

- DRAFT -

MINUTES REGULAR COMMISSION MEETING THE PORT OF PORTLAND April 13, 2016

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 on the Port's website: www.portofportland.com. The following written minutes constitute a summary of the proceedings.

QUORUM

Commissioners present were Tom Chamberlain, Vice President, presiding; Peter Bragdon; Alice Cuprill-Comas; Bob Levy; Pat McDonald (via telephone); Linda Pearce; Tom Tsuruta and Gary Young. Also present were Bill Wyatt, Executive Director, participating staff members and members of the public.

LEAVE OF ABSENCE

Commissioner Chamberlain called for a motion to grant a leave of absence to Commissioner Carter, who was out ill. Commissioner Tsuruta moved to grant the leave of absence. Commissioner Young seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

MINUTES

Commissioner Chamberlain called for a motion to approve the minutes of the Regular Commission Meeting of March 9, 2016. Commissioner Cuprill-Comas moved to approve the minutes. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt addressed the Commission and audience. He said his formal Executive Director's report is attached to the packet that is sent out with the Commission materials prior to the meeting. He takes advantage of this opportunity to talk about events of interest that have occurred over the course of the last month.

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

- Recognized the Port's monthly safety champions and asked Stan Watters for his safety message regarding safety by design;
- Congratulated Cindy Nichol, who received Airports Council International's (ACI) Financial Professional of the Year award for North American large airport, and the Port's concessions team, who took first place in ACI's Food and Beverage Program in the large airport category for the PDX food cart program;

- Terminal balancing project on hold due to airline growth, coupled with evolving airline business needs;
- TSA Pre✓® mobile enrollment center open April 11-22 in the baggage claim area;
- Final Troutdale Airport Master Plan meeting to be held April 27;
- FedEx ribbon cutting ceremony for its new 282,000-square-foot distribution center on Swan Island;
- Daimler Trucks North America will host the opening of their new headquarters building, also on Swan Island, on April 19;
- Northwest Container Service announced they will increase rail service from twice per month to a weekly service;
- At nearly 900,000 tons, February was the best month for tonnage the Port has seen in more than a year, driven by a very successful month for bulk minerals and grain;
- Two Westwood Shipping vessels visited Terminal 6 during February and loaded 300 containers for export to Asia; while this is a relatively small number, this is the most containers handled at the terminal since regular, weekly service left in 2015;
- The Environmental Protection Agency has again delayed the release of the Proposed Plan; we anticipate the release of this document sometime in May;
- The Port's 125th anniversary celebration continues with a recent *Oregon Business* magazine feature about the Port's role in facilitating trade and travel; and
- New art exhibit called "Trashion" will be installed in the PDX terminal in celebration of Earth Day.

Commissioner Chamberlain called for a motion to approve the Executive Director's Report. Commissioner Bragdon moved to approve the Executive Director's Report. Commissioner Tsuruta seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

GENERAL DISCUSSION

Portland International Airport Community Advisory Committee (CAC) Annual Report

Mike Sloan, CAC Chair, and Jeff Owen, CAC Vice-Chair, provided an overview of the committee's mission, key accomplishments and activities during 2015.

GENERAL DISCUSSION AND PUBLIC HEARING

Fiscal Year 2016-2017 Proposed Budget, Economic Overview and Capital Plan

Scott Drumm, Director of Research and Strategic Analysis, provided an economic update. He discussed the state and national trends, as well as international trade and the industry trends for marine, aviation and local industrial real estate.

Suzanne Kenny, Director of Budget and Financial Operations, 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 at the May 11, 2016 Commission meeting to submit the budget to the Tax Supervising and Conservation Commission.

Lauri L'Amoreaux, Director of the Project Portfolio Office, presented an overview of the Port's capital planning process, including the approval process and project prioritization and ranking. She also reviewed the active projects and those in the pipeline through Fiscal year 2024-2025.

Public Hearing – Proposed Budget for Fiscal Year 2016-2017

Commissioner Chamberlain opened a public hearing for the purpose of taking testimony on the Port's Proposed Budget for Fiscal Year 2016-2017.

There was no public testimony pertaining to the Port's Fiscal Year 2016-2017 budget.

Commissioner Chamberlain then accepted other public testimony. Silas Evers, Menzies Aviation, and Donald Martin, Huntleigh, addressed the Commission and submitted written testimony regarding the need for a pay increase to \$15 an hour. Felisa Hagins, Political Director for Service Employees International Union, also addressed the Commission and provided written testimony, regarding the Port's PDX workplace initiative and the need for a \$15-per-hour minimum wage.

Hearing no other comments, Commissioner Chamberlain closed the public hearing and noted that no action was required at this time. The Port's Fiscal Year 2016-2017 proposed budget will be brought before the Commission for action at the May 11, 2016 meeting.

ACTION ITEMS

Agenda Item No. 1

GROUND LEASE – APPROXIMATELY 14.03 ACRES TO PDX LOGISTICS CENTER III, LLC – PORTLAND INTERNATIONAL CENTER

This agenda item requested approval to lease approximately 14.03 acres of property, located north of NE Alderwood Road, east of NE St. Helens Avenue in Portland and designated as Parcel 3 of the Portland International Center, to PDX Logistics Center III, LLC, a Delaware limited liability company. The total lease revenue projected on a pre-paid basis is \$3,742,023.

Doug Smith presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to lease approximately 14.03 acres of property known as Parcel 3 at the Portland International Center to PDX Logistics Center III, LLC, 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 Chamberlain called for a motion to approve the Executive Director's recommendations. Commissioner Bragdon moved that the Executive Director's recommendations be approved. Commissioner Young seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, McDonald, Pearce, Tsuruta and Young voted in favor of the motion. Commissioner Levy was not present for the vote.

Agenda Item No. 2

COLLECTIVE BARGAINING AGREEMENT – MARINE AND INDUSTRIAL DEVELOPMENT LANDSCAPE GARDENERS

This agenda item requested approval of a new five-year collective bargaining agreement between the Port of Portland and the Laborers International Union of North America, Local 483.

Blaise Lamphier presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to enter into a collective bargaining agreement with the Laborers International Union of North America, Local 483, for a five-year agreement beginning July 1, 2016, setting forth wages, fringe benefits and working conditions, 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 Chamberlain called for a motion to approve the Executive Director's recommendations. Commissioner Tsuruta moved that the Executive Director's recommendations be approved. Commissioner Levy seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

Agenda Item No. 3

PERSONAL SERVICES CONTRACT AMENDMENTS – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requests approval of two contract actions related to the Terminal Core Redevelopment project at Portland International Airport:

- Design. Amendment of the existing personal services contract with ZGF Architects LLP, in the amount of \$7,804,530, to provide conceptual design development services; and
- Pre-construction Support Services. Amendment of the existing personal services contract with Turner Construction Company, in the amount of \$1,342,552, to provide additional pre-construction support services.

George Seaman presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to amend the existing personal services contract with ZGF Architects LLP for conceptual design development services for the Terminal Core Redevelopment project at Portland International Airport, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That approval is given to amend the existing personal services contract with Turner Construction Company for pre-construction support services for the conceptual design phase of the Terminal Core Redevelopment project 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 Chamberlain called for a motion to approve the Executive Director's recommendations. Commissioner Cuprill-Comas moved that the Executive Director's recommendations be approved. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

Agenda Item No. 4

PERSONAL SERVICES CONTRACTS – ON-CALL CIVIL ENGINEERING SERVICES

This agenda item requested approval to award three personal services contracts to provide On-Call Civil Engineering Services on an as-needed basis. Services will be provided for projects that may be located at any Port of Portland facility. The contracts have terms of three years. Work will be performed through individual task orders with an upper limit of \$300,000 each. The aggregate task order expenditures for each contract are expected to exceed \$500,000. The following firms were selected through a competitive Request for Proposal process:

- Century West Engineering Corporation
- KPFF Consulting Engineers
- Walsh Consulting Group, LLC

Ken Willhite presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to execute one personal services contract for On-Call Civil Engineering Services with each of the following firms, for a total of three contracts: Century West Engineering Corporation; KPFF Consulting Engineers; and Walsh Consulting Group, LLC; 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 Chamberlain called for a motion to approve the Executive Director's recommendations. Commissioner Young moved that the Executive Director's recommendations be approved. Commissioner Pearce seconded the motion, which was put to a voice vote. Commissioners Bragdon, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

The meeting adjourned at 11:28 a.m.

President

Assistant Secretary

Date Signed

Statement by Felisa Hagins, SEIU Local 49, to Port of Portland Commission

April 13, 2016

Good morning Commissioners, for the record my name is Felisa Hagins and I am Political Director of SEIU Local 49. We represent 11,000 workers in Oregon and southwest Washington, including 360 janitors, aircraft cabin cleaners, wheelchair assistants, baggage handlers, and other worker at PDX. We are also organizing with hundreds of other workers to improve their jobs and fix the behind-the-scenes problems at PDX.

I am here today to talk about what has happened with the employees of airline service providers since this Commission approved the PDX Workplace Initiative a year ago. I will outline what the Initiative set out to do, the problems that remain, and recommended solutions.

First, allow me to review some background about the low-wage outsourcing problem in the airline industry and how it affects PDX.

1. PDX SUFFERS FROM INDUSTRY-WIDE PROBLEMS ASSOCIATED WITH OUTSOURCING:

POOR COMPENSATION, HIGH TURNOVER, AND INCREASED RISK

Airport jobs used to be consistently good jobs, with union contracts and wages that could support a family. In recent decades, however, some airlines have pursued a strategy of increasing profits by outsourcing some of their essential services to contractors, services such as cleaning and fueling aircraft, baggage handling, and assisting passengers in wheelchairs. Nationwide, as outsourcing has increased, the workers who perform these services have seen their wages plummet. For example, as airlines' outsourcing of baggage handlers more than tripled from 2002-2012, baggage handlers' wages fell 45 percent.¹

In the months leading up to your approval of the PDX Workplace Initiative, we circulated a report on the low wages and high turnover at PDX airline service providers, and the increased risk this can mean for airport operations.² You may recall some of that report's key findings.

Low Wages, High Turnover

Our 2014 survey of 148 PDX airline service workers from eight companies found a median wage of \$10.30 per hour, or \$21,424 per year.³ This is about half of what it costs for an average family to live in Multnomah County.⁴ Thirty-seven percent of workers reported earning no more than minimum wage, or \$9.25 per hour. Eight-five percent said they receive no annual wage increases. Sixty-seven percent reported their employer did not offer health insurance. This means workers are constantly

having to choose between paying the rent on time and buying food, going to the doctor or keeping the lights on.

As a result, many PDX service workers have to rely on public assistance programs to meet their essential needs, such as food, shelter, and health care. Twenty-nine percent of full-time workers who took our survey said they receive support from such programs.

Given the low pay many PDX service workers face, it should come as no surprise that employee turnover is high. Our analysis of Port of Portland badge data showed annual turnover at outsourced Airline Service Providers averaged 60 percent over three years.⁵

Increased Risk

A number of indicators suggest the use of low-cost airline service providers, and the high turnover rates associated with them, can increase risk to airline and airport operations.

While developing its Quality Jobs Initiative for Seattle-Tacoma International Airport, Port of Seattle staff found that most aeronautical service employers reported challenges with retaining employees.⁶ Port staff concluded, "High turnover means many employees are in training and lack mastery of their jobs, which can affect safety, security, efficiency, and timeliness and customer service ... Newer workers are almost twice as likely to be cited for security violations as more experienced workers."⁷

That risk assessment was based on normal operations. In times of crisis, counting on an experienced airport workforce is particularly important. In instances of airport terrorism service workers often the "first first responders." When high turnover means airport employees have limited knowledge of escape routes and emergency protocols, it can limit their ability to respond effectively when passengers most need them.⁸

Even Alaska Air Group has noted that "our use of outside vendors increases our exposure to several risks ... If one of our vendors fails to perform adequately, we may experience increased costs, delays, maintenance issues, [or] safety issues."⁹ As one of Alaska's ramp agents, employed by Menzies Aviation, said, "I am constantly seeing co-workers come and go. It feels like every week there is at least one new ramp agent assigned to my crew. Working on the ramp is fast-paced and dangerous. Miststeps can lead to damaged planes and equipment, and injured co-workers."¹⁰

2. OTHER LEADING AIRPORTS HAVE A PROVEN MODEL FOR IMPROVEMENT

In the last few years, many leading airport authorities have established labor standards, enhancing worker performance and lowering turnover without harming employment or flight volume.

San Francisco International Airport (SFO) set the bar in 2000 with its Quality Service Program (QSP). With the aim of improving aeronautical and passenger service quality, the QSP raised wages, in some cases by 55%, from \$6.45 to \$10.00 per hour. It also set standards for training & equipment. The results were a dramatic improvement. According to a study conducted the next year, turnover plummeted from 95 percent to 19 percent per year.¹¹ Employers reported improvements in work performance, employee

morale, disciplinary issues, and customer service. Employers also saved themselves at least \$3.3 million in the first year, by avoiding an estimated \$4,000 in turnover costs per hire.^{vi}

More recently, other airports have raised standards for job and service quality.

- Last June, American Airlines, the dominant airline at Philadelphia International Airport, announced an agreement to significantly improve wages and encourage labor peace in its subcontracted operations at PHL. American Airlines pledged to respect workers' rights and to not drop any service contractor if its employees vote for a union.^{xiii}
- In recent months, Alaska Airlines' service contractors at Seattle-Tacoma International Airport began complying with the \$15 minimum wage mandated by Sea-Tac Proposition, as approved by voters in November 2013, after Alaska and other employers lost a series of lawsuits to block the law's implementation.^{xiv}
- As recently as last week, airport workers at Fort Lauderdale-Hollywood International Airport won an increased minimum wage of \$15.52.^{xv}

3. PDX WORKPLACE INITIATIVE – PRINCIPLES AND POLICY AREAS

Last year, Port staff brought to you the PDX Workplace Initiative, which partially addressed some of the key issues. The intent of the Initiative was laid out in the PDX Workplace Initiative Principles, which included the following goals:

- *to make PDX a preferred place to work ...*
- *to maintain an environment at PDX that is safe, convenient and efficient ... free from service disruptions*
- *to attract and retain the very best airport workers ...*
- *provide an excellent working environment in terms of safety, security and opportunities for advancement and mutual success ...*
- *to provide a work environment that offers a high level of satisfaction and enhances overall quality of life.*^{xvi}

The Initiative's three primary policy areas approved by the Commission were:

- **JOB PATHWAYS.** This includes the PDX Labor Pool for all covered employers; and the employee Retention policy for large airline service providers, requiring successor employers to retain at least 80 percent of the predecessor's workforce when taking over a service contract.
- **WORKER BENEFITS.** The Initiative Principles envisioned a PDX Worker Benefit Work Group "to generate and make investments in innovative new approaches to attract and retain the very best airport workers." This evolved into focus groups and Port programs offering free flu shots, the PDXjobs website, and discounted Trimet transit passes.
- **EMPLOYEE-EMPLOYER RELATIONSHIPS.** Employers are required to submit written plans on how they will maintain positive working relationships with their employees.

4. PDX WORKPLACE INITIATIVE – AN ASSESSMENT

The PDX Workplace Initiative has not solved the central problems of poverty wages, high turnover, and increased risk to airport operations.

Poverty Wages

As you'll see in the handout, as of January 1, PDX now has the lowest wages among its peer airports on the west coast, the five airports that qualify as large hubs.

Hundreds of PDX workers are paid minimum wage, including those employed by Huntleigh USA and Prospect Airport Services. These employers pay \$9.25 per hour, or \$19,240 for full-time, year-round work, according to reports from some of their employees. This is the lowest wage paid at the five large-hub airports on the west coast, including Seattle, San Francisco, Los Angeles, and San Diego.^{xvii}

Hundreds of other PDX workers are making \$10 or \$12 an hour, which are still poverty wages.

Oregon's new legislation raising the state's minimum wage does not fix the problem. PDX will continue to have the lowest wages on west coast after the new minimum wage for the Portland metro area increases to \$9.75 on July 1. The new Oregon minimum wage, as it slowly increases over the coming years, remains too low to provide PDX workers a step up from poverty.

Some might argue that the other airports have higher wages because of higher costs of living in those areas. In fact, when comparing the minimum airport wage to the local cost of living, PDX still comes in near the bottom, based on the Self-Sufficiency Standard in the counties where the airports are located. The Self-Sufficiency Standard is the City of Portland's official measure of poverty.^{xviii}

Increasingly High Turnover

Secondly, about turnover. You may remember our report showed that airline service providers here had an average turnover rate of 60 percent per year, three years running.

Recently, we analyzed the same data for fiscal year 2015, and found that that turnover rate had risen to 64 percent per year.

We think it's a problem that 64 percent of front-line airport workers leave their jobs every year. These are the people in charge of keeping passengers safe and comfortable, cleaning aircraft seats and tray tables, checking for unauthorized items on board, and helping passengers in wheelchairs move through the terminal.

Low wages and high turnover create unnecessary risk, and the PDX Workplace Initiative in its current form has not solved the problem. Airport work at PDX is seasonal by nature, but these numbers suggest a much bigger problem than can be explained by seasonal fluctuations alone.

Benefits are still out of reach for some workers

The "Worker Benefits Work Group" approved by the Commission has not solved the problem of PDX employees' limited access to essential benefits, including a retirement plan and affordable, quality health insurance. The focus groups the Port convened on "Worker Benefits" in fact excluded such benefits from the scope of discussion. Instead, the Port has developed ancillary benefits programs, such as free flu shots and discounted Trimet transit passes for PDX workers, and a PDXJobs website. Some workers may value these offerings, but they do not solve the problems of poverty wages limited benefits. Some airline service providers offer plans whose out-of-pocket costs are not affordable. Some workers have reported they go without insurance, obtain insurance through a second job, or avoid treatment even if they have employer-provided insurance, due to their inability to pay deductibles, co-pays, and the like.^{xx}

Employee-Employer Relationships Plans have not been effective

We have seen no evidence that the Employee-Employer Relationship and Working Conditions Plans have been effective in raising standards and reducing turnover. It appears that the limited disclosure required does not even allow the Port to measure compensation and assess to what degree it may be a factor in high turnover rates.

In response to our public records request, the Port released 13 Employee-Employer Relationships Plans.^{xx} Except that is, two of these employers apparently provided nothing more than their standard employee handbooks,^{xx} and a number of the employers submitted Plans with entire paragraphs of identical text, apparently copied and pasted from a template.

Of the 13 submissions, nearly half (six employers) did not disclose any wage rates.^{xxii} Three employers did not disclose any information about benefits.^{xxiii} Of the ten employers that did list benefits, none of them disclosed employees' out-of-pocket costs.

The Port should require airline service providers to disclose violations at other airports

The PDX Workplace Initiative Implementation Requirements state that airline service providers "must annually submit to the Port written reports listing violations of applicable laws and regulations."^{xxiv} SEIU Local 49 has been in dialogue with Port staff about what this report should contain. We recommend that PDX employers be required to disclose violations of rules, regulations, and laws at airports nationwide.

Retention policy needs to be strengthened

The PDX Workplace Initiative's Retention policy, which requires large airline service providers to retain at least 80 percent of the predecessor's workforce when taking over a service contract, was tested for the first time in recent months and demonstrated a need for improvement. An airline replaced Prospect Airport Services with ISS Facility Services as its aircraft cabin cleaning provider. A number of Prospect workers had their hours cut, and reported that they were not informed by their employer or the Port that additional work might be available with ISS, the successor employer. For this reason, we have recommended to Port staff that when service providers change in the future, the Port directly

communicate to all potentially affected employees the details of the change and employees' rights under the PDX Workplace Initiative.

In addition, the Retention policy has a troubling loophole. The initiative exempts airlines, which is reasonable, but then it goes too far, exempting also "entities owned or controlled by airlines." Airline subsidiaries that do not qualify as FAA-certificated air carriers should be required to meet the same standards as other airline service providers and create an unfair competitive advantage in the PDX market.

5. THE PORT HAS THE AUTHORITY AND RESPONSIBILITY TO FIX THESE PROBLEMS

The Port is a public agency, created by the Oregon Legislature. Our airport is a public good, on land originally purchased by the City of Portland and constructed with federal funds from the Works Progress Administration (WPA).^{xxv} We count on the Port of Portland to serve the broad public interest.

As the airport owner, the Port has a proprietary interest in improving operations and reducing risk. In addition, Oregon statutes and a Port Ordinance already grant the authority to set Minimum Standards. State law allows the Port of Portland to consider the qualifications, compensation and retention policies of lessees operating on Port property, and of their subcontractors,^{xxvi} and the Port may set minimum wage requirements in its public contracts.^{xxvii} Port Ordinance 423-R delegates broad authority to the Port Director to modify PDX Rules to improve security, safety, efficiency, and to implement best practices.^{xxviii} It requires any company operating at the airport to comply with an operating agreement issued by the Director, and under terms and conditions prescribed by the Port.^{xxix} It also gives the Port Director broad powers to "establish qualifications, standards, and criteria which make up the Minimum Standards which must be met as a condition for the right to engage in aeronautical activities at each Airport."^{xxx}

6. RECOMMENDATIONS

In order to protect the Port of Portland's proprietary interest in reducing risk to PDX operations, the Port should improve the PDX Workplace Initiative to meet the intent.

Specifically, the Port should:

1. Close the loophole that exempts airline service providers and the Port's own service contractors. Those employers should meet the same standards as other PDX employers.
2. Mandate a \$15 per hour minimum wage and health care standard for all airline service providers.
3. Require airline service providers to establish enforceable goals and timetables for reducing employee turnover.
4. Require ASPs to fully disclose all violations of laws, regulations, and rules at other airports.

Endnotes

- ¹ Dietz, Miranda, Peter Hall, and Ken Jacobs. "Course Correction: Reversing Wage Erosion to Restore Good Jobs at American Airports." Berkeley, CA: UC Berkeley Center for Labor Research and Education, October 2013.
- ² "Minimum Standards: The Port of Portland's Opportunity to Fix Behind-the-Scenes Problems at PDX." SEIU Local 49, February 9, 2015.
http://www.seiu49.org/wp-content/blogs.dir/60/files/2015/02/149_Airport_MinimumStandards_Whitepaper_v6.pdf.
- ³ Ibid.
- ⁴ "The 2012-2017 Portland Plan adopted the Self-Sufficiency Standard – a measurement of the cost of living, without public or private support – as the official measure of poverty. The Portland Plan, adopted by Portland City Council resolution April 25, 2012. Accessed via <http://www.portlandonline.com/portlandplan/index.cfm?c=58776>, February 2, 2015. See Action no. 88 under Economic Prosperity and Affordability Action Plan, p. 69. In Multnomah County, the average number of persons per household is 2.34. US Census State & County QuickFacts, Mult. Co., Oregon, <http://quickfacts.census.gov/qfd/states/41/41051.html>, accessed Nov. 5, 2013. The Self-Sufficiency Standard for Oregon 2014 calculated the Multnomah Co. living wage to be \$22.27 for one adult and one preschool-aged child. Pearce, Diana M. The Self-Sufficiency Standard for Oregon 2014. Worksystems, Inc., April 2011, p. 71.
- ⁵ "See "Minimum Standards: The Port of Portland's Opportunity to Fix Behind-the-Scenes Problems at PDX," p. 8 and note 9.
- ⁶ Ehl, Larry. Letter to Port of Seattle Commission. "Quality Jobs Initiative for Sea-Tac International Airport – Resolution No. 3694 [MEMORANDUM, COMMISSION AGENDA Item No. 6a]." June 27, 2014.
- ⁷ Ehl, Michael, Wendy Reiter, and Mark Reis. Memo to Tay Yoshitani. "PORT OF SEATTLE COMMISSION AGENDA Item No. 6a-Memo Overview, STAFF BRIEFING [Date of Meeting July 1, 2014]. SUBJECT: Minimum Requirements for Aeronautical Workers with Safety and Security Responsibilities at Seattle-Tacoma International Airport." June 26, 2014.
- ⁸ Byrum, Greta. "Learning from Brussels: Rethinking Airport Security." *New America*, March 31, 2016.
<http://www.newamerica.org/weekly/learning-from-brussels-rethinking-airport-security/>.
- ⁹ "Standing up for Passenger Safety at LAX: Workers Call for Emergency Response Preparation and Training." Airport Workers United (SEIU USWW), March 2014. <http://www.airportworkersunited.org/2014/03/19/standing-up-for-passenger-safety-at-lax/>.
- ¹⁰ "Alaska Air Group, Inc., 2014 Annual Report (Form 10-K)," pp. 21-22.
- ¹¹ James Davidson, as quoted in "Minimum Standards: The Port of Portland's Opportunity to Fix Behind-the-Scenes Problems at PDX," p. 8.
- ¹² Reich, Michael, Peter Hall, and Ken Jacobs. *Living Wages and Economic Performance: The San Francisco Airport Model*. Berkeley, CA: Institute of Industrial Relations, UC Berkeley, March 2003.
http://www.iir.berkeley.edu/research/livingwage/sfo_mar03.pdf.
- ¹³ Subsequently, SFO instituted a Worker Retention requirement, and later a Whistleblower Protection policy. Reich, Michael, Peter Hall, and Ken Jacobs. *Living Wages and Economic Performance: The San Francisco Airport Model*.
- ¹⁴ "We will not terminate an agreement with any of our contractors if they elect to organize or if employees elect to organize... That's a new commitment that American and the other airlines are making," said [Michael] Minerva [of American Airlines]."
- ¹⁵ Rawlins, John. "Workers Win Wage War at Philadelphia International Airport." *6abc.com*, June 11, 2015.
<http://6abc.com/news/workers-win-wage-war-at-philadelphia-airport/779086/>.

- ¹⁶ "Menzies Aviation Paying \$15.24/Hour to Its Sea-Tac Employees." *Business Wire*, March 22, 2016.
<http://www.businesswire.com/news/home/20160322006605/en/Menzies-Aviation-Paying-15.24Hour-Sea-Tac-Employees>.
- ¹⁷ Brownstone, Sydney. "State Supreme Court Refuses to Rethink SeaTac's \$15 Minimum Wage Law (UPDATE)." *The Stranger*, February 10, 2016. <http://www.thestranger.com/blogs/slog/2016/02/10/23553866/state-supreme-court-refuses-to-rethink-seatacs-15-minimum-wage-law>.
- ¹⁸ The amended law mandates that employers pay workers either \$15.52 or \$12.63 plus health insurance valued at no less than \$2.89 per hour, to be adjusted annually using the Consumer Price Index for Medical Care. Price-Williams, Abigail. Letter to Jean Monestime. "MEMORANDUM Miami-Dade County Agenda Item No. 7(B) SUBJECT: Ordinance Relating to the Living Wage Ordinance, Amending Section 2-8.9 of the Code to Update Wage and Health Benefit Rates," April 5, 2016.
- ¹⁹ "PDX Workplace Initiative Principles April 7, 2015 (as Adopted by Commission 4.8.15)." Port of Portland, April 8, 2015.
- ²⁰ Large hub airports are defined by the FAA as those with more than one percent of the nation's annual passenger boardings. Federal Aviation Administration. "Airport Categories – Airports." Accessed April 3, 2016.
http://www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/categories/.
- ²¹ The 2012-2017 Portland Plan adopted the Self-Sufficiency Standard – a measurement of the cost of living, without public or private support – as the official measure of poverty. The Portland Plan, adopted by Portland City Council resolution April 25, 2012. Accessed via <http://www.portlandonline.com/portlandplan/index.cfm?c=58776>, February 2, 2015. See Action no. 88 under Economic Prosperity and Affordability Action Plan, p. 69.
- ²² Silas Evers, a Menzies Aviation employee, told the PDX Community Advisory Committee on April 6, 2016, that he feels obligated to keep a second job in order to make ends meet and have health insurance. "There's no way I can afford the expensive health insurance Menzies offers," he stated.
- ²³ From BAGS Inc., CBM Systems LLC, Consolidated Aviation Services, Gate Safe, HAECO America Line Services LLC, Huntleigh USA, ISS Facility Services, Matheson Postal Services Inc., Matrix Aviation Services Inc., Menzies Aviation, Portland Provisions LLC, Prospect International Airport Services, and Quantem Aviation Services.
- ²⁴ That is, judging by the documents released by the Port of Portland to SEIU Local 49. These employers were CBM Systems LLC and Matheson Postal Services Inc.
- ²⁵ Employee-Employer Relationship and Working Conditions Plans released by Port of Portland, submitted by BAGS Inc., CBM Systems LLC, HAECO America Line Services LLC, Matheson Postal Services Inc., Portland Provisions LLC, Prospect International Airport Services.
- ²⁶ CBM Systems LLC, Matrix Aviation Services Inc., Prospect International Airport Services.
- ²⁷ Bul, Hien, and Michelle Kain. "The New Deal Was a Big Deal." *Center for Columbia River History - Columbia Slough*. Accessed February 9, 2015. <http://www.ccrh.org/comm/slough/airport3.php>
- ²⁸ "Port of Portland - 125th Anniversary Timeline." Accessed February 16, 2016.
<http://www2.portofportland.com/125thTimeline/>.
- ²⁹ ORS § 778.016, Best value standards for Port of Portland contracts and space leases.
- ³⁰ ORS § 653.017(3)(b), Local minimum wage requirements.
- ³¹ Port of Portland Ordinance 423-R, Sec. 4.1.1
- ³² Port of Portland Ordinance 423-R, Sec. 3.2.1
- ³³ Port Ordinance 423-R, Sec. 4.1

Donald Martin, Statement to Port of Portland Commission, April 13, 2016

My name is Donald Martin. I've been a Passenger Service Agent at Huntleigh for nine months. I help passengers who use a wheelchair make their way around the airport.

Huntleigh pays me minimum wage, \$9.25 an hour. Sometimes passengers give tips, but you can't count on it. Every two weeks I get my paycheck. It's \$533 after taxes. After I pay child support and rent, my check is gone.

I owned my own home for 25 years but gave that up in a divorce, so I've been starting over from scratch. There's no way I can afford even a studio apartment, so I'm living with a friend. She has a terminal illness, and since I help her out as a caregiver, that covers half my rent. So I have a place to lay my head.

Many of my coworkers have moved back in with their moms, their grandmas. I don't have family here I can fall back on.

I have two children, 17 and 20 years old. Sometimes I wonder, what kind of legacy I would leave them, if tomorrow I was taken away in a pine box? You can't create a legacy on the minimum wage. And many, many of us have families who depend on our income.

Honestly, being paid so little when I know how much money is being made at this airport, it's an insult. It breaks you down, mentally and spiritually. It creates a negativity in the workforce. Especially the youngsters, I hear them complaining, and sometimes I think the passengers can hear them.

Many don't stick around. I see new coworkers I don't recognize all the time.

And that's why we formed a union, and why we are fighting for \$15 an hour. If we made \$15, I could take my kids to the movies, or give them a few dollars to buy a new outfit.

If we made \$15, I could go out to dinner once a month. Possibly go to the coast for the day.

If we made \$15, that would be a job worth sticking around for, so this airport could stay the best, and get even better.

Thank you.

Silas Evers statement to Port of Portland Commission, April 13, 2016

My name is Silas Evers. I've been working for Menzies Aviation about two years, cleaning planes and doing security sweeps for Alaska Airlines.

They pay me \$12 an hour. I work hard but I haven't had a raise in two years. Nobody I know of gets a raise.

I struggle to pay the rent. So I have to have another job. I work at the airport from 6 AM to 2:30 in the afternoon. Then I work from 11:30 at night to 3 AM at a shipping company in Troutdale.

At my other job, they offer health insurance, and they don't take too much out of my check. There's no way I can afford the expensive health insurance Menzies offers.

I wish I could work just one job. I am really tired, all the time. You have to be 100% alert to get the planes really clean, and make sure there is no contraband on board. How do you think we can do a really good job, if we are always tired?

This could be a good job. It's exciting to work at the airport. People want to stay but they can't. They work here a little while, and then they leave. What does that tell you?

If they paid us \$15 an hour, people would want to stick around.

I've heard Alaska is going to buy Virgin Airlines. They could use some of that money to pay us fairly.

We need \$15 and a union so we can pay the bills and have some peace of mind.

Please stand with us. Thank you.