

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
December 14, 2011**

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 Judi Johansen, President, presiding; Ken Allen; Peter Bragdon; Jim Carter; Tom Chamberlain; Steve Corey; Diana Daggett; Bruce Holte and Paul Rosenbaum. Also present were Bill Wyatt, Executive Director; participating staff members; and members of the public.

Commissioner Johansen welcomed the new Port employees in the audience.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt also welcomed the new Port employees. He noted there is a formal Executive Directors' report, which is given to the Commission prior to each meeting, and is a standard recitation of the business activity from the previous month as well as other items of interest. He said he uses this time to make observations about what has been happening.

Mr. Wyatt said it would not be appropriate to start his report with anything other than the big news of the week, the Occupy Portland event. He said the Occupy Movement on the West Coast selected Monday, December 12, as the day to try to close the marine terminals on the West Coast. Mr. Wyatt said our team spent a good amount of time working with the City of Portland and our tenants to prepare for this. He said it is important to note that the Port owns four marine terminals, but they are all leased to others who make their own decisions about whether and when to open and close. Some decided to hire labor that day and some did not.

Mr. Wyatt said the news of the day is that the only people that lost money were West Coast longshoremen and truckers. The giant, multinational corporations that the Occupy movement seemed to be focused on did not have much negative experience in Portland. Mr. Wyatt said the Oregonian Editorial this morning was on point by saying that if anything, the Occupy efforts in Portland tended to highlight the very important role of the Port in providing great jobs to middle class families. Mr. Wyatt said the estimate is that between \$50,000-\$70,000 of longshore wages was lost in the course of the day, which is really unfortunate. Mr. Wyatt said as of yesterday, operations were back to normal. He complimented the Port team as well as the ILWU for a job well done.

Commissioner Holte, on behalf of the ILWU, thanked everyone for their great work.

Mr. Wyatt said that on December 7, the Air National Guard was conducting a series of drills on the South Runway when one of the planes blew a tire upon landing. The tire disintegrated, which resulted in damage to the concrete of more than 6500 feet in length. Mr. Wyatt said the runway is operational, but the damage will need to be repaired.

Mr. Wyatt was pleased to say that later this month, Ford Motor Company will begin exporting Ford-manufactured automobiles to South Korea. He said for business reasons Ford decided to look at a West Coast gateway and selected Portland. He said autos are a specialty of ours, but this helps to cement our role in the auto business. He said not many people would have imagined that we would be manufacturing cars in this country and exporting them to South Korea. Mr. Wyatt said this is a great story and will help our import business because it means railcars will be full moving in both directions.

Mr. Wyatt said business at the airport is good – not booming but we are seeing continued increases in passenger volumes. He said parking revenues are doing well and concession revenues are up, although the Thanksgiving holiday was not as strong as we had anticipated. Mr. Wyatt said the Amsterdam flight is doing exceptionally well while the Tokyo flight is doing alright. He said this reflects the overall activity from the United States to Asia and has very little to do with our market.

Mr. Wyatt said Alaska Airlines has announced that they intend to start service from Portland to Long Beach in March. He said they used to have jet service to Long Beach, but had a difficult time competing with jetBlue. He said they plan to use a Canada Air Regional Jet, which better fits the market.

Mr. Wyatt noted that Steve Schreiber, Aviation Director, officially retired from the Port on November 30 and in his absence, Mr. Wyatt himself will be the acting Aviation Director. He said this will give him more visibility into that part of the operation.

Mr. Wyatt said he is in the process of restructuring the management of the organization. He said the reorganization will take advantage of our consolidated Port by combining like functions, so that rather than having a Marine and an Aviation Director, he is looking at a single Operations Director. He said we will also have a Commercial Director who will be in charge of all of the commercial activities. He said in some respects, this will be a big change, but we have been slowly moving in this direction. Mr. Wyatt said he sees this as a logical extension of what we intended to do by creating our combined headquarters building. Mr. Wyatt said that over time, there will probably be fewer of us, but as is our practice, we will take advantage of the natural attrition that occurs in the organization.

Commissioner Johansen noted the recordable rates for accidental injury were up and asked that the next safety update to the Commission include Sam Ruda and Bill Wyatt so that the Commission can hear from the operational management. She said that ultimately, we want our employees to feel comfortable reporting near misses as well as actual accidents and incidents, and she would like to know more about how we can create that culture.

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

ACTION ITEMS

Agenda Item No. 1

CONTRACT – ANALOG TRUNKED RADIOS REPLACEMENT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a contract to Motorola for purchase and implementation support for digital trunked radios and related accessories at Portland International Airport. This purchase will replace aging equipment while ensuring continued compatibility and interoperability with the City of Portland (City) emergency communications services, and other agencies that communicate through the City's 800 MHz trunked radio system.

Linda Dyson presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a contract to Motorola for the purchase and implementation of new digital trunked radios at Portland International Airport, 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.

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

Agenda Item No. 2

BUILDING OPERATION AND LEASE AGREEMENT – OREGON DEPARTMENT OF TRANSPORTATION – TROUTDALE AIRPORT

This agenda item requested approval to enter into a building operation and lease agreement with the State of Oregon for use by the Oregon Department of Transportation for the terminal building at the Troutdale Airport.

Mark Witsoe presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to enter into a building operation and lease agreement with the State of Oregon, for use by the Oregon Department of Transportation, for the terminal building at the Troutdale 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 Corey said because he previously served as Chair of the Oregon Department of Transportation, he would abstain from the vote.

Commissioner Rosenbaum moved that the Executive Director's recommendations be approved. Commissioner Allen seconded the motion, which was put to a voice vote. Commissioners Allen, Bragdon, Carter, Chamberlain, Daggett, Holte, Johansen and Rosenbaum voted in favor of the motion.

The meeting adjourned at 10:11 a.m.

President

Assistant Secretary

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.