

**MINUTES  
REGULAR COMMISSION MEETING  
THE PORT OF PORTLAND  
April 9, 2014**

Following due notice to the public, the regular meeting of the Board of 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.

An audio recording was made of these proceedings. The recording, and the full Commission agenda, is available by contacting the Port of Portland administrative offices, 7200 N.E. Airport Way, Portland, Oregon 97218. The following written minutes constitute a summary of the proceedings.

**QUORUM**

Commissioners present were Jim Carter, President, presiding; Tom Chamberlain; Diana Daggett; Bruce Holte; Bob Levy; Linda Pearce; Paul Rosenbaum and Tom Tsuruta. Also present were Curtis Robinhold, Deputy 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 Commissioner Bragdon, who was out of town. Commissioner Rosenbaum moved to grant the leave of absence. Commissioner Chamberlain seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion.

**MINUTES**

Commissioner Carter called for a motion to approve the minutes of the Regular Commission Meeting of March 12, 2014. Commissioner Levy moved to approve the minutes. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion.

**EXECUTIVE DIRECTOR'S REPORT**

Curtis Robinhold addressed the Commission and audience. He said he was sitting in for Bill Wyatt, Executive Director, as Mr. Wyatt was in Asia to meet with carriers and to attend the Automotive Logistics Conference in Beijing.

Mr. Robinhold's comments covered the following general topics:

- Reduction in air service announcement from Virgin America;
- Port meeting with senior leadership at Delta Air Lines and a status update of the Tokyo and Amsterdam service;
- Update on the Terminal 6 litigation matters;

- Update of Governor Kitzhaber’s request for an independent review of the operating conditions and maintenance practices at Terminal 6; and
- Closure of the Little Goose Lock and Dam on the Snake River due to emergency repairs.

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

**GENERAL DISCUSSION**

Dr. Fariba Alamdari, Boeing Vice President of Marketing, presented an overview of what Boeing sees as future market trends for commercial aviation over the next 10 to 20 years. Her presentation included a look at market forecast drivers and considerations; a view that emerging markets will drive economic growth and strategy for commercial airplanes; a trend toward a more efficient, quieter family of airplanes.

**PORT OF PORTLAND COMPASS AWARD**

Commissioner Carter presented the 2013 nomination for the annual Port of Portland Compass Award. He said the Port initiated the Compass Award program in 2006 to recognize the contributions of community individuals and entities that have demonstrated exceptional support for the Port and the communities we serve. Commissioner Carter said he was honored to recognize the proposed recipient, Mort Bishop of Pendleton Woolen Mills.

Commissioner Carter called for a motion to adopt the Resolution of Commendation and Appreciation to Mort Bishop. Commissioner Levy moved to adopt the Resolution. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Holte, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion.

**ACTION ITEM**

Agenda Item No. 3

**SECURITY OFFICER SERVICES CONTRACT – PORTLAND INTERNATIONAL AIRPORT**

This agenda item requested approval to award a three-year contract with three, one-year optional extensions to HSS, Inc., for security officer services at Portland International Airport and other Port of Portland facilities in the amount of approximately \$1.3 million per year.

Sharon Gordon presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to award a contract for security officer services at Portland International Airport to HSS, 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.

Linda Sporer, a security officer and member of Service Employees International Union (SEIU) Local 49, provided testimony regarding the benefits of union representation. Felisa Hagins, SEIU Local 49 Political Director, provided printed (attached) and oral testimony against the recommendation and requested the Commission postpone their decision to allow SEIU time to review the additional information they received regarding the Request for Proposal (RFP) process.

Commissioners Chamberlain and Holte asked questions of Ms. Hagins.

The following HSS security officers spoke in support of HSS: Elizabeth Reyes, Amy Fuger and Melanie Offenwanger. The following HSS management provided testimony in support of the recommendation: Janie Alsobrooks, Director of Operations; Mike Lanam, Sr. Vice President; and Brad Dalton, Senior Director of Operations. Patrick Scully, outside labor counsel for HSS, provided testimony in response to Ms. Hagins' comments.

Commissioners Tsuruta and Carter asked questions of Ms. Gordon and Mr. Granato. Commissioner Rosenbaum commented on SEIU's standing in the RFP process. Commissioner Holte asked questions of Ms. Gordon and Commissioner Carter commented on the RFP process. Commissioner Chamberlain commented on the issues raised by SEIU.

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 Daggett seconded the motion, which was put to a voice vote. Commissioners Carter, Daggett, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion. Commissioners Chamberlain and Holte voted against the motion.

## **GENERAL DISCUSSION AND PUBLIC HEARING**

### **Fiscal Year 2014-2015 Proposed Budget and Economic Overview**

Scott Drumm, Research & Strategic Analysis Program Manager, provided an overview of the economic trends that drive the Port's budget. He discussed the national trends, the trends in Oregon, as well as international trade and the industry trends for marine, aviation and local industrial real estate.

Suzanne Kenny, Financial Manager, discussed the Portwide budget assumptions, reviewed the total Port operating revenues and expenses and provided a budget summary for aviation, marine and industrial development.

Ms. Kenny said the next step is to request approval to submit the budget to the Tax Supervising and Conservation Commission at the May 14, 2014, Commission meeting.

### **PUBLIC HEARING - PROPOSED BUDGET FOR FISCAL YEAR 2014-15**

Commissioner Carter opened a public hearing for the purpose of taking testimony on the Port's Proposed Budget for Fiscal Year 2014-15.

Dane Jones, Secretary/Treasurer of International Longshore and Warehouse Union, Local 40, asked questions regarding the Commission's deliberations while considering the Weighted Volume Container Carrier Incentive Program that was presented at the February Commission meeting.

Hearing no other comments, Commissioner Carter closed the public hearing and noted that no action was required at this time. The Fiscal Year 2014-15 proposed budget will be brought before the Commission at the May 14, 2014, meeting for action.

**ACTION ITEMS**

Agenda Item No. 1

**PUBLIC IMPROVEMENT CONTRACT – TERMINAL ROADWAY REHABILITATION – PORTLAND INTERNATIONAL AIRPORT**

This agenda item requested approval to award a public improvement contract to Kerr Contractors Oregon, Inc., to perform the Terminal Roadway Rehabilitation project at Portland International Airport.

Chris Edwards presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to award a public improvement contract for the Terminal Roadway Rehabilitation project to Kerr Contractors Oregon, 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.

Commissioner Carter called for a motion to approve the Executive Director’s recommendations. Commissioner Holte moved that the Executive Director’s recommendations be approved. Commissioner Tsuruta seconded the motion, which was put to a roll call vote. Commissioners Carter, Chamberlain, Holte, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion. Commissioner Daggett was not present for the vote.

Agenda Item No. 2

**PUBLIC IMPROVEMENT CONTRACT – TAXIWAY T SOUTHWEST REHABILITATION AND TAXIWAY T AND K CENTERLINE LIGHTING – PORTLAND INTERNATIONAL AIRPORT**

This agenda item requested approval to award a public improvement contract to Kodiak Pacific Construction for the Taxiway T Southwest Rehabilitation and Taxiway T and K Centerline Lighting project at Portland International Airport for a contract value of \$10,481,481.

Jim McGinnis presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to award a public improvement contract for the Taxiway T Southwest Rehabilitation and Taxiway T and K Centerline Lighting project at Portland International Airport to Kodiak Pacific Construction, 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.

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 Holte seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Holte, Levy, Pearce, Rosenbaum and Tsuruta voted in favor of the motion. Commissioner Daggett was not present for the vote.

The meeting adjourned at 11:39 a.m.

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President

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Assistant Secretary

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Date Signed

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