



AGENDA
Regular Commission Meeting
Port of Portland Headquarters
7200 N.E. Airport Way, 8th Floor
August 10, 2011
9:30 a.m.

Minutes

Approval of Minutes: Regular Commission Meeting – July 13, 2011

Executive Director

Approval of Executive Director's Report – July 2011

Award Presentation

Port of Portland Headquarters Building LEED Platinum Award

General Discussion

2011 Legislative Review

ANNETTE PRICE

2010-2011 Environmental Performance

DOROTHY SPERRY

Action Items

1. DISCUSSION OF FISCAL YEAR 2010-2011 EXECUTIVE DIRECTOR PERFORMANCE AND ADOPTION OF FISCAL YEAR 2011-2012 EXECUTIVE DIRECTOR PERFORMANCE CRITERIA *JUDI JOHANSEN*
Requests adoption of the Executive Director Performance Criteria to be used for Fiscal Year 2011-2012.

2. PROCUREMENT CONTRACT – CRANE 6379 MOTOR CONTROL SYSTEM – TERMINAL 6 *WALT HAYNES*
Requests approval to award a procurement contract for the purchase of a motor control system for Crane 6379 at Terminal 6.

DISCUSSION OF FISCAL YEAR 2010-2011 EXECUTIVE DIRECTOR PERFORMANCE AND
ADOPTION OF FISCAL YEAR 2011-2012 EXECUTIVE DIRECTOR PERFORMANCE
CRITERIA

August 10, 2011

Presented by: Judi Johansen
Commission President

Attached are the Commission approved Fiscal Year 2010-2011 Executive Director Performance Criteria and the proposed Fiscal Year 2011-2012 Executive Director Performance Criteria.

It is recommended that the Commission review and establish the Fiscal Year 2011-2012 Executive Director Performance Criteria.

COMMISSION PRESIDENT'S RECOMMENDATION

The Commission President recommends that the following resolution be adopted:

BE IT RESOLVED, That the Port of Portland Commission adopt the Executive Director Performance Criteria to be used for Fiscal Year 2011-2012.

**2010-2011
PERFORMANCE CRITERIA
EXECUTIVE DIRECTOR**

The role of Executive Director is to balance the normal competing tensions between the following criteria that arise while leading an organization in a very competitive environment.

Leadership – Provide the vision and the leadership that enables the Port of Portland (Port) to carry out its mission.

One Port – Maximize the organizational and regional benefits of a consolidated port authority that owns and operates marine, aviation, and industrial facilities.

Marine – Develop and maintain a world-class seaport serving Portland, the State of Oregon, and inland points.

Industrial Land Acquisition and Development – Seek opportunities to acquire, develop, and market land in support of Port financial, operational, and trade initiatives.

Aviation – Maintain and enhance Portland International Airport as a world-class airport focused on outstanding and cost-competitive facilities and customer service. Recruit and retain passenger and air cargo service to strategic markets. Efficiently operate the Hillsboro and Troutdale airports to meet the increasing demands of business aviation services.

Environmental – Strengthen the Port's commitment to outstanding environmental performance through awareness, responsiveness, and leadership.

Security – Enhance the Port's security systems and management practices, interagency collaboration and communication to improve Port adherence to regulatory requirements.

Workforce Practices – Sustain and increase Port performance by: Attracting, retaining, developing and rewarding a quality workforce. Provide a safe, healthy and diverse work environment for our employees.

Information Technology – Provide performance-enhancing processes and tools by optimizing current computing operations and expanding capacity to support and enhance information management.

Financial Viability – General Fund: Maintain the Port's financial viability by generating cash flow sufficient to cover operating costs while optimizing the Port's direct contribution to its capital investments. Aviation: Maintain compliance with bond ordinance requirements for the Airport while meeting airline agreement cost metrics and capital expenditure limitations. The Port Cost Center will maintain cash flow sufficient to meet our minimum debt service coverage target. Maintain AA- rating on Airport Revenue Bonds.

**2011-2012
PERFORMANCE CRITERIA
EXECUTIVE DIRECTOR**

The role of Executive Director is to balance the normal competing tensions between the following criteria that arise while leading an organization in a very competitive environment.

Leadership

- Provide the vision and leadership that enables the Port to carry out its mission
- Ensure a triple-bottom line approach in Port planning and decision-making

Retain and Grow Key Services

- Grow revenues and support Port's mission via existing and new services and other opportunities
- Maintain and grow service to target markets (air and marine)
- Increase utilization of existing terminal capacity (air and marine)

Be a Regional Leader in Industrial Land Acquisition and Development

- Establish stronger regional leadership around industrial land acquisition and development
- Optimize Port's existing land/assets (strategic value and/or financial return)
- Ensure use of industrial land for intended strategic purposes

Sustainable Financial Model

- Establish financial management policies that ensure a sustainable Port operating model (regardless of external variables)
- Manage all Port assets and investments to the highest reasonable rate of return
- Ensure that all Port activities and investments are strategically aligned and efficiently managed
- Analyze and implement process improvements that lead to both efficiency and organizational effectiveness

Port-wide Environmental Strategy

- Create an environmental strategy that optimizes environmental resources according to Portwide and business line priorities
- Implement environmental activities required to comply with legal and contractual requirements and to meet strategic priorities of the business lines

Regional Leadership in Transportation Infrastructure

- Advocate for regional transportation infrastructure that meets regional and customer needs for efficient/effective goods movement
- Develop a plan for transportation infrastructure development that supports the Port's ability to grow and fulfill its vision/strategy

Strengthen the Port's Culture as a Strategic Asset

- Provide a safe, healthy and diverse work environment for employees
- Strengthen a culture of agility, responsiveness, customer focus and continuous improvement
- Retain talent and intellectual property necessary to implement the Port's vision and strategy
- Improve operating effectiveness through a strong, unified Port working culture
- Ensure alignment of people systems and management to strategic priorities and plans

PROCUREMENT CONTRACT – CRANE 6379 MOTOR CONTROL SYSTEM – TERMINAL 6

August 10, 2011

Presented by: Walt Haynes
Engineering Project Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to award a procurement contract to ABB Inc. Crane Services in the amount of \$682,800 for the purchase of a new motor control system for Crane 6379 at Terminal 6 to replace the crane's original 18-year-old motor control equipment.

BACKGROUND

Crane 6379 is the Port of Portland's (Port) second oldest of the four post-Panamax container cranes. Crane 6379 was designed to match the 16 container reach and 50 Long Ton capacity of Crane 6378, which is the Port's oldest post-Panamax crane. Crane 6379 was delivered to Terminal 6 in 1993.

Crane Maintenance Program

This request is part of the Port's ongoing equipment upgrade program to improve operating efficiencies and reduce crane maintenance downtime. This procurement will replace antiquated electronics with new modern motor control electronics. The existing motor control system components are no longer manufactured or supported by the manufacturer and spare parts are not available.

The motor control system replacement will provide a more reliable and efficient operating system. In addition, the diagnostic capability of the new control system will rapidly identify the source of a malfunction and will minimize maintenance time necessary to identify and correct electronic problems.

Crane 6379 Motor Control System Procurement Process

The nature and complexity of the technology involved with this procurement required consideration of factors other than price alone. A competitive Request for Proposal (RFP) process was utilized for evaluation and selection of the proposer who could provide the best value for the Port. Evaluation of the proposals was based on the contractors' experience in providing similar design and controls, technical service during start-up, total cost, delivery schedule, domestic assembly of the components into panels, equipment maintainability, spare parts, warranty, training and other optional features beneficial to the Port.

The Crane 6379 Motor Control System Procurement Request for Proposal was advertised on May 26, 2011. Four proposals were received on June 24, 2011, from the following companies:

- ABB Inc. Crane Systems

- Emerson Industrial Automation
- TMEIC GE Automation Systems
- Siemens

The proposal prices ranged from \$436,000 to \$840,000. Equipment delivery ranged from 160 days to 182 days. The engineer's estimate was \$600,000.

The Port's evaluation team of Marine and Engineering staff determined that ABB Inc. Crane Systems was best suited to provide the motor control system based on the evaluation criteria. The proposal submitted by ABB Inc. Crane Systems identified extensive crane system design and fabrication experience. In addition, the proposal was technically comprehensive, the Port electricians are familiar with the proposed design and manufacturer, the price was in the competitive range, spare parts are available, and the 168-day fabrication and equipment delivery period is within the Port's schedule. With this upgrade to Crane 6379's motor control system, the crane management system will now be similar to Crane 6378, which had a similar upgrade in 2009.

Funding

The Oregon Transportation Commission approved this project under the Terminal 6 Crane Modernization program for funding under the *ConnectOregon* III grant program. The *ConnectOregon* III program is funding 80 percent of the costs of the crane improvements. This contract to procure a replacement motor control system for Crane 6379 is a key project in the *ConnectOregon* III grant for the Terminal 6 Crane Modernization program work. The *ConnectOregon* III grant for this project is \$1,232,800.

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 procurement contract with ABB Inc. Crane Systems to provide a motor control system for Crane 6379 at Terminal 6, 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.