

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
February 13, 2008**

In response to due notice, the regular meeting of the Commissioners of the Port of Portland was held at 9:00 a.m. in the Commission Boardroom of the Port's administrative offices at 121 N.W. Everett Street.

QUORUM

Commissioners present were Judi Johansen, President, presiding; Ken Allen; Peter Bragdon; Diana Daggett; Bruce Holte; Mary Olson; Paul Rosenbaum and Bill Thorndike. Also present were Bill Wyatt, Executive Director; participating staff members; and representatives of the public.

MINUTES

Commissioner Johansen called for a motion to approve the minutes of the Regular Commission Meeting of January 9, 2008. Commissioner Olson moved to approve the minutes. Commissioner Holte seconded the motion, which was put to a voice vote. Commissioners Allen, Bragdon, Daggett, Holte, Johansen, Olson, Rosenbaum and Thorndike voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt provided a brief overview of his recent trips to South America and Amsterdam.

Mr. Wyatt said we received great news about channel deepening funding. The President's budget request for fiscal year 2009 included \$36 million for the Columbia River Channel deepening project. He said staff will be working hard to ensure that Congress appropriates the \$36 million requested by the Administration. Mr. Wyatt noted the channel deepening project on the Columbia River between Astoria and Portland/Vancouver will be substantially complete by 2010.

Mr. Wyatt said the Request for Qualifications (RFQ) for the Terminal 6 project is now posted on the Port's website. He said a large variety of companies and individuals have been downloading the RFQ and we expect vigorous competition.

Mr. Wyatt said we are finally about to disposed of the Mazda cars we took possession of last summer as a result of the car-carrying vessel, Cougar Ace, which had nearly capsized. He said approximately 100 vehicles per day will be taken to Schnitzer Steel to be crushed and scrapped.

Mr. Wyatt said there has been some recent news about the USS Ranger, a decommissioned aircraft carrier located in Bremerton, Washington, which a group of veterans from the Ranger is anxious to relocate and use as a museum and convention center. He said the group looked for a location throughout the Puget Sound area, but they have set their sights on Terminal 2, an operating marine terminal in the middle of an industrial district. Mr. Wyatt said we have been clear with the USS Ranger Foundation that Terminal 2 it is not an appropriate location for the carrier and we will not support a plan to relocate it there.

Mr. Wyatt said tree removal for the additional work on Airport Way has begun. He noted that in recognition of the loss of urban canopy, the Port supported Friends of the Trees, which is a well-established Portland organization, with \$20,000 to plant trees elsewhere in Portland. Mr. Wyatt said if you have been to Portland International Airport (PDX) recently, you probably noticed that Airport Way is in full construction mode and so far, things are going very well.

Mr. Wyatt said Governor Kulongoski has appointed him to the Global Warming Commission. He said the appointment is appropriate because the Port and its facilities leave a fairly substantial carbon footprint in our region, so we are a contributor. He said the Port would also be a significant part of the solution to the challenge locally.

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

AWARD PRESENTATION

Mike Irwin, Oregon Federal Security Director for the Transportation Security Administration (TSA), presented the Port of Portland with the agency's Western Area Airport of the Year award. The award recognizes the airport that exhibits exceptional courtesy and attentiveness to all passengers and customers while offering the highest quality of airport security.

Mr. Wyatt said he appreciates the recognition, which is due, in large measure, to the great work of the TSA and the quality of the relationship between the Port and the TSA. Mr. Wyatt said he travels enough to know it does not work this well everywhere. He said he receives numerous comments about how seamless it is for passengers to move through PDX and on to their gates.

GENERAL DISCUSSION

Airport Futures Public Opinion Survey

Scott Drumm, the Port's research manager, said the purpose of the survey was to solicit input on the Airport Futures planning process from a broad-based, stratified sample of the public in the Portland-Vancouver area, both close-in to the airport and further out. Mr. Drumm said the City of Portland and Port staff had three primary goals for the survey: to collect statistically significant and reliable data; to have the survey done by an independent, objective third party; and to provide meaningful, valid information so the Airport Futures Planning Advisory Group would have the background to help make its decisions throughout the planning process. Mr. Drumm said they had a well-defined process for getting the survey developed and administered.

Mike Riley from Riley Research Associates provided an overview of the survey results. He said a take-away from the survey was that residents are currently very satisfied with the airport and they are looking for a balance in protecting neighborhood livability and the airport's ability to support the region's economic vitality and air travel options. He said the survey results also showed that residents appear willing to pay a surcharge to offset environmental and carbon impact of their flights. The residents are in support of most sustainability options, except for a surcharge to fly at peak times.

CONSENT AGENDA

No presentation was made of the following agenda items, which were brought before the Commission as part of the Consent Agenda. Commissioner Johansen read the titles of the agenda items and called for a motion to approve the items.

Agenda Item No. 1

CONSENT TO ENTERPRISE ZONE APPLICATION BY THE CITY OF PORTLAND

BE IT RESOLVED, That the Port of Portland Commission consents to an application by the City of Portland for the North/Northeast Portland Enterprise Zone located within Port of Portland district boundaries.

Agenda Item No. 2

PROPERTY SALE – BONNEVILLE POWER ADMINISTRATION – TROUTDALE REYNOLDS INDUSTRIAL PARK

BE IT RESOLVED, That approval is given to sell approximately 0.20 acres of real property located in the Troutdale Reynolds Industrial Park to Bonneville Power Administration, consistent with the terms presented to the Port of Portland 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.

Following the reading of the titles of the Consent Agenda by Commissioner Johansen, Commissioner Daggett moved that the Executive Director's recommendations be approved and Commissioner Holte seconded the motion. The motion was put to a voice vote. Commissioners Allen, Bragdon, Daggett, Holte, Johansen, Olson, Rosenbaum and Thorndike voted in favor of the motion.

ACTION ITEMS

Agenda Item No. 3

CONSTRUCTION CONTRACT AMENDMENT – PORT OF PORTLAND HEADQUARTERS AND PARKING STRUCTURE – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to amend the construction contract with Hoffman Construction Company for the Port of Portland headquarters building and second parking garage at Portland International Airport.

Karl Schulz presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to amend an existing construction contract with Hoffman Construction Company for the headquarters and parking structure project at Portland International Airport in accordance with the terms presented to the Commission; and

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

Agenda Item No. 4

GROUND LEASE AMENDMENT – LITCHFIELD CORNELL SQUARE, LLC – HILLSBORO AIRPORT

This agenda item requested approval of an amendment to the ground lease with Litchfield Cornell Square, LLC, at the Hillsboro Airport.

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

BE IT RESOLVED, That approval is given to amend the lease with Litchfield Cornell Square, LLC, on the terms and conditions described herein; 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 Holte moved that the Executive Director's recommendations be approved. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Allen, Daggett, Holte, Johansen, Olson, Rosenbaum and Thorndike voted in favor of the motion. Commissioner Bragdon was not present for the vote.

Agenda Item No. 5

PROPERTY SALE – 7.83 ACRES TO SHIPYARD COMMERCE CENTER LLC – SWAN ISLAND INDUSTRIAL PARK

This agenda item requested approval to sell the 7.83-acre former employee parking lot adjacent to the former Port of Portland Ship Yard (Shipyard) located in the Swan Island Industrial Park to the current owner of the Shipyard, Shipyard Commerce Center LLC.

Suzanne Brooks presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to sell 7.83 acres of land and parking lot improvements in the Swan Island Industrial Park to Shipyard Commerce Center 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 Allen moved that the Executive Director's recommendations be approved. Commissioner Rosenbaum seconded the motion, which was put to a voice vote. Commissioners Allen, Daggett, Holte, Johansen, Olson, Rosenbaum and Thorndike voted in favor of the motion. Commissioner Bragdon was not present for the vote.

Agenda Item No. 6

PROPERTY SALE – 3.27 ACRES TO JENKINS & SIMONS PROPERTIES, LLC – RIVERGATE INDUSTRIAL DISTRICT

This agenda item requested approval to sell approximately 3.27 acres of property located on North Harbogate Street in the Rivergate Industrial District to Jenkins & Simons Properties, LLC.

Joe Mollusky presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to sell 3.27 acres of property, located in the Rivergate Industrial District, to Jenkins & Simons Properties, LLC, consistent with the terms presented to the Port of Portland 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 Allen moved that the Executive Director's recommendations be approved. Commissioner Olson seconded the motion, which was put to a voice vote. Commissioners Allen, Bragdon, Daggett, Johansen, Olson, Rosenbaum and Thorndike voted in favor of the motion. Commissioner Holte was not present for the vote.

Commissioner Corey joined the meeting at this point.

Agenda Item No. 7

CONSTRUCTION CONTRACT – STRUCTURAL REHABILITATION AND CORROSION PROTECTION, PHASE 2 – TERMINAL 5, BERTH 503

This agenda item requested approval of an amendment to the existing pre-construction services agreement with Triton Marine Construction Corporation, of Bremerton, Washington, for Phase 2 rehabilitation and corrosion protection work within the potash export facility leased by Portland Bulk Terminals LLC at Terminal 5, pursuant to a ground lease with the Port of Portland.

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

BE IT RESOLVED, That approval is given to award a contract amendment to Triton Marine Construction Corporation for Phase 2 rehabilitation and corrosion protection work at Terminal 5, consistent with the terms presented to the Port of Portland 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.

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

The meeting adjourned at 10:48 a.m.

President

Assistant Secretary

Date Signed

A complete audio recording of these proceedings is available at the Port of Portland administrative offices, 121 N.W. Everett Street, Portland, Oregon 97209.