

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
March 10, 2010**

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 Commission Boardroom of the Port's administrative offices at 121 N.W. Everett Street.

QUORUM

Commissioners present were Judi Johansen, President, presiding; Jim Carter; Steve Corey; Bruce Holte (via telephone) and Mary Olson. Also present were Bill Wyatt, Executive Director; participating staff members; and members of the public.

Commissioner Johansen noted the agenda had been revised and the Consent to Enterprise Zone Application by the City of Sandy was added to the consent agenda.

LEAVE OF ABSENCE

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

MINUTES

Commissioner Johansen called for a motion to approve the minutes of the Regular Commission Meeting of February 10, 2010. Commissioner Corey moved to approve the minutes. Commissioner Olson seconded the motion, which was put to a voice vote. Commissioners Carter, Corey, Holte, Johansen and Olson voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt said he thought the Commission retreat held yesterday went very well; he noted that the retreat focused on the Port's short-, medium- and long-term strategic plan as well as the budget. He said the feedback received from the Commission was excellent and he plans to discuss it in further detail with the Directors.

Mr. Wyatt said that in terms of business activity, it is clear that in most of our lines of business, we now know where the bottom is and we can say that, without some other global or nation-wide system shock, things will begin to improve, and in some cases, already have started to improve. He said it has been a challenging 16 months because our aviation and marine lines of business have been performing well below historical averages, so it is nice to know that things are headed in the right direction.

Mr. Wyatt said that passenger volumes at PDX were up a half-percent last month. He said this may not seem like much, but it is better than being down 10, 12 or 14 percent, which we were consistently experiencing on a month-on-month basis in the past year or so. Mr. Wyatt said we are still in the midst of our effort with the International Air Service Committee to provide

whatever support we can to support international flights. He said we just concluded the Haiku contest, which is part of that effort, and the winners have been announced.

Mr. Wyatt said that we had the ceremonial opening of P2, the second parking garage at PDX, with the official opening on March 18. He said that was the beginning of a really exciting time for us. This Commission meeting is the second to the last meeting we will have in the Port Building and the May 12 meeting will be held in the new headquarters Commission room.

Mr. Wyatt said new full-body scanners will be deployed nation-wide; PDX will get six machines, but the timing is unknown at this time. He said this has been controversial, but he has been impressed with the feedback from airports that already have them. He said there is a general acceptance that this is part of the modern age of aviation. He said the new machines will require construction at the throats of both of our security areas, but we will be prepared when they arrive.

Mr. Wyatt said we submitted our projects for the ConnectOregon III program and we have had some initial rankings from some of the subgroups. He said he hopes we will do very well. One of our high-priority projects, repowering the Dredge OREGON, has received broad recognition of its merit. He said the project has enormous benefits, not the least of which is to dramatically reduce the Port's greenhouse gas contribution as well as our contribution to diesel particulates.

Mr. Wyatt said the City of Portland is closing in on approval of the River Plan, which affects primarily the Willamette River and is designed to generate resources for restoration and mitigation activities in the working harbor area. Mr. Wyatt said we have expressed concerns about the approach the City is proposing, including concern about an additional layer of review and regulation from the City itself.

Mr. Wyatt said he and Commissioner Bragdon will be in Seoul and Shanghai next week for business and economic development discussions. He said traveling with Commissioner Bragdon is a great opportunity because in addition to being a Port Commissioner, he is also General Counsel for Columbia Sportswear and they would be meeting with ocean carriers who do business with Columbia and are very important to the Port.

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

General Discussion

State Partnership Program with Bangladesh

Mark Crosby, the Port's Chief Security Officer and member of the Oregon Air National Guard, presented an overview of the State Partnership Program (SPP). He said the SPP mission is to enhance the United States' ability to build positive, enduring relations with developing nations that improve long-term international security and enhance good will. Mr. Crosby discussed the history of SPP, the State partnerships and the establishment process. He also discussed the timeline for the Oregon SPP, the focus areas and the next steps.

Rear Admiral Rahman, Director General of the Ministry of Shipping, said he is certain the partnership will not only benefit Oregon and Bangladesh, but will have global benefits as well.

Mr. Rahman said that Bangladesh has the biggest inland shipping port in the world and reviving its river system will have great benefits, including increased trade. He said not only is maritime transportation the cheapest, but it is also the most environmentally-friendly mode of transportation. Mr. Rahman said that because of the partnership with the Port and the State of Oregon, he is hopeful everyone will realize the many mutually-beneficial opportunities for decades to come.

Captain Khan, Civil Aviation Authority, said this is the first time he has seen hope for the Civil Aviation Authority and is looking forward to what the Port can teach them about passenger and luggage screening as well as airport safety and security and standardizing airport operations. He thanked everyone for the opportunity to learn new things and looks forward to a successful partnership.

James Moriarty, U.S. Ambassador to Bangladesh, thanked the Port for participating in the SPP and for helping with the resources to make the program succeed. He said the Port will both learn and teach as part of the partnership. Ambassador Moriarty said clearly everyone is excited and the program will make great progress and will build a strong bond between the people of Bangladesh and the people of Oregon. He said Bangladesh is a country that believes in some of the same fundamental values we believe in and they can play an increasingly important role in the global stage. He said what the SPP is doing is contributing to the positive future of Bangladesh and offered his thanks for that.

CONSENT AGENDA

No presentation was made of the following agenda item, which was brought before the Commission as part of the Consent Agenda. Commissioner Olson read the title of the agenda item and called for a motion to approve the item.

Agenda Item No. 1

CONSENT TO ENTERPRISE ZONE APPLICATION BY THE CITY OF SANDY

BE IT RESOLVED, That the Port of Portland Commission consents to application by the City of Sandy for an Enterprise Zone located within Port of Portland district boundaries; 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 title of the Consent Agenda by Commissioner Johansen, Commissioner Olson seconded the motion. The motion was put to a voice vote. Commissioners Carter, Corey, Holte, Johansen and Olson voted in favor of the motion.

ACTION ITEMS

Agenda Item No. 2

CONCESSION LEASE – THE BARBERS LLC – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to enter into a concession lease with The Barbers LLC for barber and shoeshine services at Portland International Airport.

Rebecca Sonniksen presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to enter a concession lease with The Barbers 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 Carter moved that the Executive Director's recommendations be approved. Commissioner Corey seconded the motion, which was put to a voice vote. Commissioners Carter, Corey, Holte, Johansen and Olson voted in favor of the motion.

Agenda Item No. 3

CONTRACT AMENDMENT – RUNWAY 10R/28L REHABILITATION – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to amend a professional services contract with HNTB Corporation for design services on the Runway 10R/28L Rehabilitation project at Portland International Airport.

Chris Edwards presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to amend the professional services contract with HNTB for the design phase of the Runway 10R/28L (South Runway) Rehabilitation 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 Corey moved that the Executive Director's recommendations be approved. Commissioner Olson seconded the motion, which was put to a voice vote. Commissioners Carter, Corey, Holte, Johansen and Olson voted in favor of the motion.

Agenda Item No. 4

CONTRACT AMENDMENT – ELEVATOR, ESCALATOR AND MOVING WALKWAY MAINTENANCE – PORTLAND INTERNATIONAL, HILLSBORO AND TROUTDALE AIRPORTS

This agenda item requested approval to amend the current contract with Schindler Elevator Company to incorporate the remaining five option years of renewal contemplated in the contract for preventative and corrective maintenance services of 90 elevators, escalators and moving walkways at Portland International, Hillsboro and Troutdale Airports for an annual amount of approximately \$1,184,200.

Larry Medearis presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval be given to amend the contract with Schindler Elevator Company for elevator, escalator and moving walkway services at Portland International, Hillsboro and Troutdale Airports, through December 31, 2015, 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 moved that the Executive Director's recommendations be approved. Commissioner Olson seconded the motion, which was put to a voice vote. Commissioners Carter, Corey, Holte, Johansen and Olson voted in favor of the motion.

The meeting adjourned at 11:03 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.

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