

**MINUTES**  
**REGULAR COMMISSION MEETING**  
**THE PORT OF PORTLAND**  
**July 11, 2012**

In response to due notice, the regular meeting of the Commissioners of the Port of Portland was held at 9:30 a.m. in the Chinook conference room of the Port's administrative offices located at 7200 NE Airport Way.

**QUORUM**

Commissioners present were Jim Carter, President, presiding; Tom Chamberlain; Diana Daggett; Bruce Holte; and Paul Rosenbaum. Also present were Bill Wyatt, Executive Director; participating staff members; and members of the public.

**LEAVE OF ABSENCE**

Commissioner Carter called for a motion to grant a leave of absence to Commissioners Bragdon and Corey, who were out of town. Commissioner Rosenbaum moved to grant the leave of absence. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

**MINUTES**

Commissioner Carter called for a motion to approve the minutes of the Regular Commission Meeting of June 13, 2012, and the Special Commission Meeting of June 22, 2012. Commissioner Holte moved to approve the minutes. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

**EXECUTIVE DIRECTOR'S REPORT**

Bill Wyatt, Executive Director, welcomed Commissioner Carter as the new Commission President. He said he has been at the Port almost 11 years and he is the third Commission President he has had the chance to work with. Mr. Wyatt said he is very excited to work with Commissioner Carter in his new role; he will learn a lot from his leadership.

Mr. Wyatt noted for those who have not attended a Port Commission meeting, the Executive Director's report is a formal report included in the materials the Commission and the public receives prior to the meeting. Mr. Wyatt said his comments this morning are focused on events over the past month.

Mr. Wyatt provided an update of the labor situation at Terminal 6, which has been going on for some time. He said on the surface, it is fairly simple; it is a dispute between two labor organizations for the same work. It gets incredibly complicated thereafter. Mr. Wyatt said there is substantial litigation by all parties, including: the Port, International Container Terminal Services, Inc. (ICTSI), Pacific Maritime Association, International Brotherhood of Electrical Workers and International Longshore and Warehouse Union. Mr. Wyatt said it is slowly winding its way through the legal process. He noted we have had limited carrier calls over the course of the last three weeks. He said Hanjin, our principal trans-Pacific provider, has

not called Portland in a couple of weeks, and Hapag-Lloyd has skipped Portland once but they will be calling Portland today. Mr. Wyatt said Westwood, who provides a monthly service, will call Portland later in the week.

Mr. Wyatt said Federal Judge Michael Simon ordered mediation in this case and all parties were involved in the process that was mediated by former Governor Ted Kulongoski. Mr. Wyatt said he is bound by confidentiality requirements placed on the process, but he can say the mediation was not successful. He said we are not back to square one, but we are definitely in the midst of litigation. Mr. Wyatt said Judge Simon entered a temporary restraining order (TRO) against an ILWU slowdown, which he felt was a reasonable conclusion. He said last week when Hapag-Lloyd called, after the TRO was issued, there was sufficient evidence of additional slowdowns, so ICTSI ordered arbitration, which they won and work commenced. Mr. Wyatt noted the vessel did get out of town on time, but we will see what happens with the next vessel call.

Mr. Wyatt said there are different points of view about what is happening at Terminal 6, but the Port's sole focus and mission is to continue to provide this region with access to global markets. He said we will do everything in our power to see that the facility returns to its productive use and we are going to honor our contracts. As a public agency, we are required to do that. Mr. Wyatt said there will be more to come but he is hopeful we will begin to see a return to normal at Terminal 6.

Mr. Wyatt introduced our final cohort of Inha University interns: Daniel Kim, reporting to Jason Gately in Planning and Development; Kyle Koh, reporting to Michael Huggins in Landside Operations; and Eilyn Lee, reporting to Steve Huff in Business & Properties.

Mr. Wyatt said generally speaking, and with the obvious exception of Terminal 6, business has been strong. He said that at PDX we are continuing to experience strong passenger growth, driven largely by growth in seat capacity. Mr. Wyatt said there are many comparable-sized airports around the country that are moving in the opposite direction, while we are seeing passenger growth. He said this does not happen by accident and is a good sign for our regional economy.

Mr. Wyatt noted the Port Police Department, in cooperation with Crime Stoppers of Oregon, is asking the public's help in preventing laser illumination of aircraft at PDX. He said since January 1, 2012, the Port Police Department has received 54 reports of laser illumination of aircraft. He said during 2011, the department received 51 reports.

Commissioner Carter called for a motion to approve the Executive Director's Report. Commissioner Chamberlain moved to approve the Executive Director's Report. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

Mr. Wyatt requested to add one additional item to his report. He said as a result of the challenges that many of the container carriers have been experiencing at Terminal 6, he has approved, under his authority, a program to help compensate them for their losses. He said as an example, for every call Hanjin makes over the course of the month, they will receive \$70,000 per call; Hapag-Lloyd will receive \$50,000; and Westwood Shipping Company will receive \$25,000. Mr. Wyatt said Hapag-Lloyd has taken advantage of the program, as has Hanjin on one occasion. He said he believes Westwood will also take advantage of the program. Mr. Wyatt said he approved this

because if the vessels are not calling and they have to take their cargo to Tacoma or Seattle, it costs the region's shippers an additional \$1,000-\$1,500 per load. He said having the vessels calling Portland is a tremendous advantage for the shippers so we have initiated the program, which has been positively and appreciatively received by the carriers. Mr. Wyatt said the program will conclude on August 1.

Commissioner Carter called for a motion to approve the amended Executive Director's Report. Commissioner Daggett moved to approve the Executive Director's Report. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

## **GENERAL DISCUSSION**

Mike Irwin, Transportation Security Administration (TSA) Federal Security Director, provided an overview of the changes that have taken place in security at PDX and what is being done to address the challenges and slowdowns during the passenger screening process.

Mr. Irwin said the TSA is facing a confluence of issues. He said while increased passenger volumes are a good problem to have, it does mean increased wait times during the screening process. He said an unintended consequence of the air carriers charging for checked luggage is that many passengers are choosing to carry on their bags, which resulted in a 40-percent increase in x-ray images the TSA officers must review at the security checkpoints. He said this slows down the screening process significantly due to liquids, aerosols and gels being left in the carry-on bags. Mr. Irwin said another reason for the checkpoint slowdowns is due to passengers who opt-out of the Advanced Imaging Technology (AIT) screening. He said for those that opt-out, a full body pat down is required and takes approximately 10 minutes per passenger. Mr. Irwin noted that the AITs also require that passengers do more divesting of their personal items; he said passengers were used to divesting shoes, keys and change, but they are now also required to divest wallets, combs, paper, etc. Mr. Irwin said the TSA is spending a lot of time trying to educate people about the screening process.

Mr. Irwin said moving forward, the TSA needs to find a way to be more efficient and effective, so they are looking at Risk Based Security, which means screening the people who need to be screened; he said it does not make sense to screen airport officials, for example. Mr. Irwin said they started with the low hanging fruit; children under 12 and adults over 75, and they instituted the TSA Pre✓™ lane. Mr. Irwin said TSA's goal is to have 75-90 percent of all passengers receiving modified/reduced screening in 3-5 years.

Mr. Irwin said TSA also has a lot going on in the customer service aspect. He said they have TSA officers in the lines educating the passengers on how to get ready to go through the security process. He noted that the Port has partnered with them and has hired contract security to help out through the busy summer months.

Commissioner Carter said that travelers are most interested in how much time they should allow at the airport prior to their flight, and it sounds like Mr. Irwin is trying to make that more predictable. Mr. Irwin said that on a good day, the wait at the security checkpoint is about 14-15 minutes and on a bad day it is 22-23 minutes, and his goal is 10 minutes.

**CONSENT AGENDA**

No presentation was made of the following agenda item, which was brought before the Commission as part of the Consent Agenda.

Agenda Item No. 1

**EXTENSION OF COMMERCIAL BANKING SERVICES CONTRACT**

BE IT RESOLVED, That approval is given to extend the contract with Wells Fargo Bank for commercial banking services, consistent with 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.

Following the reading of the title of the Consent Agenda by Commissioner Carter, Commissioner Daggett moved that the Executive Director's recommendations be approved and Commissioner Chamberlain seconded the motion. The motion was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

**ACTION ITEMS**

Agenda Item No. 2

**ENACTMENT OF PORT OF PORTLAND ORDINANCE NO. 444-B TO ISSUE UP TO \$60,000,000 OF PORTLAND INTERNATIONAL AIRPORT PASSENGER FACILITY CHARGE REFUNDING REVENUE BONDS, SERIES 2012A**

This agenda item requested approval of Port of Portland Ordinance No. 444-B to authorize the sale of up to \$60,000,000 of Portland International Airport Passenger Facility Charge Refunding Revenue Bonds, Series 2012A, pay the costs of refunding all of the outstanding Portland International Airport Passenger Facility Charge Refunding Revenue Bonds, Series 2009A (Non-AMT)<sup>1</sup>, to fund the Passenger Facility Charge First Lien Reserve Account and to pay costs of issuance.

Tatiana Starostina presented the Executive Director's recommendations as follows:

1. That proposed Port of Portland Ordinance No. 444-B, in the form presented to the Port of Portland Commission, be read by title only; and
2. That proposed Port of Portland Ordinance No. 444-B, in the form presented to the Port of Portland Commission, be enacted by a roll call vote.

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.

Tatiana Starostina read Ordinance No. 444-B by title only.

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<sup>1</sup> Non-AMT bond is a tax-exempt bond, interest on which is not subject to the federal alternative minimum tax, as it is issued for governmental purposes. The majority of bonds issued by airports is classified as private activity bonds, and is subject to the alternative minimum tax (AMT).

Commissioner Carter called for a motion to approve the Executive Director's recommendations. Commissioner Rosenbaum moved that the Executive Director's recommendations be approved. Commissioner Chamberlain seconded the motion, which was put to a roll call vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

### Agenda Item No. 3

#### EQUIPMENT PURCHASE CONTRACT – GLYCOL RECOVERY VEHICLES – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a contract to Elgin Sweeper Company (Elgin) for the purchase of two Glycol Recovery Vehicles (GRVs) at Portland International Airport (PDX). This purchase will replace aging GRVs and help ensure continued compliance with the PDX Deicing Permit issued to the Port of Portland and co-permittees by the Oregon Department of Environmental Quality.

Terri Burk presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a contract to Elgin Sweeper Company for the purchase of two glycol recovery vehicles at Portland International 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.

Commissioner Carter called for a motion to approve the Executive Director's Report. Commissioner Daggett moved to approve the Executive Director's Report. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

### Agenda Item No. 4

#### PROFESSIONAL SERVICES CONTRACT – TERMINAL CARPET REPLACEMENT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a professional services contract to Hennebery Eddy Architects, Inc., to provide for project design and construction support services for the Terminal Carpet Replacement project.

Robin McCaffrey presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a professional services contract for the Terminal Carpet Replacement project at Portland International Airport to Hennebery Eddy Architects, Inc., consistent with the terms presented to the Commission; and

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

Commissioner Carter called for a motion to approve the Executive Director's Report. Commissioner Daggett moved to approve the Executive Director's Report. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum voted in favor of the motion.

Agenda Item No.5

EXEMPTION FROM COMPETITIVE BIDDING AND PUBLIC IMPROVEMENT CONTRACT – P2 AUTOMATIC PARKING GUIDANCE SYSTEM – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval of an exemption from the competitive bidding requirement of Oregon's Public Contracting Code. The exemption would enable the Port of Portland to use an alternate contracting method to procure a public improvement contract for the provision and installation of an automatic parking guidance system for the P2 parking garage at Portland International Airport. This item also requested approval to award the public improvement contract to Scheidt & Bachmann, GmbH for the amount of \$3,116,912.

Stan Snyder presented the Executive Director's recommendations as follows:

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 Public Bidding set forth on the attached Exhibit A, dated October 4, 2011; 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 public improvement contracts for the Long Term Parking Structure/P2 Automatic Parking Guidance System project, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That approval is given to award a public improvement contract for the Long Term Parking Structure/P2 Automatic Parking Guidance System project to Scheidt & Bachmann, GmbH, 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.

Commissioner Carter recessed the Port of Portland Board of Commissioners and called to order the Port of Portland Contract Review Board.

Commissioner Carter called for a motion and second to approve the findings in support of the Exemption from Competitive Bidding, as set forth in Exhibit A. Commissioner Rosenbaum moved to approve the findings. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum, voted in favor of the motion.

Commissioner Carter adjourned the Port of Portland Contract Review Board and called to order the Port of Portland Board of Commissioners.

Commissioner Carter called for a motion and second for approval to exempt from competitive bidding and approve the executive director's recommendation to award the public improvement contract for the Long Term Parking Structure/P2 Automatic Parking Guidance System. Commissioner Daggett moved that the Executive Director's recommendation be approved. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte and Rosenbaum, voted in favor of the motion.

The meeting adjourned at 10:53 a.m.

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President

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Assistant Secretary

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Date Signed

An audio recording of these proceedings and the full Commission agenda is available by contacting the Port of Portland administrative offices, 7200 N.E. Airport Way, Portland, Oregon 97218.

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## **LONG TERM PARKING STRUCTURE (P2) AUTOMATIC PARKING GUIDANCE SYSTEM PORTLAND INTERNATIONAL AIRPORT**

### **FINDINGS IN SUPPORT OF AN EXEMPTION FROM COMPETITIVE BIDDING OCTOBER 4, 2011**

#### **Project Background**

The Port of Portland (Port) plans to install an automated parking guidance system (APGS) in the newly-completed Long Term parking structure (P2) at Portland International Airport (PDX). The system will consist of approximately 2,500 individual space sensors and, with dynamic signage, will guide parking customers to available parking spaces. The system tracks and reports on individual space, floor, and overall garage usage, enhancing garage management capabilities.

In 2007, Scheidt & Bachmann (S&B) successfully installed the Port's first APGS in the Short Term parking structure (P1) at PDX. The P1 APGS project consisted of installing 2,655 individual parking sensors, 64 dynamic signs, and 7 vehicle gates. The P1 system is similar in size and scope to the proposed P2 system.

S&B was selected through a competitive proposal process to provide and install the Port's new parking revenue control system (PRCS) in 2000. In 2005, S&B was awarded the contract to provide and install the P1 APGS based on their unique ability to provide a system that could integrate with the parking revenue control system.

The floors in the P1 and P2 garages were constructed with ramps that allow vehicles to move between garages when the ramp gates are manually opened. A primary requirement of the new P2 APGS is to provide the ability to operate the two APGS systems as a single system when garage conditions require the ramp gates to be opened. For those instances, the P2 APGS system needs to interface directly with the P1 APGS and exchange data and control between both systems. This condition may occur when either garage is nearing capacity, for maintenance, or for emergency conditions. The flexibility to operate both garages with a single parking guidance system allows for better management of both garages.

#### **Project Description**

The project will provide and install approximately 2,500 individual parking space sensors, a physical sensor support system, IT and power infrastructure, dynamic signage and software to run the system. The system will be required to monitor and report on individual space, floor, and overall garage usage, and be capable of full integration with the legacy system in P1. It is anticipated that the system will be operational by Summer 2013. The contractor will be required to:

- Assist in the project specification and design process
- Select the electrical subcontractor through a competitive bidding process
- Be responsible for the physical installation of the system
- Provide all labor and materials required to complete the work
- Provide all traffic control required for the installation
- Provide all required testing to assure system compliance with the specifications

## **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. 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." 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 award the construction contract for the P2 APGS project to S&B on a sole-source basis, for the reasons described in these Findings.

### **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. It is unlikely that exemption of this contract from competitive bidding will encourage favoritism or substantially diminish competition, in that S&B is really the only firm that can provide the key requirement of integration with the P1 APGS. In addition, subcontract work will be competitively bid.

b. The awarding of the contract under the exemption will likely result in substantial cost savings to the agency. The cost savings and/or revenue enhancement to result from the award of this contract to S&B will be realized in the ability of P1 and P2 to be operated in an integrated fashion. During holidays, peak travel periods, or other occasions, having an integrated APGS in both garages will allow staff to direct customers from one garage into another to available parking through the use of directional signage located at key decision points in both garages. The result will be an enhanced customer experience and more efficient management of available parking, and will maximize revenue. Surveys and existing occupancy data suggest that when the Long Term garage (P2) reaches capacity, customers are more apt to choose the Economy lot at a lower parking rate than the Short Term garage (P1), reducing Port revenue potential. An integrated APGS in both garages allows the Port to continue to offer the Long Term lot product beyond what the 3,000 space facility can accommodate, and extends the trigger points for when the Port needs to construct a third multi-level parking facility.

Additionally, by utilizing the same vendor's system as is installed in P1, savings will be realized in the maintenance of the new system by requiring stocking of fewer parts and simplifying the IT, maintenance, and operational training required by having one vendor's system instead of two. In making this finding, the CRB may also consider appropriate factors including the information called for in ORS 279C.330, which follows in underlined text:

i. Operational, Budget, and Financial Data. The contract cost with S&B for the P1 APGS was approximately \$2M, with a relatively small amount of change order work all related to additional work scope. The contract cost of the proposed P2 APGS is estimated to be between \$2.3M and \$2.7M, depending on the options selected during the design process. It is anticipated that the project will begin installation in fall 2011 and be completed by April, 2012.

ii. Public Benefits. The ability to operate the adjacent floors of P1 and P2 as a single floor unit has the benefit of a more efficient use of space available by allowing Port parking management staff the ability to direct Long Term customers into the adjacent Short Term garage floor when the Long Term garage reaches capacity. Staff is currently directing Long Term customers into the Short Term garage during the mid-week peak period and expects this management practice to continue with more regularity as parking transactions and enplanements continue to increase. This flexibility of utilizing two garages as one facility during peak periods allows the Port to provide superior customer service, maximize efficient use of Port facilities, and maximize revenue.

iii. Value Engineering. Port parking and design staff will work with S&B to achieve the optimum design for the budget allowed. This was the experience with S&B on the P1 system.

iv. Specialized Expertise Required. The ability of a new P2 APGS to integrate seamlessly with the existing P1 APGS and the associated PRCS for both garages is a key requirement of the project. The P1 APGS and PRCS systems are proprietary to S&B, contain no publicly available integration points available through software development kits, and were not specified or written to comply with any certifiable parking industry software integration standards, making S&B the only company with the ability to fully integrate a new P2 APGS with the Port's existing parking systems. It is the expert opinion of Port IT staff that any product provided by a vendor other than S&B could only be loosely interfaced in a very limited fashion, and would be unable to meet the requirements of the P2 project that only a seamlessly integrated solution can provide.

v. Public Safety. All on-site work performed in the installation of proposed P2 APGS 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 electrical subcontractor licensed in the State of Oregon. The subcontractor will be selected by a competitive bid process, assuring that advantages related to market competition for the system installation will be realized.

vii. Technical Complexity. This project requires technical expertise and experience working in an active parking facility. Work will need to be carefully coordinated and phased such that the work may be accomplished without disruption to parking operations or impact to the revenue control interface. Having performed essentially the same work in P1 as proposed for P2, S&B is in the best position to understand the Port's requirements.

viii. Funding Sources. Project #101419 has an estimated project budget of \$3.6 million that includes design, contract, and installation costs, and Port costs. Port senior management approved the September, 2010 recommendation to expand the original design request of \$75,000 to \$175,000 for allow for a more detailed design of an APGS in P2. The design and total project budget will be funded under the Port Cost Center and is included in the aviation base line project list.

### **Public Hearing**

Draft Findings summarizing the requested exemption from competitive bidding were published and a public hearing was held on January 20, 2011 to allow interested parties to present comment on the proposed exemption. At the hearing representatives of McCain, another APGS vendor; proposed that the Port delay its decision to award a sole source contract to S&B until McCain could propose a workable, alternative form of APGS. Port Engineering, Legal, and Contracts & Procurement staff met with McCain on February 8, 2011 and heard their alternate proposal. However, McCain's proposal involved the complete replacement of all of the existing P1 APGS equipment as well as all existing parking revenue system equipment at PDX, which Port staff determined was not in the Port's best interests.

### **Summary**

S&B is the only firm that can provide an APGS for P2 that meets the Port's key requirement of a seamless integration with the P1 APGS. The proposed contracting method is not likely to encourage favoritism or substantially diminish competition, is likely to result in substantial cost savings to the Port, and is consistent with the Code's stated policy of embracing alternate contracting methods when appropriate. It is therefore recommended that the contract for the P2 APGS be awarded to S&B.