



AGENDA
Regular Commission Meeting
Port of Portland Headquarters
7200 N.E. Airport Way, 8th Floor
December 14, 2011
9:30 a.m.

Executive Director

Approval of Executive Director's Report – November 2011

Action Items

1. CONTRACT – ANALOG TRUNKED RADIOS REPLACEMENT – PORTLAND INTERNATIONAL AIRPORT *LINDA DYSON*

Requests approval to award a contract to Motorola for purchase and implementation support for digital trunked radios and related accessories at Portland International Airport.

2. BUILDING OPERATION AND LEASE AGREEMENT – OREGON DEPARTMENT OF TRANSPORTATION – TROUTDALE AIRPORT *MARK WITSOE*

Requests approval to enter into a building operation and lease agreement with the State of Oregon, for use by the Oregon Department of Transportation, for the terminal building at the Troutdale Airport.

**CONTRACT – ANALOG TRUNKED RADIOS REPLACEMENT – PORTLAND
INTERNATIONAL AIRPORT**

December 14, 2011

Presented by: Linda Dyson
Senior Manager
Information Technology Operations**EXECUTIVE SUMMARY**

This agenda item requests approval to award a contract to Motorola for purchase and implementation support for digital trunked radios and related accessories at Portland International Airport (PDX). This purchase will replace aging equipment while ensuring continued compatibility and interoperability with the City of Portland (City) emergency communications services, and other agencies that communicate through the City's 800 MHz trunked radio system.

BACKGROUND

Port of Portland (Port) public safety and operational areas communicate internally and with external agencies through the City's 800 MHz Public Safety Radio System, initially launched in 1994. Some of the Port radios have been in service for 17 years and a majority have reached the end of their useful life, with the resulting impact of a failure rate of over 10 percent per year. Although asset renewal plans have been in place for a number of years, the major equipment purchase has been deliberately delayed to coincide with City equipment upgrades under the City's Public Safety System Revitalization Program. Motorola provides the only radios that assure interoperability and communications with other agencies now and throughout the transition to the City's new system. The timing of this purchase would ensure uninterrupted emergency communications services between the Port and the City agencies critical to the safe operation of the airport.

To ensure continued interoperability, the Port will purchase approximately 450 new radios and necessary accessories, and will trade in the older equipment. Total equipment cost is estimated at \$1,502,150, including a discount of \$200,000 due to the volume purchase. Delivery is anticipated by year-end; equipment replacement will be coordinated with the City and with Port public safety and operational departments over the next year.

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 to Motorola for the purchase and implementation of new digital trunked radios at Portland International Airport, in accordance with their proposal; 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.

BUILDING OPERATION AND LEASE AGREEMENT – OREGON DEPARTMENT OF TRANSPORTATION – TROUTDALE AIRPORT

December 14, 2011

Presented by: Mark Witsoe
Aviation Business Development
Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to enter into a building operation and lease agreement with the State of Oregon for use by the Oregon Department of Transportation (ODOT) for the terminal building at the Troutdale Airport (TTD).

BACKGROUND

The TTD terminal building was built in 1977 and was originally designed and used as the main terminal for commercial flights in and out of the airport, with a restaurant on the second floor and common areas on the first. Over time, commercial flights were eliminated and the restaurant closed down. Since then the terminal building has been converted and used as an office building with various tenants throughout the years. Most recently, the building has been used only for non-aviation purposes. One tenant, ODOT, has leased significant space for over 20 years.

In 2008, staff reviewed the capital and operating expenses as well as the revenue streams for this building. Thorough analysis indicated that the building required extensive capital expenditures and was a significant driver of the maintenance expenses at the Troutdale Airport. After this analysis was complete, a plan was approved internally to move toward demolition of the building and redevelopment of the site for an aviation use. ODOT has well-established highway maintenance and project management offices at the facility and expressed interest in leasing the building for an additional term of five years.

The proposed negotiated lease agreement allocates responsibility for capital expenses to ODOT and provides the Port of Portland (Port) with a continued revenue stream during the redevelopment process without compromising either aviation development during the lease term or the planned demolition and redevelopment. Pursuant to the terms of the proposed lease, ODOT may elect to terminate the lease prior to its expiration date by providing the Port one-year advance written notice, in which case the Port would proceed with demolition and redevelopment plans.

The new lease and building operation agreement includes the following key business terms:

<u>Leasehold:</u>	18,809 sq. ft. building (entire building)
<u>Initial Term:</u>	Five years, with an option to terminate early
<u>Optional Terms:</u>	Five, one-year options

<u>Rent:</u>	\$110,815 annually
<u>Rent Adjustments:</u>	None during the initial term; CPI rent increase at each option year
<u>Capital Improvements:</u>	ODOT responsibility

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to enter into a building operation and lease agreement with the State of Oregon, for use by the Oregon Department of Transportation, for the terminal building at the Troutdale Airport, 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.