



AGENDA
Regular Commission Meeting
Port of Portland Headquarters
7200 N.E. Airport Way, 8th Floor
July 8, 2015
9:30 a.m.

Minutes

Approval of Minutes: Regular Commission Meeting – June 10, 2015
Approval of Minutes: Special Commission Meeting – June 25, 2015

Executive Director

Approval of Executive Director's Report – June 2015

Action Items

1. PROPERTY SALE – 39.08 ACRES TO TRAMMELL CROW PORTLAND DEVELOPMENT, INC. – GRESHAM VISTA BUSINESS PARK *JOE MOLLUSKY*

Requests approval to sell approximately 39.08 acres of property, located in the Gresham Vista Business Park, to Trammell Crow Portland Development, Inc.
2. PUBLIC IMPROVEMENT CONTRACT – ENTRANCE ROAD REHABILITATION, PHASE II – MARINE TERMINAL 4 *DAVE DITTMER*

Requests approval to award a public improvement contract to Kodiak Pacific Construction Co. for pavement rehabilitation at marine Terminal 4.
3. PROCUREMENT CONTRACT – CRANES 6373 AND 6374 CRANE MANAGEMENT SYSTEM – MARINE TERMINAL 6 *MARCEL HERMANS*

Requests approval to award a contract to ABB Crane Systems Ltd for the purchase of new crane management systems for Cranes 6373 and 6374 at marine Terminal 6.
4. PUBLIC IMPROVEMENT CONTRACT – GENERAL AVIATION WEST REDEVELOPMENT PHASE I – PORTLAND INTERNATIONAL AIRPORT *ERIC FORSYTH*

Requests approval to award a public improvement contract to Kodiak Pacific Construction Co. for improvements to a section of the General Aviation Ramp at Portland International Airport.

5. PUBLIC IMPROVEMENT CONTRACT – EAST ACCESS ROAD – HILLSBORO AIRPORT *ERIC FORSYTH*

Requests approval to award a public improvement contract to Wildish Standard Paving Co. for improvements to a portion of the Hillsboro Airport and the adjacent roadway frontage area.

6. PUBLIC IMPROVEMENT CONTRACT – INTERNATIONAL ARRIVALS BUS CANOPIES – PORTLAND INTERNATIONAL AIRPORT *ERIC FORSYTH*

Requests approval to award a public improvement contract to Todd Hess Building Company for improvements to the bus loading and unloading zones for arriving international passengers at Portland International Airport.

7. LOWER WILLAMETTE PROGRAM PERSONAL SERVICES CONTRACT FOR PORTLAND HARBOR SUPERFUND SITE AND UPLAND SOURCE CONTROL SITES *DWIGHT LEISLE*

Requests approval to award a personal services contract to Apex Companies, LLC, to provide program management and technical assistance consulting services in support of the Port of Portland's Lower Willamette Program and involvement in the Portland Harbor Superfund Site.

General Discussion

PDX Community Advisory Committee Annual Update

STACEY TRIPLETT

PDX Worker Benefits Initiative

*BOBBI STEDMAN
CHRIS CZARNECKI*

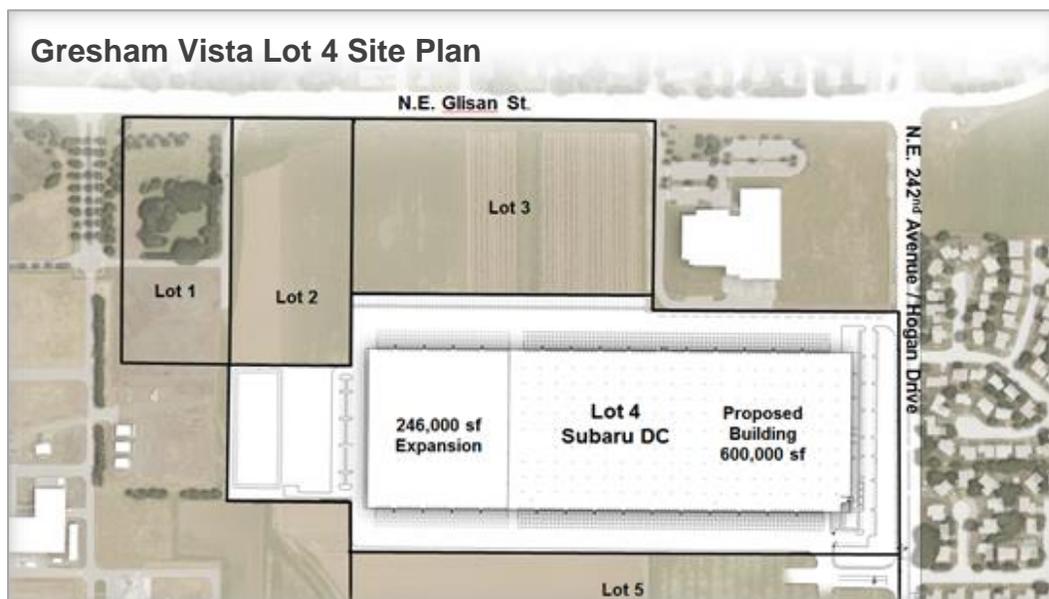
PROPERTY SALE – 39.08 ACRES TO TRAMMELL CROW PORTLAND DEVELOPMENT, INC. – GRESHAM VISTA BUSINESS PARK

July 8, 2015

Presented by: Joe Mollusky
Real Estate Program Manager

REQUESTED COMMISSION ACTION

This agenda item requests approval to sell approximately 39.08 acres of property (Sale Property) located on NE 242nd Avenue in Gresham, designated as Lot 4 in the Gresham Vista Business Park (GVBP), to Trammell Crow Portland Development, Inc. (Trammell Crow). The total purchase price for the Sale Property and right to use the 0.57-acre Shared Access Easement Area on the south side of the Property is \$9,431,847.



BACKGROUND

Subaru of America, Inc. (Subaru) is currently subleasing and operating a 413,000-square-foot auto parts regional distribution facility on 20.3 acres of the Rivergate Lombard site, developed by MEPT Rivergate IV LLC and Trammell Crow, under a ground lease executed in 2010. Subaru's strong auto sales in North America have resulted in increased market share and significant growth. Subaru also imports over 12,000 twenty-foot equivalent unit containers into west coast ports annually.

Subaru wants to expand U.S. distribution by relocating a master distribution center (MDC) from Japan. This new MDC would handle a wide range of auto parts for more vehicle models and older model Subarus. The Subaru MDC will coordinate logistics with the regional distribution center at the Rivergate Lombard site and other regional distribution centers.

PROPERTY SALE – 39.08 ACRES TO TRAMMELL CROW PORTLAND DEVELOPMENT,
INC. – GRESHAM VISTA BUSINESS PARK

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Trammell Crow will develop a build-to-suit auto parts distribution facility within the GVBP for long-term lease to Subaru. Subaru is seeking to lease a 600,000-square-foot facility for auto parts distribution and desires to expand this facility to 846,000 square feet within four years. Subaru's new MDC is to be operational by October 2016.

Trammell Crow will design and construct the new MDC. The Port will modify the GVBP Master Plan to create the 39.08-acre GVBP Lot 4 through lot line adjustments to be approved by the City of Gresham (City) and Multnomah County. The new MDC requires use of a utility easement across Lot 3 to the north to connect to City storm water and sanitary sewer lines in Glisan Street and a 25,113-square-foot (0.57 acre) Shared Access Easement Area on Lot 5 to NE 242nd Avenue that will include a new traffic signal, right turn lane, utilities, paving and landscaping. Since the Shared Access Easement Area improvements will benefit the Subaru MDC on Lot 4 and the future owner of adjacent Lot 5, the costs of the traffic study and Shared Access Easement Area improvements will be shared equally between Trammell Crow and the Port. Trammell Crow is responsible for all other site development related improvements.

This sale transaction is supported by the City. The City is contributing expedited permitting and significant financial incentives, including waivers of all land use fees, permit fees and system development charges, as well as utilization of an enterprise zone for tax abatement in favor of Trammell Crow.

The sale terms are as follows:

- Sale Property: 39.08 acre GVBP Lot 4.
- Purchase Price for Sale Property: \$9,362,786, based on \$5.50 per square foot, fair market value based on market comparables in the sub-market.
- Shared Access Easement Area: approximately 25,113 square feet (0.57 acres).
- Purchase Price for Shared Access Easement: \$69,060.75 based on \$2.75 per square foot, 50 percent of fair market value shared equally with a future Lot 5 owner.
- Total Purchase Price: \$9,431,847.
- Port share of off-site traffic mitigation study and Shared Access Easement Area Improvements not to exceed \$266,000, and paid at sale closing as a deduction from Total Purchase Price.
- Brokerage commission of \$253,296 payable to Trammell Crow Brokerage, Inc. at sale closing, per the Port's Brokerage Commission Policy.

PROPERTY SALE – 39.08 ACRES TO TRAMMELL CROW PORTLAND DEVELOPMENT,
INC. – GRESHAM VISTA BUSINESS PARK
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EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to sell approximately 39.08 acres of property designated as Lot 4 in the Gresham Vista Business Park and grant associated easements over Lots 3 and 5 to Trammell Crow Portland Development, Inc., 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.

PUBLIC IMPROVEMENT CONTRACT – ENTRANCE ROAD REHABILITATION, PHASE II – MARINE TERMINAL 4

July 8, 2015

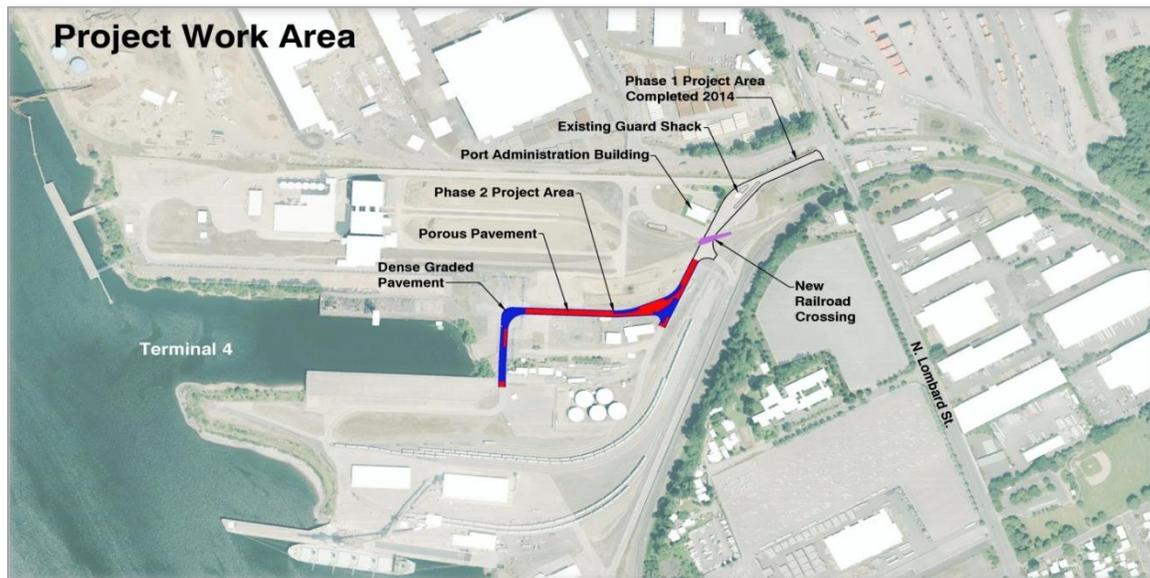
Presented by: Dave Dittmer
Project Manager

REQUESTED COMMISSION ACTION

This agenda item requests approval to award a public improvement contract to Kodiak Pacific Construction Co. (Kodiak) for 1,300 feet of pavement rehabilitation at marine Terminal 4 for a contract value of \$1,019,019.

BACKGROUND

As part of an ongoing five-year plan established in 2011, numerous marine terminal roads and pavements are scheduled for rehabilitation and maintenance. This project is the second phase required to complete the entrance road from Lombard Avenue to the head of Slip 1. Phase I was completed last year and the second phase will complete the project work at Terminal 4 for the foreseeable future.



SCOPE

The scope of the contract is to repave approximately 1,300 feet of pavement utilizing both porous and dense graded asphalt. The porous pavement will enable infiltration of all storm water collected from the roadway, and dense graded asphalt will be utilized in areas where more surface durability is required.

PUBLIC IMPROVEMENT CONTRACT – ENTRANCE ROAD REHABILITATION, PHASE II –
MARINE TERMINAL 4

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The scope includes:

- Removal of old pavement.
- Relocate drainage structures.
- Install new base material and pavement surface courses.

SCHEDULE

Design	November 2014 – April 2015
Invitation to Bid	May 2014 – June 2014
Commission Action	July 8, 2015
Construction	August 2015 – November 2015

PROJECT BID RESULTS

The Port procured this public improvement contract utilizing a competitive sealed bidding solicitation under ORS Chapter 279C. The solicitation was advertised on May 4, 2015 and bids were received on June 24, 2015. Kodiak submitted the lowest responsive bid. The bids were as follows:

Kodiak Pacific Construction Co.	\$1,019,019.00
Nutter Corporation	\$1,034,974.22
Conway Construction	\$1,123,000.00
Westtech Construction, Inc.	\$1,127,338.00
Kerr Contractors Oregon, Inc.	\$1,196,979.00
Engineer's Estimate	\$1,075,000.00

PROJECT RISK

Risk: Disruptions to tenant businesses.

Mitigation Strategies:

- Work will be phased and temporary routes established to enable continuing tenant operations.
- Closely coordinate construction activities with tenant operations.

PUBLIC IMPROVEMENT CONTRACT – ENTRANCE ROAD REHABILITATION, PHASE II –
MARINE TERMINAL 4

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BUDGET

Contract	\$1,019,019
Port Staff/Contracted Services	\$360,981
Contingency	<u>\$180,000</u>
Total Project	\$1,560,000

The contingency, representing 11.5 percent of the project budget, would generally be considered low. But given the short project duration and limited scope, the contingency fits the risk profile for the project.

The project will be funded by the Port's General Fund.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to award a public improvement contract for the Entrance Road Rehabilitation, Phase II, project at marine Terminal 4 to Kodiak Pacific Construction Co., in accordance with its bid; 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.

**PROCUREMENT CONTRACT – CRANES 6373 AND 6374 CRANE MANAGEMENT SYSTEM
– MARINE TERMINAL 6**

July 8, 2015

Presented by: Marcel Hermans
Engineering Project Manager**REQUESTED COMMISSION ACTION**

This agenda item requests approval to award a contract to ABB Crane Systems Ltd (ABB) for the purchase of new crane management systems for Cranes 6373 and 6374 at marine Terminal 6.

BACKGROUND

This request is part of the Port of Portland's (Port) ongoing container crane equipment upgrade program to improve operating efficiencies and reduce crane maintenance downtime. This procurement will replace antiquated electronics with modern motor control electronics. The existing crane management system components are no longer made or supported by the manufacturer, spare parts are not available, and the system lacks crane breakdown diagnostic capabilities.

The crane management system replacement will provide a more reliable and efficient operating system. In addition, the new control system's diagnostic capability will rapidly identify the source of a malfunction and will minimize the maintenance time necessary to identify and correct electronic problems. The new crane management system will replace the 41-year-old original drive system. Similar management system replacements were previously performed on cranes 6375, 6378 and 6379.

The benefits of a new crane management system include:

- Improved crane management system with modern components.
- Improved control system maintenance.
- Improved crane operation trouble shooting diagnostics.
- Improved reliability.
- Service, support and spare parts availability.
- Installation inside a controlled environment.
- Installation by Port electricians, which increases familiarity and provides training.

Motor Control System



SCOPE

The scope of the contract includes:

Component Details

- Drive and control systems.
- Programmable logic control system.
- Computer-based diagnostic system.

Installation and Startup Details

- Field engineering, system startup, commissioning services and on-site training.
- Drive control system components to be installed by Port electricians.

SCHEDULE

Proposal and Design	March 2015 – June 2015
Commission Action	July 8, 2015
Fabrication and Delivery	August 2015 – December 2015
Installation	January 2016 – March 2016
Commissioning	April 2016

PROCUREMENT CONTRACT – CRANES 6373 AND 6374 CRANE MANAGEMENT SYSTEM – MARINE TERMINAL 6

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PROJECT PROCUREMENT PROCESS

This contract will be awarded as a sole-source procurement. Under Oregon law, the Port may award contracts without competition when certain criteria are met. The Commission previously delegated to the Executive Director the authority to exempt this type of contract from competitive bidding without Commission approval. On February 19, 2015, the Executive Director exempted this contract from competitive bidding, based on findings supporting a sole-source procurement. The findings focused on efficiencies the Port will recognize by standardizing the control systems of multiple cranes at Terminal 6 with one manufacturer.

ABB was previously selected, through a competitive solicitation, to provide crane management systems for Cranes 6378 and 6379. Subsequently, ABB was selected through a sole-source procurement to provide a new crane management system for Crane 6375. Those projects were completed satisfactorily. The Port has negotiated with ABB to obtain contract terms that are as advantageous as possible. The negotiated contract amount is \$1,316,800. Commission approval is required to award the contract.

PROJECT RISKS

Risk: Equipment Delivery Delay

Mitigation Strategies:

- Cranes 6373 and 6374 will not be taken out of service until the equipment arrives and is ready for installation. The schedule will be adjusted to meet the equipment manufacturing and delivery dates.
- Before installation begins, staff will ensure that sufficient remaining container cranes are available to handle operational needs while cranes 6373 and 6374 are taken out of service for equipment installation.

BUDGET

ABB Contract	\$1,316,800
Construction and Installation	\$500,000
Construction Management	\$80,000
Contingency	<u>\$103,200</u>
Total Project	\$2,000,000

The Port has received a \$1,440,000 grant from the Oregon Department of Transportation, under its *ConnectOregon V* 2014 transportation fund program, to fund the majority of this project. The remainder of the cost will be paid from the Port General Fund.

PROCUREMENT CONTRACT – CRANES 6373 AND 6374 CRANE MANAGEMENT
SYSTEM – MARINE TERMINAL 6

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The contingency, representing five percent of the project budget, is considered reasonable given the current stage of the project, the nature of the work and the risk profile for the project.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to award a contract for the Cranes 6373 and 6374 Crane Management System project at marine Terminal 6 to ABB Crane Systems Ltd, 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.

**PUBLIC IMPROVEMENT CONTRACT – GENERAL AVIATION WEST REDEVELOPMENT
PHASE I – PORTLAND INTERNATIONAL AIRPORT**

July 8, 2015

Presented by: Eric Forsyth
Project Manager

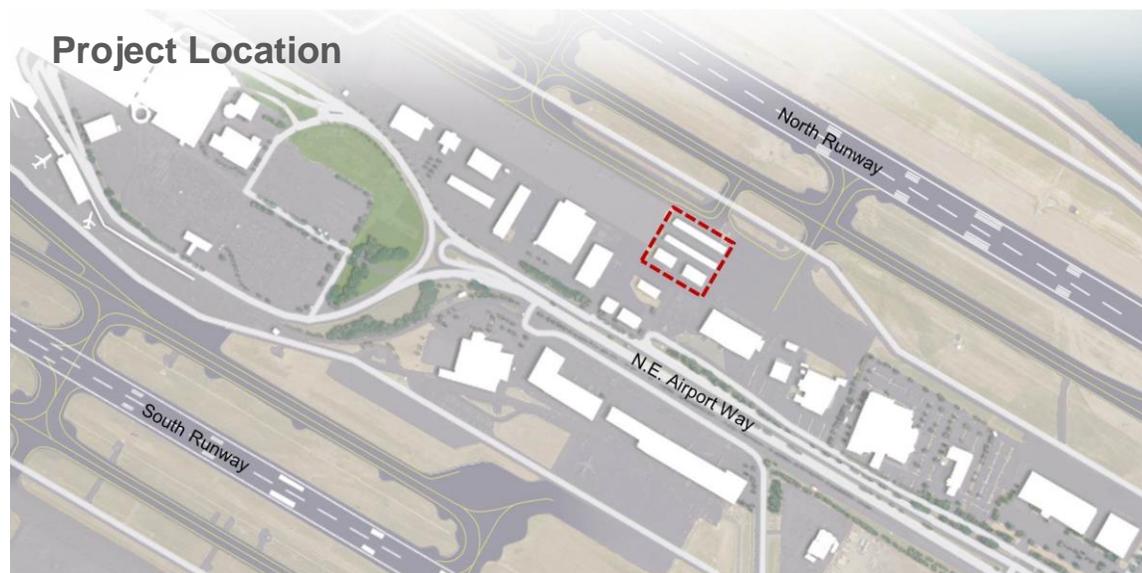
REQUESTED COMMISSION ACTION

This agenda item requests approval to award a public improvement contract to Kodiak Pacific Construction Co. (KPC) for improvements to a section of the Portland International Airport (PDX) General Aviation (GA) Ramp to provide a facility for future development, aircraft operations, maintenance staff and tenants in the area.

BACKGROUND

The Port of Portland (Port) is in the process of a multi-year, multi-project redevelopment effort of the GA ramp at PDX. As part of this redevelopment effort, new tenant leases with the Port are in progress. Terms of the new lease agreements begin on August 1, 2015, and include provisions for the Port to implement significant modifications to the GA ramp and adjacent infrastructure. This project's scope and schedule has been formed to coordinate with the provisions of these new leases.

The project scope includes demolition of four hangars (8019, 8025, 8035 and 8045) plus pavement removal, excavation, site utilities, cement concrete paving, asphalt concrete paving, taxiway lighting and pavement markings necessary to re-use the area. All project work will be performed within the area indicated in red below.



PUBLIC IMPROVEMENT CONTRACT – GENERAL AVIATION WEST REDEVELOPMENT
PHASE I – PORTLAND INTERNATIONAL AIRPORT

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SCHEDULE

Design and Bidding	December 2014 – June 2015
Commission Action (Public Improvement Contract)	July 2015
Construction	August 2015 – December 2015

PROJECT BID RESULTS

The Port procured this public improvement contract utilizing a competitive sealed bidding solicitation under ORS Chapter 279C. The solicitation was advertised on May 1, 2015 and bids were received on May 28, 2015. KPC submitted the lowest responsive bid.

Bids were as follows:

R&R General Contractors, Inc.*	\$3,464,000.00
Kodiak Pacific Construction Co.	\$3,635,635.00
Nutter Corporation	\$3,762,053.22
Kerr Contractors Oregon, Inc.	\$3,778,915.00
Moore Excavation, Inc.	\$3,881,308.50
Goodfellow Bros., Inc.	\$3,954,825.00
K&E Excavating, Inc.	\$4,376,942.00
Engineer's Estimate	\$3,375,035.00

**Bidder did not meet specified performance requirements, requiring rejection of the bid.*

PROJECT RISKS

Risk: Potential soil contamination.

Mitigation Strategy:

- If encountered, work closely with Port environmental staff to characterize the contamination and develop handling procedures.

Risk: Demolition material may create foreign-object debris (FOD) on the airfield.

Mitigation Strategy:

- Closely manage clean up and disposal of demolition material and FOD.

Risk: Weather delays could impact the schedule of the apron construction.

Mitigation Strategy:

- Work closely with airport operations staff to coordinate and mitigate any impacts of delay on airport tenants and users.

BUDGET

Construction – KPC	\$3,635,635
Port Staff and contracted services	\$320,000
Contingency	<u>\$344,365</u>
Total Project	\$4,300,000

The contingency, representing eight percent of the overall project budget, is considered reasonable given the current stage of the project, the nature of the work and the risk profile for the project.

The project cost will be funded from the Port Cost Center.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to execute a public improvement contract with Kodiak Pacific Construction Co. to provide construction of the General Aviation West Redevelopment Phase I project at Portland International Airport, in accordance with its bid; 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.

PUBLIC IMPROVEMENT CONTRACT – EAST ACCESS ROAD – HILLSBORO AIRPORT

July 8, 2015

Presented by: Eric Forsyth
Project Manager

REQUESTED COMMISSION ACTION

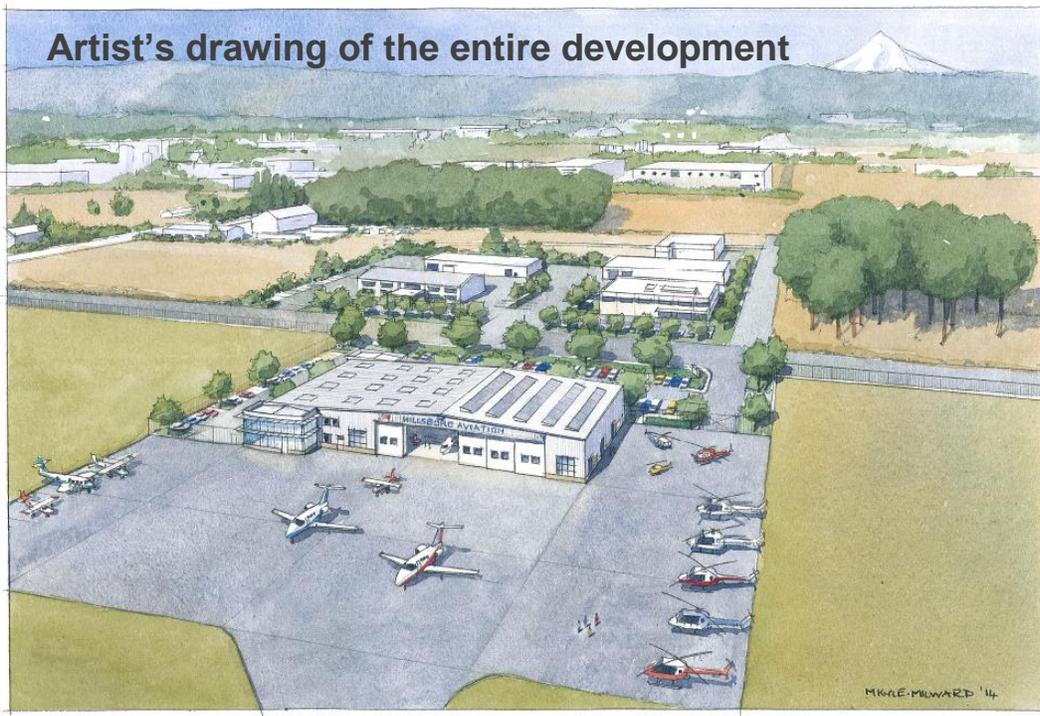
This agenda item requests approval to award a public improvement contract to Wildish Standard Paving Co. (WSP) for improvements to a portion of the Hillsboro Airport (HIO) east access road and the adjacent roadway frontage area in order to support a forthcoming ground lease with Hillsboro Aviation, Inc. (HAI), approved by the Commission in October 2014.

BACKGROUND

The Port of Portland (Port) has executed a new 35-year ground lease with HAI for a 5.15-acre parcel of land on the north side of HIO adjacent to NE 30th Avenue at a location consistent with the 2005 HIO Master Plan. The terms of the lease allow for construction and operation of a new hangar facility that contains Fixed-Base Operator services, aircraft repair/service, aircraft/avionics sales/service, and executive charter operations.

The area of the proposed new hangar facility is currently in “green field” condition and requires a number of improvements to bring it up to a leasable condition. The lease requires the Port to construct road and airside access improvements to support the HAI development. The Port’s portion of the project is to design, permit and construct half-street improvements, storm water infrastructure from NE 30th Avenue to the boundary of the ground lease, and a new taxi lane from the boundary of the HAI-constructed development to Taxiway D.





SCHEDULE

Design and Bidding	December 2014 – June 2015
Commission Action (Public Improvement Contract)	July 2015
Construction	August 2015 – October 2015

PROJECT BID RESULTS

The Port procured this public improvement contract utilizing a competitive sealed bidding solicitation under ORS Chapter 279C. The solicitation was advertised on May 27, 2015 and bids were received on June 17, 2015. WSP submitted the lowest responsive bid. Bids were as follows:

Wildish Standard Paving Co.	\$1,882,708
Kodiak Pacific Construction	\$1,966,966
Goodfellow Bros., Inc.	\$2,113,086
Kerr Contractors Oregon, Inc.	\$2,318,509
Engineer's Estimate	\$1,624,202

PROJECT RISKS

Risk: Potential soil contamination.

Mitigation Strategy:

- If encountered, work closely with Port environmental staff to characterize the contamination and develop handling procedures.

Risk: Construction activities may create foreign-object debris on the airfield.

Mitigation Strategy:

- Closely manage materials and tools during work activities.

Risk: Weather delays could impact the schedule of the apron construction.

Mitigation Strategy:

- Risk is low given the current construction schedule, but schedule adjustments may be required if the project encounters delays. Work closely with airport operations staff to coordinate and mitigate any impacts of delay on airport tenants and users.

BUDGET

Public Improvement Contract	\$1,882,708
Electrical Procurement	\$24,892
Port Staff and contracted services	\$586,000
Contingency	<u>\$187,400</u>
Total Project	\$2,681,000

The contingency, representing seven percent of the overall project budget, is considered reasonable given the current stage of the project, the nature of the work and the risk profile for the project.

The project cost will be funded from the Port Cost Center.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to execute a public improvement contract with Wildish Standard Paving Co. to construct the East Access Road project at Hillsboro Airport, in accordance with its bid; 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.

**PUBLIC IMPROVEMENT CONTRACT – INTERNATIONAL ARRIVALS BUS CANOPIES –
PORTLAND INTERNATIONAL AIRPORT**

July 8, 2015

Presented by: Eric Forsyth
Project Manager

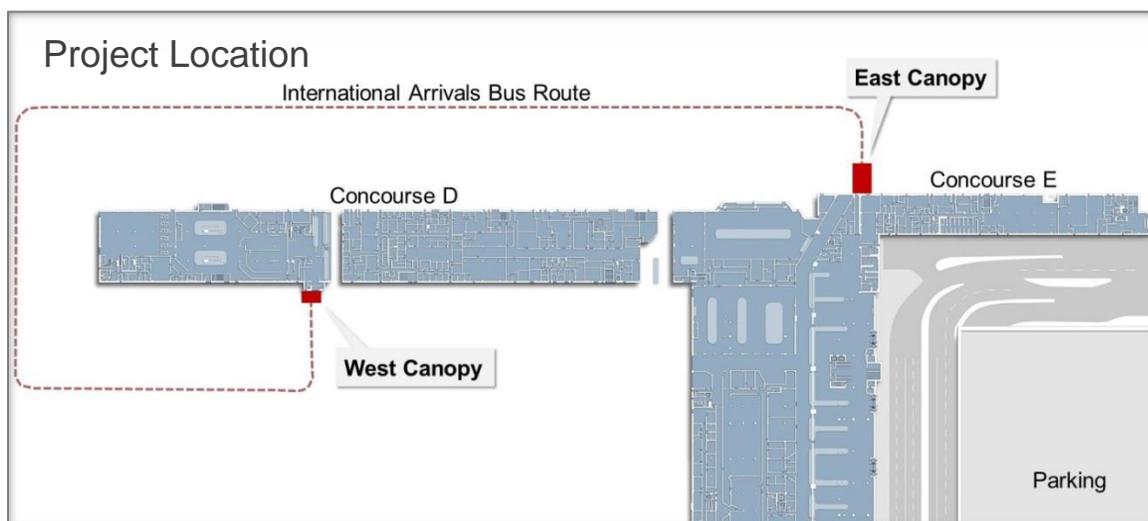
REQUESTED COMMISSION ACTION

This agenda item requests approval to award a public improvement contract to Todd Hess Building Company (THBC) for improvements to the bus loading and unloading zones for arriving international passengers at Portland International Airport (PDX).

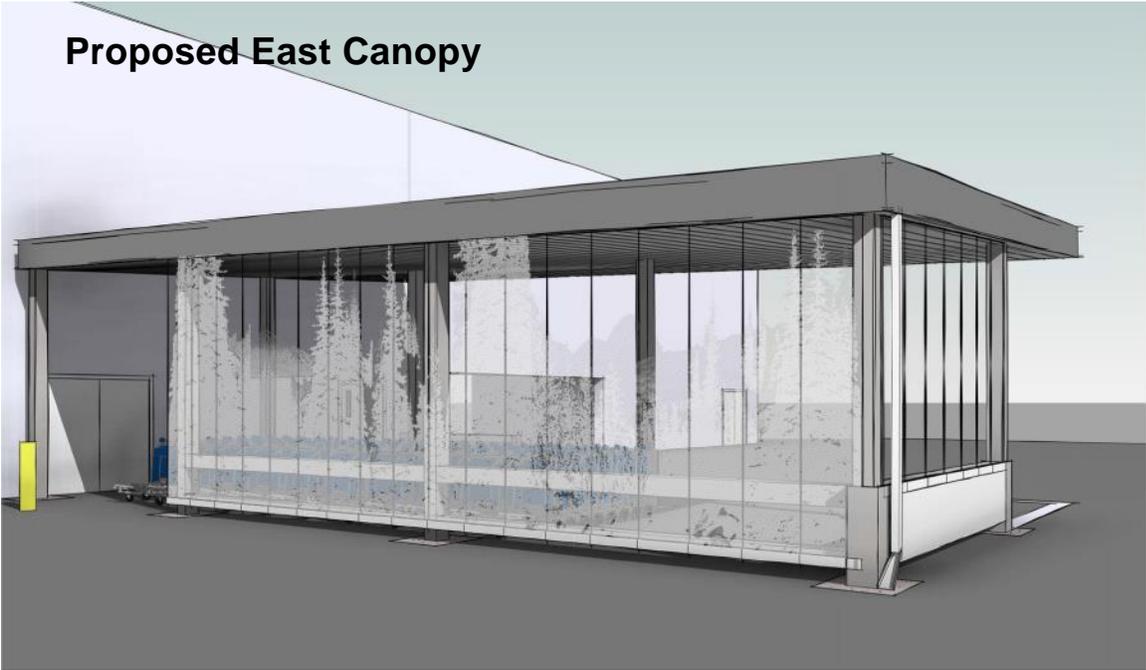
BACKGROUND

This project fills a long-existing need for canopies to protect arriving international passengers at PDX from inclement weather. After arriving from international origins, passengers are directed to Passport Control in the Federal Inspection Station. After clearing Passport Control, they must claim their baggage and proceed to U.S. Customs and Border Protection for processing. If Portland is their final destination, arriving passengers, with their luggage, are directed outside to board an awaiting shuttle bus. The buses depart, drive around Concourse D, and then arrive outside of the baggage claim area of the terminal. At this outdoor area, passengers may obtain a luggage cart before moving inside to customer service representatives, restrooms and ground transportation.

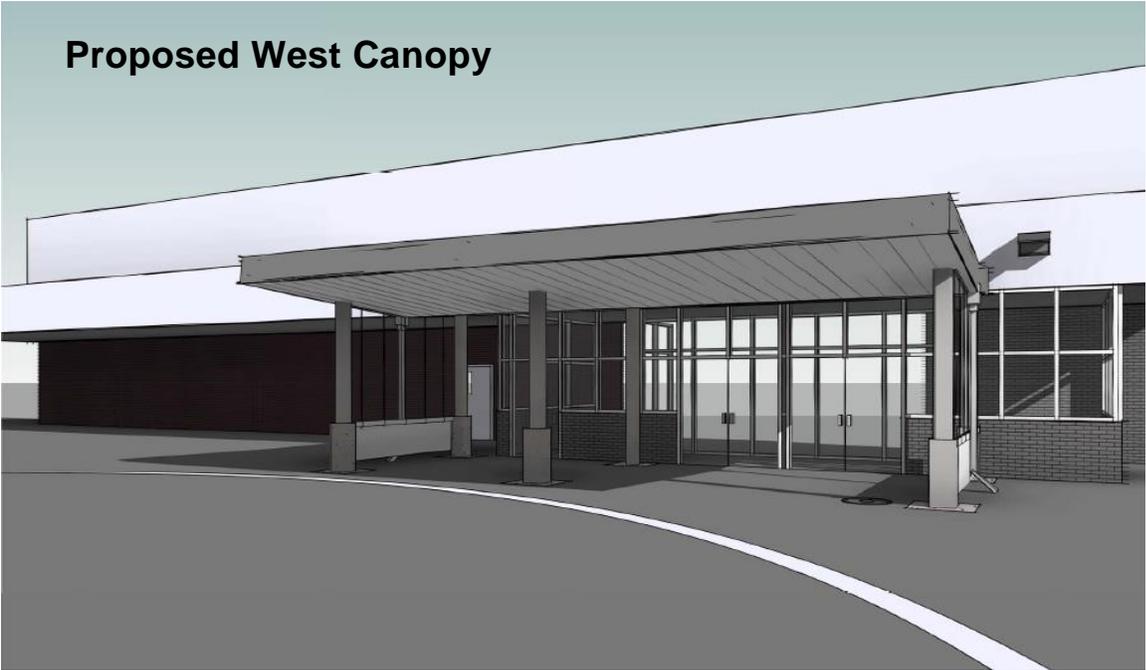
The project was developed to protect these passengers from inclement weather as they move in between the terminal and the buses. The project scope includes removal of an existing luggage cart shelter, foundation construction, steel structure construction, roof and windscreen installation, exterior lighting and fire protection.



Proposed East Canopy



Proposed West Canopy



PUBLIC IMPROVEMENT CONTRACT – INTERNATIONAL ARRIVALS BUS CANOPIES –
PORTLAND INTERNATIONAL AIRPORT

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SCHEDULE

Design and Bidding	November 2014 – June 2015
Commission Action (Public Improvement Contract)	July 2015
Construction	August 2015 – October 2015

PROJECT BID RESULTS

The Port procured this public improvement contract utilizing a competitive sealed bidding solicitation under ORS Chapter 279C. The solicitation was advertised on June 3, 2015 and bids were received on June 24, 2015. THBC submitted the lowest responsive bid. Bids were as follows:

Todd Hess Building Company	\$634,000
Conway Construction Company	\$892,000
Engineer's Estimate	\$875,000

PROJECT RISKS

Risk: Potential soil contamination.

Mitigation Strategy:

- If encountered, work closely with Port environmental staff to characterize the contamination and develop handling procedures.

Risk: Construction activities may create foreign-object debris on the airfield.

Mitigation Strategy:

- Closely manage materials and tools during work activities.

Risk: Daily flight operations could impact the contractor's efficiency.

Mitigation Strategy:

- Construction staff will closely manage the phasing plans and general requirements shown in the contract documents. Schedule adjustments or work plans may be required. Work closely with airport operations staff to coordinate and mitigate any impacts of delay on airport tenants and users.

PUBLIC IMPROVEMENT CONTRACT – INTERNATIONAL ARRIVALS BUS CANOPIES –
PORTLAND INTERNATIONAL AIRPORT

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BUDGET

Public Improvement Contract	\$634,000
Port Staff and contracted services	\$234,000
Contingency	<u>\$145,000</u>
Total Project	\$1,013,000

The contingency, representing 14 percent of the project budget, is considered reasonable given the current stage of the project, the nature of the work, some known utility conflicts in the area, and the risk profile for the project.

The project cost will be funded 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 execute a public improvement contract with Todd Hess Building Company to provide construction of the International Arrivals Bus Canopies project at Portland International Airport, in accordance with its bid; 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.

LOWER WILLAMETTE PROGRAM PERSONAL SERVICES CONTRACT FOR PORTLAND HARBOR SUPERFUND SITE AND UPLAND SOURCE CONTROL SITES

July 8, 2015

Presented by: Dwight Leisle
Environmental Manager**REQUESTED COMMISSION ACTION**

This agenda item requests approval to award a personal services contract to Apex Companies, LLC (Apex) to provide program management and technical assistance consulting services in support of the Port of Portland's (Port) Lower Willamette Program (LWP) and involvement in the Portland Harbor Superfund Site (Portland Harbor).

BACKGROUND

In November 2004, after a competitive solicitation, the Port awarded a five-year, \$5-million personal services contract to Blasland, Bouck & Lee (BBL) for consulting services, investigation and remediation work at the Port's sites within the Portland Harbor. In 2006, BBL assigned the contract to Ash Creek Associates, Inc. (Ash Creek). In 2010 the Port extended the contract term by amendment, for reasons discussed below. Apex acquired Ash Creek in 2012.

Apex supports the Port on many fronts, including technical review and advice related to the Portland Harbor, in support of the Port's liability management efforts and participation in the Harbor-wide allocation process currently underway. That advice and technical review is largely to facilitate the provision of legal advice to LWP by Port lawyers. Apex also occasionally supervises subcontractors in executing remediation and removal actions, in connection with and as a result of Apex's technical work on the Port's upland source control sites. Apex performs that work pursuant to the Port's various voluntary cleanup program agreements with the Oregon Department of Environmental Quality (DEQ) and under DEQ regulatory oversight.

The Apex contract is nearing the end of its term and its funding has been fully allocated to work in process. That work is expected to continue through the end of 2015. The Port has an ongoing need for the services provided under the Apex contract. For reasons discussed below, LWP staff wish for Apex to continue that work.

CONSULTANT SELECTION

The Port intends to award a new contract to Apex without competition. As discussed below, and in consultation with the Port's Purchasing Manager, Port staff believe that solicitation of proposals from others would not be in the Port's best interests.

Over the past 10 years Apex has developed extensive, specialized expertise in the Port's historical activities and site conditions. In addition, most other qualified, local environmental consulting firms cannot or will not perform this work for the Port because doing so would create an actual or perceived conflict of interest for the consultant with its other clients. As a result of

LOWER WILLAMETTE PROGRAM PERSONAL SERVICES CONTRACT FOR PORTLAND
HARBOR SUPERFUND SITE AND UPLAND SOURCE CONTROL SITES

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the broad scale of the Portland Harbor effort, many, if not all, local environmental consulting firms have been retained by other potentially responsible parties in the Portland Harbor. Finally, contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters are not subject to the competitive solicitation requirements of the Oregon Public Contracting Code.

AWARD; SCOPE

Rather than extending the existing Apex contract again, the Port wishes to restate it, in order to incorporate new terms and implement contracting best practices.

Work under the new contract is expected to consist primarily of technical review, analysis and reports to support the Port's effort in the Portland Harbor, most importantly in the context of the allocation process, program management, strategy development and investigation and remediation work at the Port's upland source control sites. All such services relate to existing or potential litigation or other legal matters, and the Port anticipates that Apex may supply or support expert testimony on the Port's behalf in any Portland Harbor allocation, mediation or litigation. Apex would also continue to oversee work on some remediation or removal actions.

The Port would assign specific scopes of work using discrete task orders, in amounts consistent with the LWP budget approved annually by Directors.

COMPENSATION; TERM; FUNDING

The Port will pay Apex negotiated hourly rates for the work, plus expenses, with a not-to-exceed limit of \$5,000,000 over a term of five years for the scope of services that is currently contemplated. The contract cost will be funded by the Port's General Fund.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to execute a personal services contract with Apex Companies, LLC, for program management and technical assistance consulting services in support of the Lower Willamette Program and the Port of Portland's involvement in the Portland Harbor Superfund Site; 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.