

**MINUTES  
REGULAR COMMISSION MEETING  
THE PORT OF PORTLAND  
December 11, 2013**

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 Paul Rosenbaum, Vice President, presiding; Tom Chamberlain; Diana Daggett; Bob Levy and Tom Tsuruta. Also present were Bill Wyatt, Executive Director, participating staff members and members of the public.

**LEAVE OF ABSENCE**

Commissioner Rosenbaum called for a motion to grant a leave of absence to Commissioners Bragdon, Holte and Pearce, who were out of town. Commissioner Levy moved to grant the leave of absence. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion. Commissioner Carter was not present for the meeting.

**MINUTES**

Commissioner Rosenbaum called for a motion to approve the minutes of the Regular Commission Meeting of November 13, 2013. Commissioner Chamberlain moved to approve the minutes. Commissioner Levy seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

**EXECUTIVE DIRECTOR'S REPORT**

Bill Wyatt said for those new to the Port Commission meeting, a formal executive director report is attached to the Commission packet which is mailed in advance of the meeting. He said he uses this opportunity to reflect on events of interest that have occurred over the course of the last month.

Mr. Wyatt noted that the challenges at Terminal 6 in the past 16 or so month have culminated with the recent announcement from Hanjin that they intend to depart Portland at the end of this year. He said this news is distressing; Hanjin has served Portland for 20 years and this is our principal trans-pacific service, which represents 70 percent of the business at Terminal 6 and is a vital gateway for local producers to reach Asian markets. Mr. Wyatt said that the safest way to characterize the news is that it created a sufficient moment of urgency for the Governor to intervene. He said that the Governor called together representatives from the Port; International Longshore Warehouse Union (ILWU); International Brotherhood of Electrical Workers; Pacific Maritime Association, the coast-wide employer group for the ILWU; and ICTSI, our terminal operator. He said that due to a nondisclosure agreement, all he can do is very encouraged by the conversations that have gone on. Mr. Wyatt said the Governor's intervention was critical because he knows how to get people in a room and talking to each other civilly.

Mr. Wyatt said that the US Airways/American Airlines merger appears to be legally complete. He said that it will take about a year to be operationally complete, and will be a complex merger due to different cultures, unions and markets. Mr. Wyatt said that for PDX, the impact will be fairly slight because they do not have a huge presence in our market. He noted one improvement we will see is additional service to Charlotte; the expanded route will include year-round service to daily during peak travel periods and weekly during off-peak travel months of the year.

Mr. Wyatt said that the Transportation Security Administration (TSA) recently announced the expansion of TSA Pre✓™ to include eligible customers of Southwest Airlines. He said the program allows people to go to the security line with a reduced level of personal inspection; you can go through with your shoes and belt on without having to divest yourself of everything, which makes the screening process faster. Mr. Wyatt said that this is part of a larger game plan for TSA to do whatever they can to safely and securely increase the number of people who are eligible for the reduced screening.

Mr. Wyatt said that the Port spent almost \$100 million and several years building a deicing collection system, which was important because deicing fluid previously would run off to the Columbia Slough and find its way to the Columbia River. He said that the elaborate system was designed to collect, treat and safely dispose of the deicing fluids and became fully operational last season. He said that we did not have an opportunity to use the system last season, but we have had a great opportunity to do so this year, and it has been working very well.

Mr. Wyatt concluded his remarks by noting that people who live in Portland and use the airport love PDX and take it seriously; since the Commission approved the project to replace the terminal carpet, the 20-year-old carpet has become popular with the public. Mr. Wyatt said he receives several e-mails a day from an online petition to save the PDX carpet. He said that the carpet has its own Facebook page and Twitter account, and several individuals have begun selling socks and T-shirts with the carpet pattern. He said that while this is a fun story, it is a great reminder that we are fortunate enough to be stewards of a great airport in a community that really appreciates it. Mr. Wyatt reminded people that the old carpet is in failing condition and will be replaced with a new carpet that he believes passengers will like.

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

### **PUBLIC COMMENT**

Jeff Smith, President of ILWU Local 8, addressed the Commission regarding Columbia Grain's decision to not allow ILWU picketers to use a parcel of property for picketing. Mr. Smith shared the attached letter with the Commission.

Commissioner Chamberlain asked questions of Mr. Smith, and commented on the subject of the current labor disputes.

Commissioner Chamberlain said that the Port and the Governor's office have shown great leadership in the accommodations and hopeful settlement at Terminal 6, and he encourages Port leadership to try to settle this issue and get the property back for use by the ILWU.

**CONSENT AGENDA**

No presentation was made of the following agenda item, which was brought before the Commission as part of the Consent Agenda.

**Agenda Item No. 1****CONSENT TO ENTERPRISE ZONE BOUNDARY CHANGES BY THE CITY OF PORTLAND**

BE IT RESOLVED, That the Port of Portland Commission consents to an application by the City of Portland for minor boundary changes to the Portland Enterprise Zone located within Port of Portland district boundaries, as described in this agenda item. The Port Commission's consent is contingent upon approval of the application for a new Enterprise Zone by the City Council.

Following the reading of the title of the Consent Agenda by Commissioner Rosenbaum, Commissioner Tsuruta moved that the Executive Director's recommendation be approved and Commissioner Daggett seconded the motion. The motion was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

**ACTION ITEMS****Agenda Item No. 2****EMPLOYMENT OF DEPUTY EXECUTIVE DIRECTOR**

This agenda item requested approval of the initial employment and rate of remuneration of Curtis Robinhold as the Port of Portland's Deputy Executive Director.

Bill Wyatt presented his recommendations as follows:

BE IT RESOLVED, That the Commission approves the employment of Curtis Robinhold as Deputy Executive Director, at a starting salary of \$285,000; 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 Tsuruta said that what Mr. Wyatt is doing is a good, sound governance move for the organization and he echoes Mr. Wyatt's comments about Mr. Robinhold's qualifications.

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

Agenda Item No. 3

AMENDED AND RESTATED GROUND LEASE – MERLO CORPORATION – HILLSBORO AIRPORT

This agenda item requested approval to amend and restate the existing ground lease agreement with the Merlo Corporation for use by their operating sub-lessee, Global Aviation, Inc., in support of an expansion initiative at its Hillsboro Airport facility.

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

BE IT RESOLVED, That approval is given to amend and restate the existing ground lease agreement with the Merlo Corporation at Hillsboro 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 Rosenbaum called for a motion to approve the Executive Director's recommendations. Commissioner Levy moved that the Executive Director's recommendations be approved. Commissioner Tsuruta seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

Agenda Item No. 4

GROUND LEASE AND RAMP MANAGEMENT AGREEMENT – TRIANGLE AVIATION RDD LLC – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to enter into a long-term ground lease agreement with Triangle Aviation RDD LLC, an affiliate corporation of Ameriflight LLC, for development of a new base of operations at Portland International Airport

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

BE IT RESOLVED, That approval is granted to enter into long-term ground lease agreement with Triangle Aviation RDD LLC to facilitate the construction of a new base of operations for Ameriflight LLC 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 Rosenbaum called for a motion to approve the Executive Director's recommendations. Commissioner Chamberlain moved that the Executive Director's recommendations be approved. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

Agenda Item No. 5

## EQUIPMENT PURCHASE – TERMINAL WI-FI UPGRADE – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a contract to Mountain States Networking for the purchase of Cisco network equipment, wireless access points and system configuration assistance to support the Wi-Fi Operational Upgrade project in the Portland International Airport terminal.

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

BE IT RESOLVED, That approval is given to award a contract to Mountain States Networking for the purchase of Cisco network equipment, wireless access points and system configuration assistance in support of the Wi-Fi Operational Upgrade project at Portland International Airport, in accordance with its 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 Rosenbaum called for a motion to approve the Executive Director's recommendations. Commissioner Chamberlain moved that the Executive Director's recommendations be approved. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

Agenda Item No. 6

## SECOND READING AND ENACTMENT – PORT OF PORTLAND ORDINANCE NO. 448 – ESTABLISHING A CUSTOMER FACILITY CHARGE ON RENTAL CAR TRANSACTIONS COMMENCING AT PORTLAND INTERNATIONAL AIRPORT TO FUND RENTAL CAR RELATED PROJECTS, PROGRAMS AND RELATED EXPENSES

This agenda item requested a second reading and enactment of proposed Port of Portland Ordinance No. 448 to authorize establishment of a Customer Facility Charge (CFC) on rental car transactions commencing at Portland International Airport to fund rental car-related projects and programs. Once approved, collection of CFCs will commence on January 15, 2014

David Pfeiffer read Ordinance No. 448 by title only.

David Pfeiffer presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That Port of Portland Ordinance No. 448, be given a second reading by title only; and

BE IT FURTHER RESOLVED, That the proposed Port of Portland Ordinance No. 448 in the form presented to the Commission, be enacted by a roll call vote; 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 Rosenbaum called for a motion to approve the Executive Director’s recommendations. Commissioner Chamberlain moved that the Executive Director’s recommendations be approved. Commissioner Tsuruta seconded the motion, which was put to a roll call vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

Agenda Item No. 7

FACILITY LEASE – UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval of a facility lease with the United States of America, Department of Transportation, Federal Aviation Administration, for certain premises located at Portland International Airport.

Matthew Hoffman presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to enter into a facility lease with the United States of America, Department of Transportation, Federal Aviation Administration, 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 Rosenbaum called for a motion to approve the Executive Director’s recommendations. Commissioner Chamberlain moved that the Executive Director’s recommendations be approved. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Chamberlain, Daggett, Levy, Rosenbaum and Tsuruta voted in favor of the motion.

The meeting adjourned at 10:36 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.

*Schwerin Campbell Barnard Iglitzin & Lavitt LLP*

ATTORNEYS AT LAW

*Of Counsel* Lawrence Schwerin  
James D. Oswald

ROBERT H. LAVITT  
*Lavitt@workerlaw.com*

*Original via electronic mail:  
(Dan.Pippenger@portofportland.com)*

December 10, 2013

Dan Pippenger  
General Manager, Marine Operations  
Port of Portland  
7200 NE Airport Way  
Portland, OR 97208

Re: Enforcement of Marubeni-Columbia Grain Lease  
SCBIL File No.: 3207-035


Dear Mr. Pippenger:

We write again regarding the Marubeni Corporation's violation of the terms of its lease of the public property known as the "bowtie" parcel. As you are no doubt aware, Marubeni, which operates in the U.S.A. as "Columbia Grain" or "CGI," locked out ILWU Local 8 members in May and prevented them from working their jobs. In response to the lockout, ILWU Local 8 and community supporters have maintained a round-the-clock protest to get their jobs back.

On Friday, December 6, 2013, CGI notified Local 8 that:

Columbia Grain has decided not to allow picketers on its private property any longer, effective at 9:00 a.m. today [December 6, 2013]. The picketers will be given two hours to remove all of their belongings from the property, including their tent, chairs and vehicles.

CGI can perhaps be forgiven for thinking of the bowtie parcel as its own private property in light of the Port's past failure to hold CGI accountable for violations of the terms of the lease. For example, in August 2013, CGI erected a fence for the purpose of suppressing the First Amendment protected activities of members of ILWU Local 8 and their community supporters. Not only did the erection of the fence violate the plain terms of the lease with the Port of Portland (which prohibits "any improvements" on the property), the fence also violated the public's right to access public property. Local 8 requested the Port enforce the terms of the lease and require CGI to remove the fence. The Port did not do so, and instead acquiesced to CGI's unlawful action. Fortunately, the City of Portland took action to protect the constitutional

18 West Mercer St, Ste 400 | (206) 285.2828 TEL  
Seattle, Washington 98119 | (800) 238.4231 TEL  
 workerlaw.com | (206) 378.4132 FAX

Mr. Dan Pippenger  
December 10, 2013  
Page 2 of 3

right of the protestors and the right of Oregon citizens to access their own public property and required CGI to remove the fence.

However, the property CGI references is of course not "private property" but rather public property leased to CGI for the specific "purpose of managing such Labor Event [the protest of CGI's lockout of its workers] and providing an alternative means of access to and from the Leasehold during the Labor Event." See Permit No. 2012-1054. The lease further states:

**PERMITTED USE.** Permittee may enter upon and use the Premises solely for the following purposes, subject to the terms and conditions set forth in this Permit "Permitted Uses": (i) **providing an area for ILWU to conduct the Labor Event**; and (ii) using the Premises Access Road (defined in Section 6.1) as the sole means of access to and from the Leasehold by Permittee and Permittee's Representatives (defined in Section 9) during the Labor Event. Permittee shall use the Premises solely for the Permitted Use and no other purpose.

Permit No. 2012-1054 [emphasis added]. By including this provision the Port plainly recognized the importance of having a clear designated location for picketing at the CGI entrance. Allowing CGI to ignore this language exacerbates an already volatile situation and creates a safety hazard.


**Local 8 calls on the Port to enforce the terms of CGI's lease, upon penalty of termination, and immediately restore Local 8's access to the bowtie parcel.** If the Port of Portland does not act to ensure CGI complies with the terms of its tenancy, the Port of Portland will have united with CGI in its effort to defeat the workers' efforts to preserve their jobs. The Port cannot persist in leasing property to a tenant in flagrant violation of the terms of its lease without the inevitable conclusion that it is acting in concert with CGI to deprive the Union's members of their constitutional right to picket and protest, and to further CGI's interests in its lockout of grain workers. Moreover, ignoring the plain terms of the lease provides a direct economic benefit to the Marubeni Corporation. By turning a blind eye to the contract violation and suppression of rights, the Port abandons its neutrality and sides with a foreign corporation in a labor dispute against Oregon workers.

By permitting CGI to use the bowtie parcel for a purpose other than the one stated in the lease, the Port of Portland will have, effectively, agreed to secret, non-public terms. This is prohibited by Oregon state law. Oregon Revised Statutes § 273.436 (requiring state agencies to reduce terms of lease to writing and adopt an order executing the terms of the lease). The public is entitled to know the terms of the agreements its public agencies make, and Oregon state law requires terms to be written and adopted via an order. The Port is not free to change the terms of its lease without any public process, and may not allow CGI to flagrantly violate the terms of the lease that requires it to provide the bowtie parcel to be used as part of the Labor Dispute. If I do not hear from you by close of business on Wednesday, December 11, I will assume that the Port of Portland has acquiesced again to CGI's unlawful actions.



Mr. Dan Pippenger  
December 10, 2013  
Page 3 of 3

Sincerely,



Robert H. Lawitt  
Counsel for ILWU Local 8

cc: Leal Sundet  
Richard Austin  
ILWU Local 8