

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
June 13, 2012**

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; Peter Bragdon; Jim Carter; Steve Corey; Diana Daggett; and Paul Rosenbaum. Also present were Bill Wyatt, Executive Director; participating staff members; and members of the public.

Commissioner Johansen acknowledged her family and friends in the audience and announced that this would be her last formal Commission meeting, as she will be resigning on June 30. Commissioner Johansen thanked the Port's staff for all that they do. She said she has learned so much from them and she appreciates their professionalism. Commissioner Johansen said the Commission is blessed and honored to work with such a great team. Commissioner Johansen said Mr. Wyatt had "a little something" to do with the outstanding staff and she has been truly blessed to have been a Commissioner during his tenure because he is a gifted leader and a good businessman. She said she has learned a lot from him.

LEAVE OF ABSENCE

Commissioner Johansen called for a motion to grant a leave of absence to Commissioners Chamberlain and Holte, who were out of town. Commissioner Rosenbaum moved to grant the leave of absence. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Bragdon, Carter, Corey, Daggett, Johansen and Rosenbaum voted in favor of the motion.

MINUTES

Commissioner Johansen called for a motion to approve the minutes of the Regular Commission Meeting of May 9, 2012. Commissioner Bragdon moved to approve the minutes. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Bragdon, Carter, Corey, Daggett, Johansen and Rosenbaum voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt, Executive Director, noted there would be a farewell event for Commissioner Johansen at 1:00 p.m. in the atrium and invited everyone to attend to express their deep appreciation for her service to the Port. Mr. Wyatt noted that Commissioner Johansen was the first female Commission President in its 121-year history. He said she has been a terrific leader for the Port and it has been wonderful sitting next to her at the Commission table the past five years. Mr. Wyatt said it has been a wild decade and a lot has transpired since she was appointed to the Commission in 2003. He said we have been buffeted with some challenging times and having her steady hand on the helm has been immensely valuable to the organization and the employees. Mr. Wyatt said Commissioner Johansen will be greatly missed and will always be a member of the Port family.

Mr. Wyatt said we have a fairly unusual labor issue at Terminal 6. He said it is unusual because it represents a conflict between two unions who are claiming the same work. He said it does not involve a lot of positions, but it is a jurisdiction issue. He said we have essentially taken the position that we are going to honor our contracts. Mr. Wyatt said we have a contract with the District Council of Trade Unions, representing the International Brotherhood of Electrical Workers (IBEW), and this relationship has existed for a very long time. He said IBEW had the rights to this work, which we recognized in our lease agreement with ICTSI. Mr. Wyatt noted we were fully aware that the International Longshore and Warehouse Union might contest this, which they have.

Mr. Wyatt said that on the surface it is a simple matter, but beyond two unions claiming the same work, there is nothing simple about it, it is immensely complicated. He said it has involved a flurry of filings and motions and unfair labor practice suits and arbitrations. He said frankly, he is comfortable with the position we have taken to honor our contracts with DCTU and ICTSI. He said we have been notified by the National Labor Relations Board that they intend to uphold unfair labor practice charges, which will make this an illegal work stoppage and give us further tools to bring this to a conclusion. Mr. Wyatt said this is a fast moving story and he will keep the Commission apprised as it develops.

Mr. Wyatt noted that the new FBI building will be dedicated on June 15. He said the building gives new meaning to the word “secure” and will concentrate all the FBI activities in one place.

Mr. Wyatt said Portland State University will be releasing their report on the outreach efforts of the Lower Willamette Group related to the Portland Harbor. He said the outreach was a combination of trying to educate people and to get their feedback about what they want to see as a result of the multi-faceted efforts on the Lower Willamette. He said the efforts have been extraordinary and he is eager to see the full report released.

Mr. Wyatt said we have had a lot of new air service announcements recently; what is significant about this is it reflects the growing strength of the local economy. People are flying and that is a very good sign. Mr. Wyatt gave kudos to our air service development group for successfully recruiting these carriers. He said this means it will probably be our second largest volume year in the Port’s history in terms of passenger volume. He said we are close to being back to where we were in 2008.

Mr. Wyatt said we are having an additional open house on West Hayden Island (WHI) on June 20. He said we are now expecting that the annexation issue will go before the City Council in October. He said there are a lot of outstanding issues and disagreements about how those will be resolved, but overall the process is going well and he is reasonably confident we will get to a successful conclusion.

Mr. Wyatt said the Port received a Beneficial Use Determination from the Department of Environmental Quality authorizing the placement of Terminal 2 dredge material on WHI, which is currently a dredge material disposal site.

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

SAFETY AND HEALTH ACHIEVEMENT RECOGNITION PROGRAM AWARD PRESENTATION

Vince Granato, Chief Operations Officer, said he was pleased to inform the Commission that we have achieved our fourth-year Safety and Health Achievement Recognition Program (SHARP) certification at Marine Operations Maintenance. He acknowledged Sam Ruda, Chief Commercial Officer, who until the reorganization in February, was the Director for this group. Mr. Granato said his strong support since Marine started this process was key to their ongoing successes. Mr. Granato recognized the members of the Action Planning Team: Lyle Larson, Lead Landscape Gardener; Phil Friesen, Electrician; Scott Carter, Marine Maintenance Superintendent; Bill McCormack, Marine Security Superintendent; Matt English, Laborer Foreman; Richard (Tiny) Henry, Marine Carpenter; Chris MacQuarrie, Plumber; Andrea Marzette, Risk Manager; Ellen Ridgeway, Safety Program Administrator; Gregg Bieber, Safety Program Administrator; Todd Staple, Marine Maintenance Manager and Steve Eversmeyer, Safety & Loss Control Manager.

William (Buddy) Kloster of Oregon OSHA presented the SHARP awards to Lyle Larson, representing the landscape employees, and Phil Friesen, representing electrician and security employees, and he presented a plaque to Mr. Granato, which represented the fourth-year certification at Marine. Mr. Kloster briefly highlighted examples of the employees' work that signifies what the SHARP process is about and the reason Marine Operations continues to successfully complete the program.

Following the presentation of the SHARP awards, Mr. Wyatt presented Commissioner Johansen with her own Port of Portland safety pack. He said the emphasis she has put on safety has had an impact throughout the organization. He said people are paying attention to it and we are far more aware that safety is and needs to be a priority.

Mr. Wyatt congratulated Marine Operations for their achievement. He said that five years ago, we set out on a multi-year project to improve our health and safety culture and become a SHARP certified organization and that this a key strategic initiative for the Port. He thanked employees for the work they have done to implement the SHARP initiatives within their work practices and for working to continuously improve our safety performance.

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 AND ELECTRONIC COMMERCE DESIGNATION 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 a new Enterprise Zone and Electronic Commerce designation located within Port of Portland district boundaries. The Port Commission's consent is contingent upon approval of the application for a new Enterprise Zone and Electronic Commerce designation by the Portland Development Commission and Portland City Council.

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

ACTION ITEMS

Agenda Item No. 2

CONSTRUCTION CONTRACT – PAVEMENT TEMPERATURE SENSORS – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a construction contract to H & H Electric, Inc., to install pavement temperature sensors and miscellaneous system components at Portland International Airport.

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

BE IT RESOLVED, That approval is given to award a construction contract to H & H Electric, Inc., for installation of pavement temperature sensors and miscellaneous system components at Portland International Airport, 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 Johansen called for a motion to approve the Executive Director's recommendations. Commissioner Bragdon moved that the Executive Director's recommendations be approved. Commissioner Carter seconded the motion, which was put to a voice vote. Commissioners Bragdon, Carter, Corey, Daggett, Johansen and Rosenbaum voted in favor of the motion.

Agenda Item No. 3

GROUND LEASE AND RAMP MANAGEMENT AGREEMENT– UNITED PARCEL SERVICE, INC. – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to enter into a new ground lease and a ramp management agreement with the United Parcel Service, Inc., in the AirTrans Center at Portland International Airport.

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

BE IT RESOLVED, That approval is given to enter into a new ground lease and a ramp management agreement with the United Parcel Service, Inc., in the AirTrans Center 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 Johansen called for a motion to approve the Executive Director's recommendations. Commissioner Bragdon moved that the Executive Director's recommendations be approved. Commissioner Daggett seconded the motion, which was put to a voice vote. Commissioners Bragdon, Carter, Corey, Daggett, Holte, Johansen and Rosenbaum voted in favor of the motion.

Commissioner Johansen noted that Governor Kitzhaber has appointed Commissioner Carter to be the Commission President effective July 1, 2012. She congratulated Commissioner Carter and said that being Commission President is a great honor but there are people behind the scenes that make the job easier: Bill Wyatt's executive staff. She thanked Pam Thompson, Elise Neibert and David Mitchell for all their support and tremendous work month after month.

The meeting adjourned at 9:33 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.

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