



AGENDA  
Regular Commission Meeting  
Port of Portland Headquarters  
7200 N.E. Airport Way, 8<sup>th</sup> Floor  
March 13, 2013  
9:30 a.m.

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**Minutes**

Approval of Minutes: Regular Commission Meeting – February 13, 2013

**Executive Director**

Approval of Executive Director's Report – February 2013

**General Discussion**

PDX Community Advisory Committee Annual Report

*CAM GILMOUR AND  
MIKE SLOAN*

**Action Items**

1. WEST HAYDEN ISLAND ANNEXATION PRINCIPLES *SUSIE LAHSENE*  
Recommends a set of principles to guide the Port of Portland in final deliberations with the City of Portland in support of annexation and future development of West Hayden Island.
  
2. SECOND READING AND ENACTMENT – AMENDED AND RESTATED PORT OF PORTLAND ORDINANCE NO. 389-R REGULATING LANDING AND FUEL FLOWAGE FEES ON GENERAL AVIATION AIRPORTS *STEVE NAGY*  
Requests a second reading and enactment of the amendment and restatement of Port of Portland Ordinance No. 389-R.
  
3. PUBLIC IMPROVEMENT CONTRACT – AIR TRANS CENTER PHASE III – PORTLAND INTERNATIONAL AIRPORT *CHRISTINE EDWARDS*  
Requests approval to award a public improvement contract to K&E Excavating, Inc., to construct the Air Trans Center Phase III project at Portland International Airport.
  
4. PROCUREMENT CONTRACT – REPLACEMENT OF 16 BOD METERS – PORTLAND INTERNATIONAL AIRPORT *GEORGE SEAMAN*  
Requests approval to award a procurement contract to Hach Company for the purchase of 12 total organic carbon meters for the Portland International Airport deicing stormwater collection system.

5. EXEMPTION FROM COMPETITIVE BIDDING – ITS-AVI TECHNOLOGY UPGRADE – PORTLAND INTERNATIONAL AIRPORT *GREG SPARKS*

Requests approval of an exemption from competitive bidding for the selection of a contractor to design, furnish and construct an integrated Automated Vehicle Identification system at Portland International Airport.
6. AMENDMENT TO FEDERAL AVIATION ADMINISTRATION REIMBURSABLE AGREEMENT – RUNWAY 2/20 REHABILITATION – HILLSBORO AIRPORT *GREG SPARKS*

Requests approval to execute an amendment to an existing reimbursable agreement with the Federal Aviation Administration for the relocation of navigational aids associated with the rehabilitation of Runway 2/20 and Taxiway C at Hillsboro Airport.
7. DREDGING CONTRACT – TERMINAL 4 BERTH 410 MAINTENANCE DREDGING 2013 *MARCEL HERMANS*

Requests approval to award a dredging contract to Marine Industrial Construction, LLC, for Terminal 4 Berth 410 Maintenance Dredging 2013.
8. PERSONAL SERVICES CONTRACT – DESIGN OF NE GRAHAM ROAD AND NE SWIGERT WAY IMPROVEMENTS – TROUTDALE REYNOLDS INDUSTRIAL PARK *ROBIN MCCAFFREY  
KEN ANDERTON*

Requests approval to award a personal services contract to David Evans and Associates, Inc., to design the NE Graham Road and NE Swigert Way improvements in the Troutdale Reynolds Industrial Park.

**WEST HAYDEN ISLAND ANNEXATION PRINCIPLES**

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March 13, 2013

Presented by: Susie Lahsene  
Transportation and Land use  
Policy Manager**EXECUTIVE SUMMARY**

This agenda item recommends a set of principles to guide the Port of Portland (Port) in final deliberations with the City of Portland (City) in support of annexation and future development of West Hayden Island (WHI).

**BACKGROUND**

West Hayden Island is located along the south shore of the Columbia River, just north of Terminal 6 and west of the BNSF railroad tracks. The approximately 825 acres includes vacant land, wildlife habitat, a dredge material handling facility, a City sewer outfall, and Bonneville Power Administration and Portland General Electric right-of-way and electric transmission lines. In-water areas immediately adjacent to WHI are used for barge mooring and log raft storage.

West Hayden Island was brought into the urban growth boundary in 1983 for the express purpose of satisfying a regional need for marine industrial facilities. In 1994, the Port purchased WHI to meet a future marine need due to its proximity to the Columbia River shipping channel, Class 1 main rail line and Interstate 5. While the property is within the urban growth boundary, it is not within the City limits. Required urban services for future development dictate the need to annex the property into the City for the provision of urban services. As part of the annexation process, the City assigns zoning and development conditions including possible mitigation measures associated with development impacts.

In the late 1990s, the Port took a number of steps to implement a comprehensive development program for marine facilities at WHI. The Port worked with the City on a concept to annex, zone and create a plan district for WHI. In 2000, the Port postponed the annexation, permitting and development planning work due to competing priorities and market conditions.

On May 29, 2009, the City and the Port entered into an intergovernmental agreement to prepare a long-term vision for WHI. As with the earlier effort, the cooperative plan of action was consistent with Metro's regional vision for a combination of marine terminal development and open space on WHI and the City's need for additional marine industrial land base. In July 2010, City Council passed Resolution 36805 directing staff to prepare a plan district, zoning code and annexation documents for future City Council consideration that designates no more than 300 acres for marine terminal development and at least 500 acres for open space. The IGA was amended to fund this additional work by City staff. To date, the Port has contributed \$1,121,000 to the City for process and materials for a legislative annexation.

## WEST HAYDEN ISLAND ANNEXATION PRINCIPLES

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After several years of advisory committee work on the concept plan, mitigation proposal and zoning code, the Portland Planning and Sustainability Commission is scheduled to take action in May on a City staff proposal, making recommendations to the City Council. The City staff Annexation proposal will include a map defining the marine terminal development area and the property to be set aside as open space, zoning designations for each of those areas defining uses allowed and prohibited and an annexation agreement that covers Port responsibilities as conditions for annexing the property into the City. The Port Commission has identified issues throughout this project that establish parameters for the conditions the Port is willing and able to accept in order to obtain annexation of this property.

Given that the current process is nearing a conclusion, the Executive Director recommends that the Port Commission provide policy guidance to Port and City staff to aid in resolving Annexation issues.

### **WEST HAYDEN ISLAND ANNEXATION PRINCIPLES**

The Annexation should memorialize a shared vision between the Port and the City that maximizes both the potential for marine industrial development on no less than 300 acres and the opportunity for natural resource mitigation and enhancement on the remaining 500 acres on WHI. Both parts of the vision are essential. The shared vision should include intentions and obligations of both the City and the Port and should achieve the following objectives:

- a. Adopt a joint vision for sustainable development that incorporates and balances social, environmental and financial aspects of future development.
- b. Establish regulatory and legal certainty with regard to development of the 300-acre marine terminal area, allowing the Port to successfully market the property.
- c. Reflect the Port and City's mutual commitment to ensure that the 500-acre, open-space area remain zoned as open space in the future, while at the same time retain the value of the property for future mitigation and restoration opportunities.
- d. Identify a financially viable path to marine terminal development that acknowledges public and private funding sources required for successful development. The cost of development should not exceed reasonable expectations of financial return.
- e. Establish unambiguous mitigation measures that are based on sound impact analysis and uniformly applied standards that acknowledge and respect the significant role state and federal agencies will play in future development. Mitigation requirements should address actual impacts when development has a high degree of certainty and the impacts are known.

WEST HAYDEN ISLAND ANNEXATION PRINCIPLES

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**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That the Port of Portland Commission endorses the West Hayden Island Annexation Principles as a means of guiding Port of Portland staff and Commission evaluation of the City of Portland annexation proposal; and

BE IT FURTHER RESOLVED, That the Port of Portland Commission will review the City of Portland Planning and Sustainability Commission recommendations in light of these Principles; and

BE IT FURTHER RESOLVED, That the Port of Portland Commission directs staff to share these principles with City of Portland staff, the Planning and Sustainability Commission, and elected officials as the West Hayden Island annexation project progresses to the next stage.

SECOND READING AND ENACTMENT – AMENDED AND RESTATED PORT OF  
PORTLAND ORDINANCE NO. 389-R REGULATING LANDING AND FUEL FLOWAGE FEES  
ON GENERAL AVIATION AIRPORTS

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March 13, 2013

Presented by: Steve Nagy  
General Aviation Manager

**EXECUTIVE SUMMARY**

This agenda item requests a second reading and enactment of the amendment and restatement of Port of Portland Ordinance No. 389-R, which pertains to landing and fuel flowage fees and regulates the operation of fuel transportation vehicles on general aviation airports.

**BACKGROUND**

Staff proposes to amend and restate Ordinance No. 389-R, which was originally adopted in 1997, to update business information and to eliminate reference to the Mulino Airport, which the Port no longer owns, as well as language that distinguishes Mulino from the other general aviation airports.

The proposed amendment also contains one substantive change. A new “Special Exception” is created at section 3.2.6 to cure a potential ambiguity in the current ordinance and to provide the Executive Director with the authority to change landing fee exemptions in response to airport need. Currently, aircraft that weigh under 10,000 pounds that engage in training flights and maintenance certification flights are not intended to pay and do not pay landing fees. The current ordinance permits the exemption through a subtle definition of “commercial operations.” Staff believes that the express delegation of authority to the Executive Director to designate classes of landings as exempt from landing fees serves both to eliminate confusion and to provide the Port with necessary flexibility in making these determinations in response to airport need. The Executive Director must exercise this exception in accordance with laws that require its uniform and non-discriminatory application.

The revisions to Ordinance No. 389-R are described in detail in the attached Section-by-Section Analysis.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That the Port of Portland Ordinance No. 389-R, as amended, be given a second reading by title only; and

BE IT FURTHER RESOLVED, That the proposed Ordinance No. 389-R, in the form presented to the Commission, be enacted by roll call vote.

## **ORDINANCE No. 389-R**

**Amending and Restating Ordinance No. 389-R originally adopted on July 1, 1997**

### **SECTION-BY-SECTION ANALYSIS**

Amended and Restated Ordinance 389-R reflects housekeeping changes to the business operations of the general aviation airports that have occurred since Ordinance 389-R was first adopted by the Port Commission in 1997. One amendment is introduced to expressly allow the Executive Director to identify classes of flights that may be exempt from landing fees. This change is made in response to an internal audit report that identified a potential ambiguity in the Ordinance. The change serves to ratify the Port's long-standing practice of exempting training and maintenance certification flights from payment of landing fees and provides the Executive Director the authority to institute such exemptions for classes of landings.

#### **Section 1 Findings and Purpose**

**1.1.1** Eliminates references to Mulino Airport which is no longer owned by the Port.

**1.1.6** Eliminates references to Mulino Airport including references that distinguish it from the other airports because Mulino is no longer owned by the Port; updates the stated financial performance of the Port's general aviation airports.

**1.1.7** Reflects the current fuel flowage fee methodology and improvement to the stated financial performance of the general aviation airports.

**1.1.13** Modifies the language in a non-substantive matter for clarity.

**1.1.14** Clarifies that Commercial Aircraft Operators may derive revenues principally but not exclusively from use of the airports for commercial purposes.

#### **Section 2 Definitions**

**2.1** Eliminates references to Mulino Airport which is no longer owned by the Port.

**2.3** Clarifies that Commercial Airport Operators may use the airport for incidental non-commercial purposes.

**2.4** Housekeeping change that moves a definition from the text of the Ordinance to the definition section.

**2.11** Clarifies a recognized distinction between aircraft providing a direct government use and private aircraft contractors providing services to the government and receiving commercial benefit from the use of the general aviation airport.

**2.21** Eliminates the definition of Primary Airports formerly necessary to distinguish between Mulino and the other airports because Mulino is no longer owned by the Port;

### **Section 3      Landing Fees**

**3.1** Removes defined term, “Primary Airport.”

**3.2.1** Removes defined term designation which was moved to the Section 2 Definition Section of the Ordinance.

**3.2.2** Removes defined term, “Primary Airport.”

**3.2.4** Clarifies test flight designation as one made for the purposes of certification.

**3.2.5** Housekeeping clarification that landing on a leased are must be an agreed permitted use under the lease.

**3.2.6** Gives the Executive Director the authority to exempt certain flights or classes of flights from the payment of a landing fee in accordance with the Ordinance and applicable law.

### **Section 4      Fuel Flowage Fees**

**4.1** Expressly states long held protocol that Government Aircraft are not subject to fuel flowage fees.

### **Section 5      Use of Airports by Fuel Transportation Vehicles**

**5.1** Housekeeping update that reflects the Port’s use of tank agreements rather than permits and acknowledges the application of Minimum Standards and fuel standards to regulatory requirements of general aviation airports.

**5.2 Housekeeping** change to title made for clarity.

### **Section 6      Penalties**

**6.2** Eliminates reference to penalty in effect in 1997 and replaces it with general reference to fine currently in effect.

**6.4** Reflects change to effective date from 1997 date of adoption.



**AMENDED AND RESTATED**  
**ORDINANCE NO. 389-R**  
**OF THE PORT OF PORTLAND**

AN ORDINANCE REGARDING LANDING AND FUEL FLOWAGE FEES  
AND REGULATING OPERATION OF FUEL TRANSPORTATION  
VEHICLES ON AIRPORTS

BE IT ENACTED BY THE PORT OF PORTLAND:

**1. Findings and Purpose**

**1.1 Findings:**

The Port of Portland finds that:

**1.1.1** The Port owns and operates a system of airports which includes Portland International Airport, ~~Portland-Hillsboro Airport, Portland-Mulino Airport,~~ and Portland-Troutdale Airport, which are used for the taking off, landing, operation and storage of aircraft, and the conduct of businesses supporting aviation activities; and

**1.1.2** The Airports promote a strong economic base for the community, assist and encourage world trade opportunities, and are of vital importance to the health, safety, and welfare of the State of Oregon; and

**1.1.3** It is essential that the Airports remain financially self-sufficient to perform their transportation role in the community and to provide the community with cost effective aviation facilities; and

**1.1.4** The revenues received from users of the Airports are vital to the economic well-being of the Airports; and

**1.1.5** The Port will incur substantial expenditure for capital investment, operation, maintenance, and development of the facilities at the Airports to meet the future demand for airport services to accommodate the air transport of persons and cargo; and

**1.1.6** ~~Portland-Hillsboro Airport, Portland-Mulino Airport,~~ and Portland-Troutdale Airport have sustained net losses throughout their respective periods of operation by the Port, ~~andbut recently have never~~ produced revenues sufficient to offset the Port's operating ~~andcosts although not sufficient to offset~~ capital costs for aeronautical assets in use at such airports; and

**1.1.7** Fuel flowage fees imposed on the delivery of fuel at the Airports currently paid by certain aviation tenants ~~have not been sufficient~~ contribute to the operating revenues of the airports, which offset the ~~Port's~~ costs of providing airfield assets and services at the Airports; and

**1.1.8** As a recipient of financial assistance from the United States Government for development of the Airports, the Port is required, pursuant to 49 USC § 47107, to maintain a schedule of charges for use of facilities and services at the Airports that will make the Airports as self-sustaining as possible under the circumstances existing at the Airport, including volume of traffic and economy of collection; and

**1.1.9** Pursuant to 49 USC § 47107, the Port is required to make the Airports available for public use on reasonable conditions and without unjust discrimination; and

**1.1.10** The Federal Aviation Administration (FAA) has directed airports to ensure that rates, fees, rentals, landing fees, and other service charges imposed on aeronautical users of the Airports for aeronautical uses are fair and reasonable and, unless otherwise agreed to by the affected aeronautical users, do not exceed the costs of providing airfield assets and services currently in aeronautical use at the Airports; and

**1.1.11** The FAA has further directed that airport fees should be established using a consistent methodology for comparable aeronautical users, that fees imposed on a group of aeronautical users should not exceed the costs allocated to that user group, that reasonable distinctions may be made among aeronautical users, and that differing charges may be imposed on categories of aeronautical users based on those distinctions; and

**1.1.12** ORS 778.025(5) authorizes the Port to operate and maintain airports and collect charges for the use of such facilities, and ORS 836.210 further authorizes the Port to provide by regulation for charges, fees, and tolls for the use of the Airports and civil penalties for the violations of such regulations; and

**1.1.13** In order to ~~raise~~generate revenue for purposes of making the Airports as self-sustaining as possible under the circumstances existing at the Airport and maintaining, operating, and developing the Airports for the ~~convenience~~safe and efficient use of aviation users and the traveling public, and to preserve existing revenues, protect the public, preserve order, provide for the public health, safety and welfare, enhance the welfare of the Port, and govern use of Airport property, it is necessary for the Airport to adopt and implement ~~the~~ fees ~~specified pursuant to the criteria established~~ in this Ordinance to be paid by persons utilizing the Airports for aviation purposes; and

**1.1.14** Because Commercial Aircraft Operators derive revenues principally from using the Airports for commercial purposes, it is fair and reasonable that Commercial Aircraft Operators contribute to a greater degree than non-revenue generating users toward the maintenance, operation, and continued development of the Airports and making the Airports self-sustaining, and that such greater contribution by Commercial Aircraft Operators does not unjustly discriminate against this group of Airport users; and

**1.1.15** Because large Aircraft make greater demands on runways, taxiways, and other Primary Airport facilities, which demands require greater maintenance, operating, and capital expenditures by the Port to permit such continued use of the Primary Airports by such large Aircraft, a landing fee imposed on operators of such large Aircraft does not unjustly discriminate against this group of Airport users; and

**1.1.16** It is customary for airports that charge landing fees to base the fees on landed weight of Aircraft, and to exclude from the landing fee requirement Aircraft below a minimum landed weight; and

**1.1.17** The operation of fuel transportation vehicles on the Airports without appropriate environmental and safety precautions poses a threat to the health, economic vitality, and safety of persons living in the community, the State of Oregon, and other citizens utilizing the Airports, and exposes the Port to potential liability for environmental clean up and remediation; and

**1.1.18** In order to protect the public, to provide for public safety, and to preserve the good order of the Port, it is necessary to enact and provide for implementation of standards, controls, and procedures for operation of fuel transportation vehicles on the Airports.

## **1.2 Purpose**

The purpose of this Ordinance is to enact landing and fuel flowage fees and to establish environmental and safety requirements for Fuel Transportation Vehicles consistent with the above findings, and this Ordinance shall be liberally construed to effectuate this purpose.

## **2. DEFINITIONS**

As used in this Ordinance:

### **2.1 "Airports" and "Airport"**

"Airports" shall mean, collectively, those certain airports located in Multnomah County, Oregon, known as Portland International Airport and ~~Portland-Troutdale Airport, and~~ in Washington County, Oregon, known as ~~Portland-Hillsboro Airport, and in Clackamas County, Oregon, known as Portland-Mulino~~ Airport, including all facilities and roads located at or on such airports. "Airport" shall mean any one of the Airports.

### **2.2 "Aircraft"**

"Aircraft" shall mean every contrivance invented, used, or designed to navigate, or fly in, the air.

### **2.3 "Commercial Aircraft Operator"**

"Commercial Aircraft Operator" shall mean any Person engaged in the carriage in air commerce of Persons or property at the Airport principally for compensation or hire, including but not limited to any Person whose operations are governed by Parts 121 or 135 of the Code of Federal Regulations, Title 14, Chapter I, Subchapter G, promulgated by the United States Federal Aviation Administration, Department of Transportation, ~~as~~ in effect on the effective date of this Ordinance, and as amended, supplemented, and replaced from time to time.

### **2.4 "Excluded Commercial Aircraft Operator"**

"Excluded Commercial Aircraft Operator" shall mean a ~~Person described in Section 3.2.1 of this Ordinance~~ Commercial Aircraft Operator who is required to pay a fee to the Port for such landing pursuant to the terms of an agreement between the Port and the Commercial Aircraft Operator.

### **2.5 "Executive Director"**

"Executive Director" shall mean the Port's Executive Director or his designee.

### **2.6 "Fee"**

"Fee" shall mean the Landing Fee and Fuel Flowage Fee authorized by this Ordinance.

### **2.7 "Fuel"**

"Fuel" shall mean any gasoline and any other inflammable or combustible gas or liquid usable as fuel for the operation of Aircraft.

## **2.8 "Fuel Flowage Fee"**

"Fuel Flowage Fee" shall mean the Fuel Flowage Fee authorized in Section 4.1 of this Ordinance.

## **2.9 "Fuel Operator"**

"Fuel Operator" shall mean any Person who operates any system or device used to store or dispense Fuel at the Airports, including but not limited to a Fuel storage tank, Fuel Transportation Vehicle, or similar system or device.

## **2.10 "Fuel Transportation Vehicle"**

"Fuel Transportation Vehicle" shall mean any form of transportation that is used in and capable of transporting Fuel on Airport roads, parking areas, ramp areas, taxiways, runways, or elsewhere on the Airport.

## **2.11 "Government Aircraft"**

"Government Aircraft" shall mean any Aircraft owned or operated by the United States government or any of its agencies but shall not mean privately owned and operated aircraft that are contracted for the use of the United States government.

## **2.12 "Landed Weight"**

"Landed Weight" shall mean the maximum permissible gross weight which an Aircraft may lawfully have at the time of landing at any airport in the United States as set forth in Federal Aviation Administration specifications for such Aircraft.

## **2.13 "Landing Fee"**

"Landing Fee" shall mean the Landing Fee authorized in Section 3.1 of this Ordinance.

## **2.14 "Large Aircraft"**

"Large Aircraft" shall mean any Aircraft having a Landed Weight that exceeds 10,000 pounds.

## **2.15 "Large Aircraft Operator"**

"Large Aircraft Operator" shall mean a Person operating any Large Aircraft.

## **2.16 "Mobile Storage Tank Use Agreement"**

"Mobile Storage Tank Use Agreement" shall mean an agreement in force between the Port and a Person which expressly authorizes the Person to operate a Fuel Transportation Vehicle on an Airport in accordance with prescribed terms and conditions.

## **2.17 "Permit"**

"Permit" shall mean the Permit required pursuant to Section 5.1.

## **2.18 "Permittee"**

"Permittee" shall mean any Person required by this Ordinance to have a Permit for operation of a Fuel Transportation Vehicle on an Airport.

## 2.19 "Person"

"Person" shall mean an individual, sole proprietorship, association, corporation, partnership, limited liability company, joint venture, or any other business arrangement or organization.

## 2.20 "The Port of Portland" or "Port"

"The Port of Portland" or "Port" shall mean the Port District created by the Oregon Legislature by laws codified in Oregon Revised Statutes, Chapter 778, as amended.

## ~~2.21 "Primary Airports" and "Primary Airport"~~

~~"Primary Airports" shall mean all Airports except Portland Mulino Airport.~~

~~"Primary Airport" shall mean any one of the Primary Airports.~~

## 3. LANDING FEES,

### 3.1 Fees Required

Except as provided in Section 3.2, every Commercial Aircraft Operator and every Large Aircraft Operator shall pay a fee ("Landing Fee") on each landing of an Aircraft at any Primary Airport. The Executive Director shall establish Landing Fee rates for each Airport assessed per 1,000 pounds of Landed Weight; provided that such rates shall be fair and reasonable for the affected Persons and shall not exceed the Port's costs of providing airfield assets and services currently in aeronautical use at the ~~Primary~~ Airports. The Executive Director may adjust Landing Fee rates from time to time consistent with this section.

### 3.2 Exceptions

No Landing Fee shall be imposed pursuant to Section 3.1 on the following landings:

#### 3.2.1 Excluded Commercial Aircraft Operator

A landing by a Commercial Aircraft Operator who is required to pay a fee to the Port for such landing pursuant to the terms of an agreement between the Port and the Commercial Aircraft Operator ~~(an "Excluded Commercial Aircraft Operator").~~

#### 3.2.2 Emergency or Precautionary Landings

A landing of an Aircraft which departs from a ~~Primary~~ Airport for another destination and is forced to return and land at the same ~~Primary~~ Airport because of meteorological conditions, mechanical or operating causes, or for any similar emergency or precautionary reason.

#### 3.2.3 Government Aircraft

A landing by a Government Aircraft, unless the Landing Fee is permitted by applicable United States law and is imposed pursuant to a written agreement between the Port and the United States government or an agency thereof.

#### 3.2.4 Test Flights

A landing by any Aircraft engaged in a ~~non-revenue~~ flight certification producing test flight approved by the Executive Director that is necessary to meet operational, safety, or Federal Aviation Administration requirements.

### **3.2.5 Helicopter Landings on Leased Areas**

A landing by a Commercial Aircraft Operator or Large Aircraft Operator of a helicopter on an area leased by the Commercial Aircraft Operator or Large Aircraft Operator from the Port pursuant to a lease which permits the landing.

### **3.2.6 Special Exception**

A landing or class of landing by a Commercial Aircraft or Large Aircraft designated as exempt from payment of a Landing Fee by the Executive Director in accordance with this Ordinance and all applicable laws.

## **3.3 Collection**

Landing Fees shall be collected by the Port in accordance with procedures established by the Executive Director. Unless the Executive Director has established other payment procedures, or credit arrangements satisfactory to the Executive Director have been made in advance, every Commercial Aircraft Operator and Large Aircraft Operator shall pay all unpaid Landing Fees before the next takeoff of an Aircraft owned, operated or controlled by the Commercial Aircraft Operator or Large Aircraft Operator. A delinquency charge in an amount established by the Executive Director shall be imposed on all Landing Fees not paid when due. All Commercial Aircraft Operators and Large Aircraft Operators at the Primary Airports shall promptly provide the Port reports on forms provided by the Port containing information necessary to calculate the Landing Fee.

## **4. FUEL FLOWAGE FEES**

### **4.1 Fees Required**

Every Fuel Operator shall pay a fuel flowage fee ("Fuel Flowage Fee") on all Fuel transported onto the Airports; provided that no Fuel Flowage Fee shall be imposed on Fuel which is sold to an Excluded Commercial Aircraft Operator or fuel provided to a Government Aircraft. The Fuel Flowage Fee shall be assessed at the time Fuel is transported onto an Airport by a Fuel Operator, and a credit or other appropriate adjustment shall be given to the Fuel Operator with respect to Fuel which is subsequently sold to an Excluded Commercial Aircraft Operator. The Fuel Flowage Fee shall be an amount payable on each gallon or similar measuring unit established by the Executive Director for each category of Fuel, and may be adjusted by the Executive Director from time to time.

### **4.2 Collection**

Fuel Flowage Fees shall be collected by the Port in accordance with procedures established by the Executive Director. Unless the Executive Director has established other payment procedures, or credit arrangements satisfactory to the Executive Director have been made in advance, all Fuel Flowage Fees shall be paid by a Fuel Operator no later than 20 days after the end of the calendar month in which Fuel is transported onto an Airport. A delinquency charge in an amount established by the Executive Director shall be imposed on all Fuel Flowage Fees not paid when due. All Fuel Operators shall promptly provide the Port reports containing information specified by the Port which is necessary to calculate the Fuel Flowage Fee.



## 5. USE OF AIRPORTS BY FUEL TRANSPORTATION VEHICLES

### 5.1 Permit Required

No Person shall operate a Fuel Transportation Vehicle on any portion of an Airport except pursuant to ~~a valid permit ("Permit") issued by an agreement with the Port or pursuant to a Mobile Storage Tank Use Agreement~~ expressly allowing such operation. The ~~Permit agreement~~ shall contain, at a minimum, the terms and conditions contained in this Ordinance applicable Minimum Standards, fueling standards, and such other terms and conditions as the Executive Director deems necessary or appropriate. Use of the Airports or any of the Airport facilities by an operator of a Fuel Transportation Vehicle shall be deemed acceptance of the terms and conditions of the ~~Permit agreement~~.

### 5.2 ~~Permit~~ Minimum Terms

At a minimum, all Permittees shall be required by the terms of the Permit to:

#### 5.2.1 Insurance

Provide the Port written certificates of insurance evidencing insurance coverage of types and in amounts established by the Executive Director.

#### 5.2.2 Indemnity

Indemnify the Port and its commissioners and employees against any claim of any type whatsoever arising out of the presence of the Permittee or the Permittee's Fuel Transportation Vehicle at the Airport.

#### 5.2.3 Fuel Transportation Vehicle Identification

Provide the Port the make, model, color, license number, identification number, and motor vehicle registration number of all Fuel Transportation Vehicles to be operated on the Airports.

#### 5.2.4 Business Permits

Provide the Port written proof, upon request by the Port, of all business and motor vehicle permits required by local, state, and federal regulations.

#### 5.2.5 Other Standards

Comply with all environmental and safety laws applicable to operation of Fuel Transportation Vehicles at the Airports, and such other standards as the Executive Director deems necessary or appropriate to protect the environment, the Port, and the public health, safety, and welfare from the potential harmful effects of spills and releases from Fuel Transportation Vehicles.

## 6. PENALTIES

### 6.1 Civil Sanctions

In the event any Person violates any term or condition of this Ordinance, the Port may exercise any rights or remedies allowed by law or equity, including without limitation, imposition of a civil penalty pursuant to ORS 836.210 of not more than \$500 per violation, and, in the case of a violation of any term or condition of any Permit granted pursuant to this Ordinance, after reasonable notice and hearing, suspension or termination of the rights granted

pursuant to the Permit. In the event that any Permit is so suspended or terminated, any covenant or condition (including, but not limited to, indemnification covenants), set forth in the Permit, the full performance of which is not specifically required prior to the suspension or termination of the Permit, and any covenant or condition which by its terms is to survive, shall survive the suspension or termination of the Permit and shall remain fully enforceable thereafter.

### **6.2 Criminal Sanctions**

Any Person violating this Ordinance shall be guilty of a misdemeanor and upon conviction shall be punished by a fine ~~of not more than \$250 per violation~~pursuant to Oregon law.

### **6.3 Severability**

In the event any phrase, clause, sentence, paragraph, or paragraphs of this Ordinance is declared invalid for any reason, the remainder of the Ordinance shall not be thereby invalidated, but shall remain in full force and effect, all parts being declared separable and independent of all others.

### **6.4 Effective Date**

The effective date of this Amended and Restated Ordinance shall be ~~July 1,~~  
~~1997,~~2013.



**AMENDED AND RESTATED  
ORDINANCE NO. 389-R  
OF THE PORT OF PORTLAND**

AN ORDINANCE REGARDING LANDING AND FUEL FLOWAGE FEES  
AND REGULATING OPERATION OF FUEL TRANSPORTATION  
VEHICLES ON AIRPORTS

BE IT ENACTED BY THE PORT OF PORTLAND:

**1. Findings and Purpose**

**1.1 Findings:**

The Port of Portland finds that:

**1.1.1** The Port owns and operates a system of airports which includes Portland International Airport, Hillsboro Airport and Troutdale Airport, which are used for the taking off, landing, operation and storage of aircraft, and the conduct of businesses supporting aviation activities; and

**1.1.2** The Airports promote a strong economic base for the community, assist and encourage world trade opportunities, and are of vital importance to the health, safety, and welfare of the State of Oregon; and

**1.1.3** It is essential that the Airports remain financially self-sufficient to perform their transportation role in the community and to provide the community with cost effective aviation facilities; and

**1.1.4** The revenues received from users of the Airports are vital to the economic well-being of the Airports; and

**1.1.5** The Port will incur substantial expenditure for capital investment, operation, maintenance, and development of the facilities at the Airports to meet the future demand for airport services to accommodate the air transport of persons and cargo; and

**1.1.6** Hillsboro Airport and Troutdale Airport have sustained net losses throughout their respective periods of operation by the Port, but recently have produced revenues sufficient to offset the Port's operating costs although not sufficient to offset capital costs for aeronautical assets in use at such airports; and

**1.1.7** Fuel flowage fees imposed on the delivery of fuel at the Airports currently paid by certain aviation tenants contribute to the operating revenues of the airports, which offset the costs of providing airfield assets and services at the Airports; and

**1.1.8** As a recipient of financial assistance from the United States Government for development of the Airports, the Port is required, pursuant to 49 USC § 47107, to maintain a schedule of charges for use of facilities and services at the Airports that will make the Airports as self-sustaining as possible under the circumstances existing at the Airport, including volume of traffic and economy of collection; and

**1.1.9** Pursuant to 49 USC § 47107, the Port is required to make the Airports available for public use on reasonable conditions and without unjust discrimination; and

**1.1.10** The Federal Aviation Administration (FAA) has directed airports to ensure that rates, fees, rentals, landing fees, and other service charges imposed on aeronautical users of the Airports for aeronautical uses are fair and reasonable and, unless otherwise agreed to by the affected aeronautical users, do not exceed the costs of providing airfield assets and services currently in aeronautical use at the Airports; and

**1.1.11** The FAA has further directed that airport fees should be established using a consistent methodology for comparable aeronautical users, that fees imposed on a group of aeronautical users should not exceed the costs allocated to that user group, that reasonable distinctions may be made among aeronautical users, and that differing charges may be imposed on categories of aeronautical users based on those distinctions; and

**1.1.12** ORS 778.025(5) authorizes the Port to operate and maintain airports and collect charges for the use of such facilities, and ORS 836.210 further authorizes the Port to provide by regulation for charges, fees, and tolls for the use of the Airports and civil penalties for the violations of such regulations; and

**1.1.13** In order to generate revenue for purposes of making the Airports as self-sustaining as possible under the circumstances existing at the Airport and maintaining, operating, and developing the Airports for the safe and efficient use of aviation users and the traveling public, and to preserve existing revenues, protect the public, preserve order, provide for the public health, safety and welfare, enhance the welfare of the Port, and govern use of Airport property, it is necessary for the Airport to adopt and implement fees pursuant to the criteria established in this Ordinance to be paid by persons utilizing the Airports for aviation purposes; and

**1.1.14** Because Commercial Aircraft Operators derive revenues principally from using the Airports for commercial purposes, it is fair and reasonable that Commercial Aircraft Operators contribute to a greater degree than non-revenue generating users toward the maintenance, operation, and continued development of the Airports and making the Airports self-sustaining, and that such greater contribution by Commercial Aircraft Operators does not unjustly discriminate against this group of Airport users; and

**1.1.15** Because large Aircraft make greater demands on runways, taxiways, and other Primary Airport facilities, which demands require greater maintenance, operating, and capital expenditures by the Port to permit such continued use of the Primary Airports by such large Aircraft, a landing fee imposed on operators of such large Aircraft does not unjustly discriminate against this group of Airport users; and

**1.1.16** It is customary for airports that charge landing fees to base the fees on landed weight of Aircraft, and to exclude from the landing fee requirement Aircraft below a minimum landed weight; and

**1.1.17** The operation of fuel transportation vehicles on the Airports without appropriate environmental and safety precautions poses a threat to the health, economic vitality, and safety of persons living in the community, the State of Oregon, and other citizens utilizing the Airports, and exposes the Port to potential liability for environmental clean up and remediation; and

**1.1.18** In order to protect the public, to provide for public safety, and to preserve the good order of the Port, it is necessary to enact and provide for implementation of standards, controls, and procedures for operation of fuel transportation vehicles on the Airports.

## **1.2 Purpose**

The purpose of this Ordinance is to enact landing and fuel flowage fees and to establish environmental and safety requirements for Fuel Transportation Vehicles consistent with the above findings, and this Ordinance shall be liberally construed to effectuate this purpose.

## **2. DEFINITIONS**

As used in this Ordinance:

### **2.1 "Airports" and "Airport"**

"Airports" shall mean, collectively, those certain airports located in Multnomah County, Oregon, known as Portland International Airport and Troutdale Airport, and in Washington County, Oregon, known as Hillsboro Airport, including all facilities and roads located at or on such airports. "Airport" shall mean any one of the Airports.

### **2.2 "Aircraft"**

"Aircraft" shall mean every contrivance invented, used, or designed to navigate, or fly in, the air.

### **2.3 "Commercial Aircraft Operator"**

"Commercial Aircraft Operator" shall mean any Person engaged in the carriage in air commerce of Persons or property at the Airport principally for compensation or hire, including but not limited to any Person whose operations are governed by Parts 121 or 135 of the Code of Federal Regulations, Title 14, Chapter I, Subchapter G, promulgated by the United States Federal Aviation Administration, Department of Transportation, in effect on the effective date of this Ordinance, and as amended, supplemented, and replaced from time to time.

### **2.4 "Excluded Commercial Aircraft Operator"**

"Excluded Commercial Aircraft Operator" shall mean a Commercial Aircraft Operator who is required to pay a fee to the Port for such landing pursuant to the terms of an agreement between the Port and the Commercial Aircraft Operator.

### **2.5 "Executive Director"**

"Executive Director" shall mean the Port's Executive Director or his designee.

### **2.6 "Fee"**

"Fee" shall mean the Landing Fee and Fuel Flowage Fee authorized by this Ordinance.

### **2.7 "Fuel"**

"Fuel" shall mean any gasoline and any other inflammable or combustible gas or liquid usable as fuel for the operation of Aircraft.

## **2.8 "Fuel Flowage Fee"**

"Fuel Flowage Fee" shall mean the Fuel Flowage Fee authorized in Section 4.1 of this Ordinance.

## **2.9 "Fuel Operator"**

"Fuel Operator" shall mean any Person who operates any system or device used to store or dispense Fuel at the Airports, including but not limited to a Fuel storage tank, Fuel Transportation Vehicle, or similar system or device.

## **2.10 "Fuel Transportation Vehicle"**

"Fuel Transportation Vehicle" shall mean any form of transportation that is used in and capable of transporting Fuel on Airport roads, parking areas, ramp areas, taxiways, runways, or elsewhere on the Airport.

## **2.11 "Government Aircraft"**

"Government Aircraft" shall mean any Aircraft owned or operated by the United States government or any of its agencies but shall not mean privately owned and operated aircraft that are contracted for the use of the United States government.

## **2.12 "Landed Weight"**

"Landed Weight" shall mean the maximum permissible gross weight which an Aircraft may lawfully have at the time of landing at any airport in the United States as set forth in Federal Aviation Administration specifications for such Aircraft.

## **2.13 "Landing Fee"**

"Landing Fee" shall mean the Landing Fee authorized in Section 3.1 of this Ordinance.

## **2.14 "Large Aircraft"**

"Large Aircraft" shall mean any Aircraft having a Landed Weight that exceeds 10,000 pounds.

## **2.15 "Large Aircraft Operator"**

"Large Aircraft Operator" shall mean a Person operating any Large Aircraft.

## **2.16 "Mobile Storage Tank Use Agreement"**

"Mobile Storage Tank Use Agreement" shall mean an agreement in force between the Port and a Person which expressly authorizes the Person to operate a Fuel Transportation Vehicle on an Airport in accordance with prescribed terms and conditions.

## **2.17 "Permit"**

"Permit" shall mean the Permit required pursuant to Section 5.1.

## **2.18 "Permittee"**

"Permittee" shall mean any Person required by this Ordinance to have a Permit for operation of a Fuel Transportation Vehicle on an Airport.

## **2.19 "Person"**

"Person" shall mean an individual, sole proprietorship, association, corporation, partnership, limited liability company, joint venture, or any other business arrangement or organization.

## **2.20 "The Port of Portland" or "Port"**

"The Port of Portland" or "Port" shall mean the Port District created by the Oregon Legislature by laws codified in Oregon Revised Statutes, Chapter 778, as amended.

# **3. LANDING FEES,**

## **3.1 Fees Required**

Except as provided in Section 3.2, every Commercial Aircraft Operator and every Large Aircraft Operator shall pay a fee ("Landing Fee") on each landing of an Aircraft at any Primary Airport. The Executive Director shall establish Landing Fee rates for each Airport assessed per 1,000 pounds of Landed Weight; provided that such rates shall be fair and reasonable for the affected Persons and shall not exceed the Port's costs of providing airfield assets and services currently in aeronautical use at the Airports. The Executive Director may adjust Landing Fee rates from time to time consistent with this section.

## **3.2 Exceptions**

No Landing Fee shall be imposed pursuant to Section 3.1 on the following landings:

### **3.2.1 Excluded Commercial Aircraft Operator**

A landing by a Commercial Aircraft Operator who is required to pay a fee to the Port for such landing pursuant to the terms of an agreement between the Port and the Commercial Aircraft Operator.

### **3.2.2 Emergency or Precautionary Landings**

A landing of an Aircraft which departs from an Airport for another destination and is forced to return and land at the same Airport because of meteorological conditions, mechanical or operating causes, or for any similar emergency or precautionary reason.

### **3.2.3 Government Aircraft**

A landing by a Government Aircraft, unless the Landing Fee is permitted by applicable United States law and is imposed pursuant to a written agreement between the Port and the United States government or an agency thereof.

### **3.2.4 Test Flights**

A landing by any Aircraft engaged in a flight certification producing test flight approved by the Executive Director that is necessary to meet operational, safety, or Federal Aviation Administration requirements.

### **3.2.5 Helicopter Landings on Leased Areas**

A landing by a Commercial Aircraft Operator or Large Aircraft Operator of a helicopter on an area leased by the Commercial Aircraft Operator or Large Aircraft Operator from the Port pursuant to a lease which permits the landing.

### **3.2.6 Special Exception**

A landing or class of landing by a Commercial Aircraft or Large Aircraft designated as exempt from payment of a Landing Fee by the Executive Director in accordance with this Ordinance and all applicable laws.

### **3.3 Collection**

Landing Fees shall be collected by the Port in accordance with procedures established by the Executive Director. Unless the Executive Director has established other payment procedures, or credit arrangements satisfactory to the Executive Director have been made in advance, every Commercial Aircraft Operator and Large Aircraft Operator shall pay all unpaid Landing Fees before the next takeoff of an Aircraft owned, operated or controlled by the Commercial Aircraft Operator or Large Aircraft Operator. A delinquency charge in an amount established by the Executive Director shall be imposed on all Landing Fees not paid when due. All Commercial Aircraft Operators and Large Aircraft Operators at the Primary Airports shall promptly provide the Port reports on forms provided by the Port containing information necessary to calculate the Landing Fee.

## **4. FUEL FLOWAGE FEES**

### **4.1 Fees Required**

Every Fuel Operator shall pay a fuel flowage fee ("Fuel Flowage Fee") on all Fuel transported onto the Airports; provided that no Fuel Flowage Fee shall be imposed on Fuel which is sold to an Excluded Commercial Aircraft Operator or fuel provided to a Government Aircraft. The Fuel Flowage Fee shall be assessed at the time Fuel is transported onto an Airport by a Fuel Operator, and a credit or other appropriate adjustment shall be given to the Fuel Operator with respect to Fuel which is subsequently sold to an Excluded Commercial Aircraft Operator. The Fuel Flowage Fee shall be an amount payable on each gallon or similar measuring unit established by the Executive Director for each category of Fuel, and may be adjusted by the Executive Director from time to time.

### **4.2 Collection**

Fuel Flowage Fees shall be collected by the Port in accordance with procedures established by the Executive Director. Unless the Executive Director has established other payment procedures, or credit arrangements satisfactory to the Executive Director have been made in advance, all Fuel Flowage Fees shall be paid by a Fuel Operator no later than 20 days after the end of the calendar month in which Fuel is transported onto an Airport. A delinquency charge in an amount established by the Executive Director shall be imposed on all Fuel Flowage Fees not paid when due. All Fuel Operators shall promptly provide the Port reports containing information specified by the Port which is necessary to calculate the Fuel Flowage Fee.

## **5. USE OF AIRPORTS BY FUEL TRANSPORTATION VEHICLES**

### **5.1 Permit Required**

No Person shall operate a Fuel Transportation Vehicle on any portion of an Airport except pursuant to an agreement with the Port expressly allowing such operation. The agreement shall contain, at a minimum, the terms and conditions contained in this Ordinance applicable Minimum Standards, fueling standards, and such other terms and conditions as the Executive Director deems necessary or appropriate. Use of the Airports or any of the Airport facilities by

an operator of a Fuel Transportation Vehicle shall be deemed acceptance of the terms and conditions of the agreement.

## **5.2 Minimum Terms**

At a minimum, all Permittees shall be required by the terms of the Permit to:

### **5.2.1 Insurance**

Provide the Port written certificates of insurance evidencing insurance coverage of types and in amounts established by the Executive Director.

### **5.2.2 Indemnity**

Indemnify the Port and its commissioners and employees against any claim of any type whatsoever arising out of the presence of the Permittee or the Permittee's Fuel Transportation Vehicle at the Airport.

### **5.2.3 Fuel Transportation Vehicle Identification**

Provide the Port the make, model, color, license number, identification number, and motor vehicle registration number of all Fuel Transportation Vehicles to be operated on the Airports.

### **5.2.4 Business Permits**

Provide the Port written proof, upon request by the Port, of all business and motor vehicle permits required by local, state, and federal regulations.

### **5.2.5 Other Standards**

Comply with all environmental and safety laws applicable to operation of Fuel Transportation Vehicles at the Airports, and such other standards as the Executive Director deems necessary or appropriate to protect the environment, the Port, and the public health, safety, and welfare from the potential harmful effects of spills and releases from Fuel Transportation Vehicles.

## **6. PENALTIES**

### **6.1 Civil Sanctions**

In the event any Person violates any term or condition of this Ordinance, the Port may exercise any rights or remedies allowed by law or equity, including without limitation, imposition of a civil penalty pursuant to ORS 836.210 of not more than \$500 per violation, and, in the case of a violation of any term or condition of any Permit granted pursuant to this Ordinance, after reasonable notice and hearing, suspension or termination of the rights granted pursuant to the Permit. In the event that any Permit is so suspended or terminated, any covenant or condition (including, but not limited to, indemnification covenants), set forth in the Permit, the full performance of which is not specifically required prior to the suspension or termination of the Permit, and any covenant or condition which by its terms is to survive, shall survive the suspension or termination of the Permit and shall remain fully enforceable thereafter.

### **6.2 Criminal Sanctions**

Any Person violating this Ordinance shall be guilty of a misdemeanor and upon conviction shall be punished by a fine pursuant to Oregon law.



### **6.3 Severability**

In the event any phrase, clause, sentence, paragraph, or paragraphs of this Ordinance is declared invalid for any reason, the remainder of the Ordinance shall not be thereby invalidated, but shall remain in full force and effect, all parts being declared separable and independent of all others.

### **6.4 Effective Date**

The effective date of this Amended and Restated Ordinance shall be \_\_\_\_\_, 2013.



**PUBLIC IMPROVEMENT CONTRACT – AIR TRANS CENTER PHASE III – PORTLAND INTERNATIONAL AIRPORT**

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March 13, 2013

Presented by: Christine Edwards  
Engineering Project Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to award a public improvement contract to K&E Excavating, Inc., to construct the Air Trans Center Phase III (ATC PH III) project at Portland International Airport (PDX).

**BACKGROUND**

The ATC PH III project is a continuation of a multi-year pavement rehabilitation program. Phase 1 began in 2011 with a pavement reconstruction project located in front of the Boeing hangar. In 2012, the Port completed Phase II work, located on the south central ramp (north of the Boeing ramp). In the next phase of this program, the ATC PH III project will reconstruct the main alley access into the Air Trans Center for all of the south airfield cargo carriers, including Boeing, FedEx, Asiana, DHL, etc.

A geotechnical investigation identified that the underlying pavement foundation was inadequate to support the anticipated aircraft traffic. A life cycle cost analysis, which compared pavement rehabilitation alternatives for either asphalt or concrete over a 40-year life, identified Portland cement concrete pavement as the most cost-effective method for rehabilitation.

This work is critical to ensure adequate pavement support for continued aircraft operations by tenants and operators. This project will reconstruct the existing pavement structure by removing the existing asphalt concrete pavement and replacing it with Portland cement concrete. Other work elements will include storm drainage improvements and restoring pavement markings.

**CONTRACT AWARD**

The Port procured this public improvement contract utilizing a competitive sealed bidding solicitation under ORS Chapter 279C. The solicitation was advertised on January 22, 2013, and bids were received on February 19, 2013. K&E Excavating, Inc. submitted the lowest responsive bid. The bids were as follows:

K&E Excavating, Inc.	\$8,446,497.50
Kerr Contractors, Inc.	\$8,687,682.00
Kodiak Pacific Const.	\$8,755,755.00
Wildish Standard Paving	\$9,237,656.00

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Nutter Corporation	\$9,278,795.22
Acme Concrete Paving	\$10,135,000.00
Engineer's Estimate	\$8,462,645.00

The Port expects construction to be complete by October 30, 2013. The Port will fund this work with a Federal Aviation Administration Airport Improvement Program grant, an Oregon Department of Transportation ConnectOregon IV grant, and other Port Cost Center funds.

**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 Air Trans Center Phase III project to K&E Excavating, Inc., 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 – REPLACEMENT OF 16 BOD METERS – PORTLAND INTERNATIONAL AIRPORT**

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March 13, 2013

Presented by: George Seaman  
Project Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to award an equipment procurement contract to Hach Company for the purchase of 12 total organic carbon (TOC) meters for the Portland International Airport (PDX) deicing stormwater collection system. The TOC meters will replace the system's existing biological oxygen demand (BOD) meters. Authority to award the contract on a sole-source basis has previously been granted by the Port of Portland's (Port) Executive Director. Commission authority is required to award the contract because its amount, \$966,010, exceeds the Executive Director's delegated contracting authority.

**BACKGROUND**

In recent years, the Port has completed significant improvements to the PDX deicing collection system in order to comply with requirements under the Clean Water Act and the Port's National Pollutant Discharge Elimination System (NPDES) permit. Additional improvements are underway. To comply with load limits in the NPDES permit for BOD discharges to the Columbia Slough and Columbia River, the Port must continuously monitor the concentration of BOD in stormwater runoff from PDX. The current BOD meters are costly to operate and maintain and have obsolescence issues, such as 1980s-vintage software that the manufacturer no longer supports and a limited ability to integrate with the deicing system's controls. The BOD meters also utilize living bacteria, which makes them susceptible to contaminants. If the BOD meters fail, the Port will be unable to demonstrate compliance with the NPDES permit.

**PROJECT DESCRIPTION AND EQUIPMENT SELECTION**

Working with a consultant, the Port determined that TOC meters utilizing a caustic/ozone technology are an appropriate replacement instrument. This type of instrumentation is more robust, simpler, easier to maintain and less prone to contamination than BOD meters and has lower operating costs. After analysis, the Oregon Department of Environmental Quality approved the Port's use of TOC meters to demonstrate compliance with the NPDES permit.

The BOD Meter Replacement Project will replace 16 BOD meters with 13 TOC meters. The only commercially available TOC meter which utilizes the caustic/ozone method is the Hach Company's Biotector model. The Port procured one Hach Biotector and performed extensive pilot testing during the 2011-2012 deicing season to confirm that it could meet all required use criteria. This contract will allow the Port to purchase the remaining 12 TOC meters from Hach Company.

PROCUREMENT CONTRACT – REPLACEMENT OF 16 BOD METERS – PORTLAND  
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The NPDES permit requires that the Port's deicing discharge monitoring system be fully operational from the first of November until the end of May each year. To meet this requirement for 2013, the Port intends to award a public improvement contract to install and commission the new TOC meters between June 1 and October 31, 2013. This schedule requires delivery of the TOC meters by no later than mid-July. Due to the long fabrication and testing time required prior to delivery, this procurement will allow the Port to purchase the TOC meters directly from the supplier before their installation.

**EXEMPTION FROM COMPETITIVE BIDDING (GOODS AND SERVICES)**

The Oregon Public Contracting Statute, Chapter ORS 279B, governs agency purchases of goods and services. ORS 279B.075 allows the Port to purchase goods and services on a sole-source basis without a competitive process. Under ORS 279B.075 and Port Rule No. 7, the Port's Contract Review Board (the Port Commission) has delegated to the Executive Director the authority to determine that goods or services are available from only one source and a competitive procurement process is not required. While not mandatory for equipment procurements, the Port voluntarily held a public hearing to take comments on draft Findings in Support of an Exemption from Competitive Bidding (Findings). Based on the final Findings, the Executive Director determined by memorandum dated February 12, 2013, that (1) the Hach Company is the only available known source for this procurement, and (2) the Port may award the contract to the Hach Company without competition. While no Commission action is required to exempt this procurement from the Code's competitive bidding requirement, the Commission must authorize the Port to enter into the contract because the contract amount exceeds the Executive Director's delegated authority under Commission Policy 6.1.01.

**CONTRACT TERMS**

Hach Company worked closely with Port staff on the design and specifications of the new TOC meters, resulting in a system that is closely tailored to the Port's requirements. The negotiated price of \$966,010 for this procurement includes the fabrication and delivery of 12 TOC meters, oversight of equipment start-up at PDX, testing at both the factory and after installation and staff training. Port staff believe that these contract terms are as advantageous to the Port as possible, in accordance with ORS 279B.075. The contract amount is within the project budget and 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 award an equipment procurement contract to Hach Company for the purchase of total organic carbon meters for the deicing stormwater collection system at Portland International Airport, consistent with the terms presented to the Commission; and

PROCUREMENT CONTRACT – REPLACEMENT OF 16 BOD METERS – PORTLAND  
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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.

**EXEMPTION FROM COMPETITIVE BIDDING – ITS-AVI TECHNOLOGY UPGRADE –  
PORTLAND INTERNATIONAL AIRPORT**

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March 13, 2013

Presented by: Greg Sparks  
Project Development Manager**EXECUTIVE SUMMARY**

This agenda item requests approval of an exemption from competitive bidding under the Oregon Public Contracting Code (Code). The Port of Portland (Port) must obtain the exemption in order to select a contractor for a public improvement project using a solicitation that utilizes evaluation criteria other than price. The project involves the design, acquisition, and construction of an integrated Automated Vehicle Identification (AVI) system at Portland International Airport (PDX). After the exemption is granted, the Port will conduct a competitive Request for Proposals (RFP) solicitation process to select the project contractor.

**BACKGROUND**

The Port plans to upgrade the existing vehicle identification system at PDX with an AVI system. The existing system uses a combination of monitoring and access control technologies and methods that have been installed during the evolution of PDX. These systems are multiple generations old and in need of modernization. The individual systems were installed under a number of different projects.

The PDX Intelligent Transportation Systems (ITS)-AVI Technology Upgrade project will implement a fully-integrated AVI system, replacing the existing, out-of-date vehicle identification system. Port staff anticipate that the new system will be operational by October 2014. The project contractor and the furnished AVI system will be required to:

- Implement a full complement of equipment, features and functionality using state-of-the-art AVI technology.
- Replace the current commercial roadway, shuttle bus and employee lot vehicle access control systems.
- Integrate and transfer existing data into the revenue tracking system.
- Provide training for maintenance, parking and IT staff in the function, operation and maintenance of the system.
- Manage commercial vehicles (taxis, limos, town-cars and courtesy vehicles).
- Provide access credential management.
- Manage employee parking access.
- Reduce manual administrative functions, resulting in more efficient recordkeeping.

EXEMPTION FROM COMPETITIVE BIDDING – ITS-AVI TECHNOLOGY UPGRADE –  
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**EXEMPTION FROM COMPETITIVE BIDDING**

This project is a public improvement for purposes of the Code. The Code generally requires contracting agencies to procure public improvement contracts using a competitive sealed bidding process under ORS Chapter 279C. However, the Code allows alternate contracting methods in some cases. Under the Code, an agency's local Contract Review Board (CRB) may direct the use of alternate contracting methods that "take account of market realities and modern practices and are consistent with the public policy of encouraging competition." (ORS 279C.335(4).)

A number of technology alternatives exist in the marketplace that might be the best solution for this project. Given the range of possibilities, it is in the Port's best interest to procure this contract on the basis of the proposers' ability to best meet certain evaluation criteria other than price. Those criteria include the contractors' technical solutions and equipment, as well as their qualifications and experience in implementing similar systems. The alternate contracting method the Port intends to use after the exemption is granted is a competitive RFP process containing those evaluation criteria.

An agency's CRB directs the agency to use an alternate contracting method by granting an exemption from competitive bidding under ORS 279C.335(2). In granting the exemption, the CRB must approve written findings that support the award of the contract without the competitive bidding requirement. The final findings in support of the exemption requested under this agenda item (Findings) are attached as Exhibit A.

As required under the Code, the Port published public notice of the Port's intent to seek an exemption from competitive bidding, and held a public hearing on February 11, 2013 to allow interested parties to present comments on the proposed exemption. No public comments were received at the public hearing. In order for the Port to proceed with its RFP for the project, the Port's CRB must first exempt the contract from the Code's competitive bidding requirement.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That the Port of Portland Commission, in its capacity as the Port of Portland Contract Review Board, approves the Findings in Support of an Exemption from Competitive Bidding set forth on the attached Exhibit A, dated February 12, 2013; and

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 PDX ITS-AVI Technology Upgrade project, consistent with the terms presented to the Commission; and

EXEMPTION FROM COMPETITIVE BIDDING – ITS-AVI TECHNOLOGY UPGRADE –  
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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.





**ITS – AVI Technology Upgrade  
PORTLAND INTERNATIONAL AIRPORT  
PROJECT #101680**

**FINDINGS IN SUPPORT OF AN  
EXEMPTION FROM COMPETITIVE BIDDING  
FEBRUARY 12, 2013**

### **Project Background**

The Port of Portland (Port) plans to upgrade the existing Vehicle Identification System at Portland International Airport (PDX) with an Automated Vehicle Identification (AVI) system. The existing system uses a combination of monitoring and access control technologies and methods that have been installed during the evolution of PDX. These systems are multiple generations old and in need of modernization. The individual systems were installed under a number of different projects.

Port staff issued a Request for Information (RFI) in 2009 and received information from a number of vendors who provide AVI technology. Based on the responses, staff is confident that AVI is the correct technology to manage our landside gated access roadways and parking lots.

### **Project Description**

The PDX ITS – AVI Technology Upgrade would implement a full AVI system. This would create an integrated system, replacing the existing, out-of-date Vehicle Identification System. Port staff anticipate that the new system will be operational by October, 2014. The project contractor and/or the AVI system will be required to:

- Implement a full complement of features and functionality using state-of-the-art AVI technology
- Replace the current commercial roadway, shuttle bus and employee lot access systems
- Replace outdated gate access Vehicle Identification (VID) technology
- Remove the employee lot access card and billing system from the PDX badging software currently residing on the Port's Badger system
- Integrate and transfer existing data into the revenue tracking system
- Provide training for maintenance, parking and IT staff in the function, operation and maintenance of the system
- Manage commercial vehicles (taxis, limos, town-cars, courtesy vehicles)
- Manage commercial drivers
- Provide access credential management
- Manage employee parking access
- Reduce manual administrative functions resulting in more efficient record keeping
- Improve operations and enhance customer service, safety, and travel efficiency to and from PDX
- Install new sensors and other hardware that are compatible with new access and tracking technology

### **Alternate Contracting Methods for Public Improvement Projects**

Oregon's Public Contracting Code (Code) embraces alternate contracting methods for complex public improvement projects. 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.” ORS 279A.015(6). 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.” Port Contracting Rule A.015. Under the Code, when appropriate, an agency’s local contract review board (CRB) may direct the use of alternate contracting methods that “take account of market realities and modern practices and are consistent with the public policy of encouraging competition.” ORS 279C.335(4).

An agency’s CRB directs the agency to use an alternate contracting method by granting an exemption from competitive bidding under ORS 279C.335(2). In granting the exemption, the CRB must require and approve or disapprove written findings that support the award of the contract without the competitive bidding requirement. The findings must show that the exemption of the contract complies with certain requirements, as set forth below.

### **Proposed Contracting Method**

The Port intends to conduct a Request for Proposals (RFP) procurement process to award a design and construction (Design/Build) contract for the PDX ITS – AVI Technology Upgrade project to an AVI systems integrator using performance-based selection criteria, for the reasons described in the Findings set forth below.

### **Findings**

Under the Code, an agency’s CRB may exempt a public improvement contract from competitive bidding upon approval of certain findings submitted by agency staff which justify the exemption. The two required findings are underlined below, with supporting information following each:

a. It is unlikely that the exemption will encourage favoritism in the awarding of the contract or substantially diminish competition for the contract. This exemption should not encourage favoritism because multiple vendors are expected to submit proposals. This exemption should not substantially diminish competition because the RFP remains an open, competitive, performance-based selection process. The system must meet various and diverse stakeholder needs, and lowest-cost competitive bidding does not allow the flexibility needed in selecting the most suitable product or system. It is critically important to select a contractor with prior successful experience in installing and implementing an AVI system in an airport environment. An RFP will provide the best process possible for selecting this contractor.

b. Awarding the contract under the exemption will likely result in substantial cost savings to the agency. By selecting the most qualified proposer with demonstrated experience in providing successful installations at other airport facilities, the Port will achieve best value for the dollars spent. Installation of a reliable system from a proven design/build team should result in substantial cost savings by providing the best system at the lowest overall cost over the asset life.

Additionally, in making these findings, the CRB may also consider appropriate factors including the information called for in ORS 279C.330, which follow in underlined text:

i. Operational, Budget, and Financial Data. The current estimated contract value for the software and integration portion of the project is \$925,000. The “public works” improvement to gates, structures and wiring are estimated at \$615,000. The total estimated contract value is \$1,860,000 including contingency.

ii. Public Benefits. Limited direct public benefit is anticipated from this project. The AVI system is primarily for the benefit of the Port, commercial vehicles, shuttle buses and employee parking.

iii. Value Engineering. Port engineering and design staff will work with the selected contractor to achieve the optimum design for the budget allowed.

iv. Specialized Expertise Required. The PDX AVI System requires a highly specialized, integrated design. Modifications to the system must be made in a coordinated manner so the system functions in an integrated manner. Accordingly, the operation and interface between the installed hardware and AVI control system must be the responsibility of one contractor. This requires the specialized expertise of an experienced system integrator.

v. Public Safety. All on-site work performed in installing the proposed PDX AVI system upgrade will be in accordance with OR-OSHA safety regulations. The project will be phased in order to minimize impact to the public.

vi. Market Conditions. On-site installation work will be performed by a qualified subcontractor(s) licensed in the State of Oregon. Small and disadvantaged business goals have been established as part of the prime contractor selection process.

vii. Technical Complexity. This project requires technical expertise and experience working in an airport environment. Work will need to be carefully coordinated and phased such that the work may be accomplished minimizing disruption to PDX tenants, stakeholders, and the traveling public. The hardware installation subcontractor(s) will be selected by the AVI system prime contractor to eliminate questions about system performance problems based on software vs. hardware issues. Selecting a contractor with prior successful experience installing and implementing an AVI system in an airport environment is critical.

viii. Funding Sources. The project has an approved total budget of \$2,671,000, including \$1,860,000 in design, acquisition, and construction costs and \$811,000 in soft costs.

## **Public Hearing**

Under the Code, before final adoption of the findings proposed above, the Port must hold a public hearing to allow the Port to take comments on the draft findings for an exemption from the competitive bidding requirement. ORS 279C.335(5). 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 February 11, 2013 to allow interested parties to present comments on the proposed exemption. No public comments were received at the public hearing.

## **Summary**

Port staff find that the proposed contracting method is not likely to encourage favoritism or substantially diminish competition for the contract, will likely result in substantial savings over the life of the asset, and is consistent with the Code's stated policy of embracing alternate contracting methods when appropriate. Port staff recommends that the public improvement contract for the PDX AVI Technology Upgrade be exempted from the Code's competitive bidding requirement.

**AMENDMENT TO FEDERAL AVIATION ADMINISTRATION REIMBURSABLE AGREEMENT—  
RUNWAY 2/20 REHABILITATION – HILLSBORO AIRPORT**

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March 13, 2013

Presented by: Greg Sparks  
Project Development Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to execute an amendment to an existing reimbursable agreement with the Federal Aviation Administration (FAA) for the relocation of navigational aids associated with the rehabilitation of Runway 2/20 and Taxiway C at Hillsboro Airport (HIO).

**BACKGROUND**

The project to rehabilitate Runway 2/20 at HIO will relocate the runway thresholds and rehabilitate the runway and Taxiway C, which is parallel to Runway 2/20. The reason for relocation of the runway thresholds is to meet the FAA Runway Visibility Zone requirements.

With Commission approval, in September 2011 the Port awarded a personal services contract for the design of this project to Mead & Hunt, Inc., an architectural and engineering firm. In August 2012 the Port awarded a public improvement contract to Goodfellow Bros., Inc., to construct the project.

The FAA will also construct a portion of the project, using a contractor of the FAA's selection. The scope of the FAA's project work is to design, procure, install, flight check and commission two new Precision Approach Path Indicators (PAPI) that will replace the existing outdated Visual Approach Slope Indicators (VASI) currently in service. The relocation of the runway thresholds requires relocation of the existing navigational aids and the FAA has determined that replacing the VASI devices with PAPI devices is required to remain consistent with technology advances.

**FAA REIMBURSABLE AGREEMENT; AMENDMENT**

The Port regularly enters into reimbursable agreements with the FAA to reimburse the FAA for its work on Port projects. Under existing Non-Federal Reimbursable Agreement No. AJW-FN-FSA-11-S043 between the Port and the FAA, the Port agreed to reimburse the FAA for the FAA's preliminary design work on the project. The Port executed the existing Reimbursable Agreement under the Executive Director's delegated authority. The FAA now intends to proceed with the construction phase of its work, so the Reimbursable Agreement must be amended to provide for the Port's reimbursement of the FAA's additional project expenses.

The FAA has proposed "Modification A" to the Reimbursable Agreement, which would amend the existing Reimbursable Agreement to provide for the Port's reimbursement of the FAA's construction-phase expenses. Port staff seek the Commission's approval to award Modification A because it exceeds the Executive Director's delegated authority.

AMENDMENT TO FEDERAL AVIATION ADMINISTRATION REIMBURSABLE AGREEMENT –  
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The following summarizes the Reimbursable Agreement's cost structure:

Initial agreement (preliminary design)	\$ 23,300
Modification A (construction phase)	<u>\$695,655</u>
Total	\$718,955

The FAA work to be reimbursed under Modification A will coincide with the Port's construction of the Runway 2/20 Rehabilitation project, which is scheduled for the summer of 2013.

**FUNDING**

Although this agreement obligates the Port to reimburse the FAA for its project expenses, the Port will fund those payments using an existing FAA grant that the Port has received for the project. That grant, in the amount of \$6,900,000, will cover up to 90 percent of the Port's eligible project costs, including the Port's expenses under this Reimbursable Agreement.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to execute Modification A to existing Federal Aviation Administration Reimbursable Agreement No. AJW-FN-FSA-11-S043, 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.

**DREDGING CONTRACT – TERMINAL 4 BERTH 410 MAINTENANCE DREDGING 2013**

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March 13, 2013

Presented by: Marcel Hermans  
Project Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to award a maintenance dredging contract to Marine Industrial Construction, LLC, for the Terminal 4 Berth 410 Maintenance Dredging 2013 project in the amount of \$763,832.33.

**BACKGROUND**

Terminal 4 is a Port of Portland (Port) bulk cargo and automobile terminal. The southern part of the terminal houses the Toyota auto import facility, while the northern part houses several bulk cargo tenants. Specifically, Kinder Morgan operates a soda ash export facility at Berths 410-411 in slip 3, loading vessels with soda ash that is brought in by rail. Per the lease agreement with Kinder Morgan, the Port is responsible for the maintenance dredging at these berths.

Maintenance dredging at Terminal 4 is performed on an as-needed basis. Sediments gradually build up over time in the berthing area and when sediment accumulation reaches a level where it would impede vessel draft requirements, sediments are removed through dredging.

The previous dredging project at Terminal 4 was conducted in 2008, on Berths 410 and 411. That project combined maintenance dredging in one part of the slip with EPA-mandated environmental clean-up dredging in another part of the slip.

Since 2008, new sediments have accumulated in Berth 410 to the degree that its operating depth is now compromised. This project seeks to restore the 40-foot operating depth by removing approximately 5,000 cubic yards of sediments at this berth.

The sediments have been tested and the majority of the sediments have been found suitable per applicable regulatory standards for placement at the Port's dredged material placement site at West Hayden Island. Some sediment near the back of the slip was found to contain contaminants that were deemed unsuitable for placement at the West Hayden Island site. Those sediments will be disposed of at an approved solid waste landfill.

The contractor will be responsible for the dredging as well as the transportation and placement of dredged material at both the Port's placement site on West Hayden Island and the landfill as applicable. The contractor will also place a thin sand layer over part of the dredge area in the slip, as required in one of the permits to enhance the sediment quality after dredging.

This work is subject to a number of permits and regulatory approvals including the Corps of Engineers, Rivers and Harbors, Section 10 permit, the Oregon Department of State Lands removal and fill permit as well as DEQ's Beneficial Use Determination. Issuance of these

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permits is coordinated with other agencies including the Environmental Protection Agency and the National Marine Fisheries Service. All but two of the required regulatory approvals have been received. The Port anticipates receiving the final approval by May of this year.

The Port intends to perform this work during three specified work windows of three or four days each in September of this year. That work plan is intended to minimize conflicts between dredging operations and regular vessel operations.

**CONTRACT AWARD**

The Port elected to procure this dredging contract utilizing a competitive sealed bidding solicitation process compliant with ORS Chapter 279C. The Port received bids for the project on February 21, 2013, as follows:

HME Construction, Inc.	\$510,500.35
Marine Industrial Construction, LLC	\$763,832.33
Engineer's Estimate	\$1,072,336.00

The HME Construction, Inc., bid was deemed nonresponsive based on its failure to meet the stated goal for small business subcontracting participation and failure to demonstrate good faith efforts to meet the goal.

The bid submitted by Marine Industrial Construction, LLC, is within the project budget and is responsive to the solicitation requirements. The project is funded from the 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 dredging contract for Terminal 4 Berth 410 Maintenance Dredging 2013 to Marine Industrial Construction, LLC, 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.

**PERSONAL SERVICES CONTRACT – DESIGN OF NE GRAHAM ROAD AND NE SWIGERT WAY IMPROVEMENTS – TROUTDALE REYNOLDS INDUSTRIAL PARK**

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March 13, 2013

Presented by: Robin McCaffrey  
Engineering Project Manager  
Ken Anderton  
Industrial Development Program  
Manager

**EXECUTIVE SUMMARY**

This agenda item requests approval to award a personal services contract to David Evans and Associates, Inc. (DEA), to design the NE Graham Road and NE Swigert Way Improvements in the Troutdale Reynolds Industrial Park (TRIP).

**BACKGROUND**

This project is intended to construct improvements to NE Graham Road and NE Swigert Way to support six new shovel-ready industrial lots which were recently created as part of Phase 2 development at TRIP. Specifically, the project will improve NE Graham Road and add sidewalks and extend NE Swigert Way.

**TRIP DEVELOPMENT**

Completed in 2011, TRIP Phase 1 created three developable lots (131 acres total) and a portion of a new public street, NE Swigert Way. Planned as an eventual through street, NE Swigert Way was constructed to the minimum length necessary to provide access to Lots 1, 2 and 3. TRIP's anchor tenant, FedEx, has constructed a 441,000-square-foot regional distribution hub on Lot 2.

In October 2012, the City of Troutdale (City) Planning Commission conditionally approved the Port of Portland's (Port) TRIP Phase 2 subdivision application east of Sundial Road. The conditions of approval require extension of NE Swigert Way, construction of a half-street improvement to NE Graham Road along the TRIP Phase 2 frontage, and completion of sidewalks along existing NE Swigert Way.

This project addresses the approval conditions and includes improvements along the full 1.5-mile length of NE Graham Road to more fully address future lot development challenges. NE Graham Road, owned and maintained by the City, is not sufficient in thickness or design to support the traffic predicted to be generated by future Industrial development. The road also does not fully accommodate all transportation modes as desired by the City of Troutdale.

In the absence of this NE Graham Road improvement, it is likely that the City would either restrict the use of NE Graham Road or require improvement to it beyond the TRIP frontage at the time of a lot-specific development application.



PERSONAL SERVICES CONTRACT – DESIGN OF NE GRAHAM ROAD AND NE SWIGERT  
WAY IMPROVEMENTS – TROUTDALE REYNOLDS INDUSTRIAL PARK

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**FUNDING**

Only the design phase of the project is currently being undertaken. Some funding for this work has been approved under the Oregon Jobs and Transportation Act of 2009. Other funding will come from the Port's General Fund. Later project phases are expected to move forward as funding becomes available.

**CONTRACT AWARD AND TERMS**

DEA, Cardno, Inc., and Thomas/Wright, Inc., responded to the Port's Request for Proposals. Proposals were evaluated against criteria such as project approach, qualifications and experience of the proposer's firm and specific team proposed, project management and controls and small business participation. A Port evaluation team identified DEA as the most qualified candidate for the project, particularly on the strength of DEA's proposed project approach. The negotiated not-to-exceed amount for the project is \$750,599.09, to be compensated on an hourly basis plus expenses. The project construction cost estimate is \$7.5 million.

The scope of DEA's work under the contract currently only includes design-phase work, but the contract allows the Port to negotiate with DEA for additional consulting services supporting additional project phases in the future.

**EXECUTIVE DIRECTOR'S RECOMMENDATION**

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to award a personal services contract for the design of NE Graham Road and NE Swigert Way Improvements project in the Troutdale Reynolds Industrial Park to David Evans and Associates, Inc., in accordance 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.