation criteria set forth in the RFP. The RFP evaluation criteria will allow the Port to consider factors in addition to price when selecting the

---

<sup>1</sup> ORS 279C.335(1); ORS 279C.375(1)

<sup>2</sup> ORS 279A.015(6)

<sup>3</sup> Port Contracting Rule A.015

<sup>4</sup> ORS 279C.335(4)(a)

<sup>5</sup> ORS 279C.335(2)

<sup>6</sup> “Findings” means the justification for a conclusion that an agency, in seeking an exemption from competitive bidding, reaches based on the considerations set forth in this document under the heading “Findings.” ORS 279C.330(2)

<sup>7</sup> ORS 279C.335(4)(b)

<sup>8</sup> ORS 279C.335(4)(b)

contractor, such as experience, qualifications, safety record and approach, and small business participation plan.

## **Project Delivery Method**

### Background

With Commission approval, and after a competitive solicitation, the Port awarded a personal services contract to ZGF Architects (ZGF) to obtain project design services. ZGF continues to perform these services.

Due to the size, complexity and risks associated with this project, Port staff also sought an experienced contractor to provide constructability advice, schedule input, operational phasing plan development, and cost estimating services during the early, conceptual planning phases of the project only. After a competitive solicitation Turner Construction Company (Turner) was selected to provide these services. The Port Commission approved the award of a pre-construction services agreement to Turner in August 2015. Turner continues to provide these services, on a limited basis until the public improvement contract is awarded.

### Construction Manager/General Contractor (CM/GC) Services

Based on this project's characteristics, Port staff have determined that procuring a public improvement contract for Construction Manager/General Contractor (CM/GC) services is the best alternative delivery method for this project. Obtaining an exemption from competitive bidding sought under these Findings will enable the Port to conduct a competitive RFP to select the CM/GC. Under the terms of its preconstruction services agreement, Turner is ineligible to submit a proposal on the RFP.

As of the issuance of these Findings, anticipated features of the project public improvement contract include:

- During the preconstruction services phase the CM/GC will participate on a project team led by the Port which also includes architects, engineers and other consultants. As part of that team the CM/GC will contribute to design development, constructability reviews, value engineering, schedule development, estimating, and similar construction management tasks.
- During the public improvement phase of the CM/GC contract, the parties will establish a Guaranteed Maximum Price (GMP) for all construction work based on reimbursable expenses and a fixed fee. The CM/GC will act as general contractor and provide associated expertise, hold all subcontracts, self-perform portions of the work as the Port may allow, coordinate and manage the building process, and continue to act as a member of the project team.

However, as provided under the Code, the final parameters of the contract will be those characteristics or specifics announced in the solicitation document.<sup>9</sup>

## **Findings**

Under the Code, the Port's LCRB may exempt a public improvement contract from competitive bidding upon approval of findings submitted by Port staff which justify the exemption. The two required Findings are underlined below, with supporting information following each.

---

<sup>9</sup> ORS 279C.335(6)

1. The exemption is unlikely to encourage favoritism in awarding the contract or substantially diminish competition for the contract.

This exemption is unlikely to encourage favoritism in awarding the contract because multiple contractors are expected to submit proposals, which will be evaluated by a team in order to mitigate the effect of any individual bias in reviewing proposals. Competition will not be substantially diminished because the RFP remains an open, advertised, competitive selection process. Rather than being diminished, competition will be expanded to encompass qualifications as well as price. To solicit proposals, the Port will advertise notice of the RFP in a local publication as well as on the Port's online bidding system. All interested firms will be invited to submit proposals.

2. Awarding the contract under the exemption will likely result in substantial cost savings and other substantial benefits to the agency.

This exemption will likely result in substantial cost savings to the Port since the utilization of a CM/GC contract will allow the contractor to start construction activities approximately 20 months earlier than a traditional design-bid-build approach would allow. Considering current construction cost escalation, design services and Port project management and oversight this reduction in time should reduce the overall project cost by about \$60 million.

This exemption will provide other substantial benefits as documented below (reference C, D, F, G and J).

(a) Type, cost, and amount of the contract. The LCRB is required to consider the type, cost, and amount of the contract in considering this finding no. 2.<sup>10</sup> This contract will be a CM/GC contract with a negotiated guaranteed maximum price that will include reimbursement for subcontractor expenses, at cost, and a fixed fee. The contract is currently estimated at \$950 million.

(b) Other factors. To the extent applicable, the CRB must also consider the following additional factors in considering this finding no. 2.<sup>11</sup> Where applicable, Port staff has provided supporting information.

A. How many persons are available to bid. There are multiple firms capable of successfully performing this project nationwide, including a few in the Oregon/Washington region. The size of the project may motivate some firms to form joint ventures in order to propose, in part due to bonding capacity. Multiple experienced national firms that would not normally propose on smaller projects may submit proposals on this project.

B. The construction budget and the projected operating costs for the completed public improvement. Construction costs are estimated at \$950 million. The overall project budget is \$1.3 billion including staff and outside service costs and project contingency. Awarding the contract under the exemption is not expected to impact operating costs, which are expected to increase commensurate with the additional improved building area.

C. Public benefits that may result from granting the exemption. The primary public benefits that may result from granting the exemption all relate to having the contractor participate in the design process as it evolves:

---

<sup>10</sup> ORS 279C.335(2)(b)

<sup>11</sup> ORS 279C.335(2)(b)

a. Reduced construction impact to the public: The phasing and execution plan will be greatly improved by having the contractor assist in the planning process.

b. Improved public safety: This project will involve construction activities while passengers are still utilizing the terminal building. By having the contractor participate during the design phase, plans can be developed to minimize safety risk to the public.

c. Earlier project completion: Work packages can be issued prior to design completion, allowing construction to start about 20 months earlier than with traditional contracting methods.

D. Whether value engineering techniques may decrease the cost of the public improvement. There will likely be opportunities as the project develops for value engineering to decrease the project cost. These opportunities may take the form of innovative construction methods, less expensive yet equivalent materials, or different phasing options.

E. The cost and availability of specialized expertise that is necessary for the public improvement. There are a number of national and local firms with specialized expertise in public infrastructure projects of this type. It is expected that there will be an adequate number of competitors available to propose as general contractors or subcontractors. The basis for evaluation of proposals will be the estimated total cost of construction by the prime contractor and its subcontractors, as well as qualifications, experience, project approach and similar criteria applicable to the project. Additionally, the Port has the in-house expertise and financial resources to successfully support this public improvement project (reference N below).

F. Any likely increases in public safety. It is likely that public safety will be better served by this exemption. The RFP selection process allows the Port to take the contractor's safety program and record into account. Further, a CM/GC contract will allow the Port to be part of the contractor's safety planning process. All work will be performed in accordance with applicable OSHA regulations.

G. Whether granting the exemption may reduce risks to the Port or the public that are related to the public improvement. This exemption will allow the Port to coordinate with the CM/GC contractor in order to reduce overall project risks, including minimizing the public impact of the construction.

H. Whether granting the exemption will affect the sources of funding for the public improvement. This work is anticipated to be funded by the airline cost center. The exemption will have no impact on this funding source.

I. Whether granting the exemption will better enable the Port to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement. The use of a CM/GC contract will allow the Port to begin construction about 20 months earlier than a traditional design-bid-build approach. This schedule improvement allows the Port more flexibility in the timing of the work with respect to market conditions.

J. Whether granting the exemption will better enable the Port to address the size and technical complexity of the public improvement. This is one of the main drivers for proposing an alternative contracting method (CM/GC). This project is extremely complex and is the largest project the Port has ever constructed. A CM/GC contract allows the Port to work with the contractor in the most efficient and least impactful way to phase the project, especially with respect to the airline relocations and minimizing the impacts to the traveling public during the construction.

K. Whether the public improvement involves new construction or renovates or remodels an existing structure. The western expansion portion of the project will be mostly new construction except where it attaches to the existing building. The installation of the new roof over the existing terminal building will also be new construction. The remainder of the project, including the removal of the mezzanines, and relocation of the ticket counters and security checkpoint lanes will be virtually all renovation work.

L. Whether the public improvement will be occupied or unoccupied during construction. The western expansion portion will not be occupied during construction but will be adjacent to occupied space. Virtually all of the remaining project activities will involve work in occupied & operational spaces.

M. Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions. Construction will be multi-phased with the phases to include at a minimum: Installation of new roof over the terminal building, western expansion utility and foundation work, western expansion construction, phased installation of new mechanical, electrical and plumbing systems, relocation of security checkpoints, relocation of ticket counters, relocation of mezzanine functions, removal of mezzanine structure, construction of new overhead walkways, construction of concession spaces and final architectural finishing of the terminal core and deplaning spaces.

N. Whether the Port has, or has retained under contract, and will use Port personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the Port will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract. The Port has significant institutional knowledge related to alternative contracting methods and procuring and administering CM/GC contracts. Recent Port project experience with the CM/GC delivery method includes the Port Headquarters Building, the In-line Baggage Handling System, the Deicing Facility, Replace Access Control, Terminal Balancing, and Rental Car Quick Turnaround Facility projects at PDX. Individual Port staff with the necessary expertise will develop the RFP and participate in negotiating, administering and enforcing the contract's terms. Key participants that have extensive experience with RFP and contracting process, include the Contracts and Procurement Manager and in-house legal counsel. The Port's construction manager, project engineers, construction inspectors and project manager have many years of experience administering and enforcing public improvement contracts of this type.

## **Public Hearing**

As required by the Code and before approving Findings and granting the exemption from competitive bidding, the Port must hold a public hearing to allow for comments on the draft Findings for an exemption from the competitive bidding requirement.<sup>12</sup>

Draft Findings summarizing the requested exemption from competitive bidding were published in compliance with the Code's notice requirements, and a public hearing was held on March 30, 2016 to allow interested parties to appear and present comments on the proposed exemption. No members of the public attended the meeting or separately provided public comment. However, no exemption from competitive bidding was ultimately sought at that time due to schedule changes.

---

<sup>12</sup> ORS 279C.335(5)

Subsequently, these Findings were updated to reflect the current status of the project and a draft version of these Findings summarizing the requested exemption from competitive bidding was published in compliance with the Code's notice requirements, and a public hearing was again held on October 2, 2017 to allow interested parties to appear and present comments on the proposed exemption. No members of the public attended the meeting or separately provided public comment.

## **Summary**

Port staff find that the proposed exemption from competitive bidding: (i) is unlikely to encourage favoritism in awarding the contract or substantially diminish competition for the contract; and (ii) will likely result in substantial cost savings and other substantial benefits to the Port. As a result, Port staff concludes that the proposed exemption from competitive bidding is consistent with the Code's stated policy of embracing alternative contracting methods when appropriate. Port staff recommends that the public improvement contract for this project be exempted from the Code's competitive bidding requirement.

**COLLECTIVE BARGAINING AGREEMENT – AVIATION MAINTENANCE**

---

December 13, 2017

Presented by: Blaise Lamphier  
Labor Relations Manager**REQUESTED COMMISSION ACTION**

This agenda item requests tentative approval of a five-year collective bargaining agreement between the Port of Portland (Port) and the District Council of Trade Unions (DCTU), comprised of the Laborers International Union of North America (LIUNA), Local 483 and the International Brotherhood of Electrical Workers (IBEW), Local 48. The Unions represent approximately 90 employees who perform maintenance work at the Portland International, Hillsboro and Troutdale Airports. The tentative approval is subject to ratification of the agreement by the represented employees, with the results of a vote expected within the next few days. If not ratified by the employees, the tentative approval is null and void.

**BACKGROUND**

On March 28, 2017, the Port and the DCTU began bargaining for a new contract to replace the agreement that would expire on June 30, 2017. On December 7, 2017, after holding nine bargaining sessions and two mediation sessions, the parties reached a tentative agreement. The DCTU-represented employees are currently voting on ratification of the tentative agreement and the results are expected within the next few days.

Key terms of the changes to this agreement are outlined below:

Term of agreement: July 1, 2017, through June 30, 2022.

Wages: Effective retroactive to the first full pay period of July 1, 2017, a three and one-half percent (3.5%) increase in base wages. All employees who are in a pay status as of the ratification date shall be eligible for retroactive pay subsequent to Commission approval of this agreement. A one-time market adjustment will increase the wage rate of the Lighting Maintenance Technician from \$27.27 to \$30.00 immediately prior to applying the base wage increase for all classifications. Any scheduled increase below for electrical job classifications shall include the Lighting Maintenance Technician position.

Effective the first full pay period of January 2018, an increase to the base wage for all electrical job classifications in Schedule A.

Effective July 1, 2018, an increase in base wages of a minimum of two and three-quarter percent (2.75%) to a maximum of four percent (4.0%) based on the Consumer Price Index for Urban Wage Earners (CPI-W), Portland-Salem Second-Half index, reported on January 12, 2018. This figure represents the movement in the index from the period of July through December 2016, to July through December 2017.

## COLLECTIVE BARGAINING AGREEMENT – AVIATION MAINTENANCE

December 13, 2017

Page 2

Effective July 1, 2019, an increase in base wages of a minimum of two and three-quarter percent (2.75%) to a maximum of four percent (4.0%) based on the CPI-W, West Class A Cities Second-Half index, reported in January 2019. This figure represents the movement in the index from the period of July through December 2017, to July through December 2018.

Effective the first full pay period of January 2020, an increase to the base wage for all electrical job classifications in Schedule A.

Effective July 1, 2020, an increase in base wages of a minimum of two and three-quarter percent (2.75%) to a maximum of four percent (4.0%) based on the CPI-W, West Class A Cities Second-Half index, reported in January 2020. This figure represents the movement in the index from the period of July through December 2018, to July through December 2019.

Effective July 1, 2021, an increase in base wages of a minimum of two and three-quarter percent (2.75%) to a maximum of four percent (4.0%) based on the CPI-W, West Class A Cities Second-Half index, reported in January 2021. This figure represents the movement in the index from the period of July through December 2019, to July through December 2020.

Health and Welfare: Effective January 1, 2019, medical, dental and vision plans provided under the Preferred Provider Organization (PPO) plan and the Health Maintenance Organization (HMO) plan will be the same plans and benefits that were provided to administrative employees as of January 1, 2018. Effective January 1, 2019, the PPO plan will be a high-deductible plan.

Effective January 1, 2019, the Port will establish Health Savings Accounts (HSAs) for employees who elect the high-deductible PPO plan and make contributions on the employees' behalf in accordance with a schedule that mirrors the schedule established for administrative employees begun in January 2015, including additional contributions for employees who successfully complete Port wellness activities as determined by the Port. Employees who elect the high-deductible PPO plan but are not eligible for an HSA under IRS regulations, will receive equivalent contributions into a Health Reimbursement Account (HRA).

For calendar years 2019, 2020, 2021 and 2022, the Port will pay the entire amount of its contributions to HSAs during the first full pay period in January of those respective years.

Employees who enroll in the HMO plan will not receive a contribution to HSAs or HRAs. For calendar years 2019, 2020, 2021 and 2022, employees enrolled in the HMO plan who successfully complete Port wellness activities as determined by the Port, will receive the same premium discount provided to administrative employees enrolled in the HMO plan who successfully complete Port wellness activities.

COLLECTIVE BARGAINING AGREEMENT – AVIATION MAINTENANCE

December 13, 2017

Page 3

Upon being newly hired or during annual enrollment thereafter, employees may opt out of the Port's medical, dental and vision plans at their own choosing upon written notification to the Employer via a Health Application and Change Form.

Safety Incentive: The Port shall issue a \$500.00 payment (grossed up) to all regular full-time employees in a paid status each fiscal year that the Port meets its Safety Metric. Such payment is subject to verification by audit.

Vacation: Effective the first full pay period after ratification by the employees and approval by the Commission, the accrual rate for employees with a 10-through 14-year length of service will be changed from 144 hours per year to 160 hours per year with the maximum accrual changed from 288 hours to 320 hours.

Effective the first full pay period after ratification by the employees and approval by the Commission, the accrual rate for employees with a 20-through 24-year length of service will be changed from 176 hours per year to 200 hours per year with the maximum accrual changed from 352 hours to 400 hours.

Holidays: Effective the first full pay period after ratification by the employees and approval by the Port Commission, the number of personal leave days shall be increase from "four (4) days (32 hours)" to "five (5) days (40 hours)" each fiscal year. The monthly rate for new employees hired after the first full pay period subsequent to Commission approval, but not prior to ratification by the employees, shall increase from "2.67 hours per month" to "3.33 hours per month."

Critical Illness and Accident Plans: As soon as is practical after ratification by the employees and approval by the Port Commission, employees will be provided an employee-only \$5,000 critical illness policy and an employee-only accident plan at the Port's expense. Employees may purchase additional elective coverage for the employee and their eligible dependents at the employee's expense.

Lump Sum: A \$750 lump sum bonus (grossed up) will be paid to each regular full-time employee who is not in the electrical job classification series and is also in a paid status on the date of Commission approval of the successor agreement. This payment will made after ratification by the employees and approval by the Commission.

Shift Differentials: Effective the first full pay period after ratification by the employees and approval by the Commission:

2<sup>nd</sup> Shift premium increase from \$1.75 per hour to \$2.00 per hour.

3<sup>rd</sup> Shift premium increase from \$2.25 per hour to \$2.50 per hour.

COLLECTIVE BARGAINING AGREEMENT – AVIATION MAINTENANCE

December 13, 2017

Page 4

Lead Premium: The percentage shall increase from 10 percent to 12.5 percent effective the first full pay period after ratification by the employees and approval by the Port Commission.

Safety Shoes: The annual allocation of \$125.00 shall increase to \$175.00; the carryover option shall be deleted resulting in a single reimbursement with a maximum of \$175.00 per fiscal year.

Parking: The fee for employees who choose to park in the short-term Portland International Airport parking garage will be \$40.00 per month and the cost for employees who choose to park in the surface lot at the Portland International Airport will be \$10.00 per month. The payment will be through payroll deduction. This provision shall be effective the month after ratification by membership and approval by the Port Commission.

Duration: Five years; July 1, 2017 through June 30, 2022.

Estimated Financial Impact (new dollars): The average annual cost increase per employee for wages and benefits is expected to be approximately \$4,828 (3.81%). The anticipated cumulative annual increases over the last contract year of the prior collective bargaining agreement, as well as the anticipated aggregate total, are as follows:

Contract Year	Year-Over-Year Increase	Year-Over-Year Cumulative Increase Over Base Year
Year 1	\$710,008	\$710,008
Year 2	\$305,863	\$1,015,871
Year 3	\$352,446	\$1,368,316
Year 4	\$472,697	\$1,841,013
Year 5	\$500,714	\$2,341,728
Total Increase:		\$7,276,935

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That tentative approval is given to enter into a collective bargaining agreement with the District Council of Trade Unions for a five-year agreement beginning July 1, 2017, setting forth wages, fringe benefits and working conditions, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That, after ratification by the employees, the Executive Director or his designee is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.