

**PORT OF HOOD RIVER
Resolution No. 2023-24-16**

**A RESOLUTION ADOPTING FINDINGS TO SUPPORT AN EXEMPTION FROM THE
QUALIFICATIONS-BASED SELECTION PROCESS FOR A CONTRACT FOR ONGOING SOFTWARE-
RELATED SERVICES, DECLARING SUCH EXEMPTION, AND AUTHORIZING DIRECT AWARD OF A
CONTRACT TO P-SQUARE SOLUTIONS, LLC (“P-Square”)**

WHEREAS, the Port of Hood River (“Port”) Board of Commissioners (“Board”) is the Local Contract Review Board of the Port; and

WHEREAS, ORS 279B.085(4) authorizes a Local Contract Review Board to exempt certain contracts from the competitive bidding procurement requirements of ORS 279B upon approval of certain findings of fact; and

WHEREAS, the Port’s Local Contract Review Board has determined that directly awarding a contract to P-Square for certain ongoing software-related services will be most beneficial to the Port, is unlikely to encourage favoritism, and is likely to result in substantial cost savings and other benefits, based on the findings attached as Exhibit A; and

WHEREAS, pursuant to ORS 279B.085(5) the Port published notice of the proposed exemption in The Daily Journal of Commerce (April 8th), not less than 7 days prior to the date on which the Port Board intends to take action to approve the exemption; and

WHEREAS, after due deliberation, the Port Board, acting as the Local Contract Review Board, hereby adopts the findings in support of direct award of a contract for ongoing software-related services, as set forth in Exhibit A.

NOW, THEREFORE, THE PORT OF HOOD RIVER BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. Exemption Approval. The Board of Commissioners hereby adopts findings supporting an exemption for a contract for ongoing software-related services, declares such an exemption, and authorizes a direct award of this contract to P-Square. The findings are attached to this resolution as Exhibit A.

Section 2. Effective Date. This resolution is and shall be effective from and after the date that it is adopted.

Adopted by the Board of Commissioners of the Port of Hood River on this 23rd day of April, 2024.

SIGNED:

DocuSigned by:
Kristi Chapman
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Kristi Chapman, President

ATTEST: DocuSigned by:
Mike Fox
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Michael Fox, Secretary

Findings in Support of Direct Award of Tolling Back Office Software and Hardware Maintenance and Support

Resolution No. 2023-24-16, Exhibit A

Oregon Law generally requires contracting agencies to award contracts for engineering services via a formal, qualification-based selection process. However, in certain cases, an agency may exempt a contract from this process where its local contract review board (“LCRB”) finds that:

- (a) An exemption is unlikely to encourage favoritism in awarding software and hardware maintenance contracts or substantially diminish competition for software and hardware maintenance contracts; and
- (b) Awarding an engineering contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency.

The Board of Commissioners serves as the LCRB for the Port of Hood River (“Port”). Port staff worked with legal counsel to draft this document, which the Board may adopt to exempt a contract for tolling back office software and hardware maintenance and support from the formal qualifications-based selection process. If approved, staff intends to directly appoint this contract to P Square Solutions, LLC., for the reasons provided below.

Nature of the Project:

In 2015 the Port of Hood River upgraded its tolling system to ETBOS, a software solution from P Square Solutions. This installation required a complete overhaul of the Port’s tolling system, including integration with new hardware (both computer hardware and tolling equipment such as antennas and sensors in the toll booth area). The Port entered into an agreement with P Square, and a formal contract for ongoing support was entered into in 2017. The contract needs to be updated, and changing the tolling system is an undertaking that would be a major time and money commitment that does not make sense at this time.

Public Notice and Public Hearing:

As required by ORS 279B.085(5), the Port published notice for interested parties to request a public hearing to comment on these findings in the April 8, 2024 edition of the *Daily Journal of Commerce*. Nobody requested a hearing to make a public comment on these findings. Pursuant to OAR 137-049-0210(2), the LCRB exempts solicitation of the contract from the advertising requirement of ORS 279B.055.

Additional Analysis:

The following discussion is offered in support of ORS 279C.335(2) to show the exemption will be unlikely to encourage favoritism and will likely yield cost savings and other benefits to the Port.

1. Availability of Potential Proposers

If these findings are approved, the Port will directly award this contract to P Square Solutions, Inc. The ETBOS software is proprietary, so no other firm can offer support for this system. The only alternative would be to replace the entire system, which is both time-consuming and expensive.

2. Budget

As mentioned above, the only alternative to P Square would be to replace the whole system. Replacement of the whole system would cost the Port in excess of \$1 million, possibly more.

3. Public Benefits of Exemption

The public benefits from keeping with the same company in multiple ways, for example, P Square is familiar with the Port's tolling policies and procedures and can suggest solutions efficiently and effectively. As mentioned above, cost savings is the biggest advantage to a direct appointment.

4. Expertise of Staff and Consultants

Port staff and legal counsel have the necessary expertise to solicit, negotiate, administer, and enforce the terms of the contract. A direct appointment would also be administratively simpler for Port staff than the more formal qualifications-based selection process.

End of Findings