

MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
September 10, 2014

Following due notice to the public, the regular meeting of the Board of 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.

An audio recording was made of these proceedings. The recording, and the full Commission agenda, is available by contacting the Port of Portland administrative offices, 7200 N.E. Airport Way, Portland, Oregon 97218. The following written minutes constitute a summary of the proceedings.

QUORUM

Commissioners present were Jim Carter, President, presiding; Peter Bragdon; Tom Chamberlain; Diana Daggett; Bruce Holte; Linda Pearce and Paul Rosenbaum. Also present were Bill Wyatt, Executive Director, participating staff members and members of the public.

LEAVE OF ABSENCE

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

MINUTES

Commissioner Carter called for a motion to approve the minutes of the Regular Commission Meeting of August 13. Commissioner Rosenbaum moved to approve the minutes. Commissioner Bragdon seconded the motion, which was put to a voice vote. Commissioners Bragdon, Carter, Chamberlain, Daggett, Holte, Pearce and Rosenbaum voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt addressed the Commission and audience. He began with a reminder that the formal Executive Director's report is attached to the Commission packet that is mailed in advance of the meeting; he uses this opportunity to comment on what has been happening over the course of the last month.

Mr. Wyatt's comments covered the following general topics:

- Planned departure of Sam Ruda, Chief Commercial Officer, at the end of the year;
- Announcement that Pembina has selected Portland as the site for the company's West Coast propane export terminal;
- Confirmation from Standard & Poors of the Port's bond Ratings (AA- for Revenue Bonds and A for PFC Bonds);

- New seasonal service to Frankfurt on Condor Airlines beginning in summer of 2015, and to Iceland on Icelandair beginning in May 2015; and
- Update on community planning processes including the Troutdale Master Plan Project Advisory Committee and the Maritime Futures Blue Ribbon Task Force.

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

GENERAL DISCUSSION

2013-2014 Environmental Performance

Dorothy Sperry, Environmental Affairs Manager, provided an overview of the Port's environmental programs and objectives and the environmental performance for Fiscal Year 2013-2014.

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

CLEARING OF TITLE BY TRANSFER OF POSSIBLE PROPERTY INTEREST TO METRO

BE IT RESOLVED, That approval is given to grant a quitclaim deed to Metro and enter into other agreements necessary to resolve title, dredging and use issues surrounding the Gleason Boat Ramp, 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.

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

ACTION ITEMS

Agenda Item No. 2

CONCESSION LEASE AGREEMENTS – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to enter into new concession lease agreements with the following successful proposers from the Port of Portland's solicitation for food and beverage and retail opportunities at Portland International Airport:

- Café Yumm!
- Mo's Chowder Restaurant
- Bambuza Vietnam Kitchen
- MOD Pizza
- Potbelly Sandwiches
- Henry's Tavern
- Subway Sandwiches
- Metalsmiths Sterling
- cc McKenzie
- The Country Cat at PDX
- Hissho Sushi

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

BE IT RESOLVED, That approval is given to enter into 11 new concession lease agreements with the successful proposers from the Port of Portland's solicitation for food and beverage and retail opportunities 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.

The following people provided remarks in support of the agenda item: Lee Konidas, CEO of Metalsmiths Sterling; Daniel Nguyen, owner of Bambuza Vietnam Kitchen; and Heather Westing, local Subway Sandwiches franchisee.

Van Touch and Mike Hoffer, employees at Gustavs, and Joanna Rudolph, a PDX concessions employee, addressed the commission regarding the future of concessions employees at PDX and their desire for an employee retention policy. Byron Hitchens, a SeaTac concessions employee, addressed the Commission regarding a worker retention policy at PDX. Nischit Hegde, a representative of Unite Here Local 8, addressed the Commission regarding a worker retention policy at PDX.

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

Agenda Item No. 3

PORT OF PORTLAND ORDINANCE NO. 455-B TO AMEND ORDINANCES NOS. 155 AND 323 AND THE CERTIFICATE OF THE EXECUTIVE DIRECTOR FOR THE SERIES EIGHTEEN BONDS, TO IMPLEMENT CERTAIN PRE-AUTHORIZED AMENDMENTS

This agenda item requested approval of Port of Portland Ordinance No. 455-B to amend the Port's Ordinances Nos. 155 and 323 as follows:

- Exclude customer facility charge revenues from the Revenues, pledged to the repayment of the airport revenue bonds;

- Permit any Net Revenues remaining after making all deposits and transfers to the Subordinate Lien Bond (SLB) Fund, Junior Lien Obligations Fund and Third Lien Obligations (TLO) Fund, to be used to pay or secure the payment of Special Obligation Bonds;
- Disregard non-cash, unrealized gains, losses, expenses and/or revenues, including the fair value of Qualified Swaps, Qualified TLO Swaps, other swap agreements or other derivative products, for purposes of determining the Port's compliance with the rate covenants set forth in this Section 5 (f) and (g) of Ordinance 323;
- Delete Section 17 C of Ordinance No. 155 "Filing and Recording of Ordinances; Instruments of Further Assurance"; and
- Combine the SLB Interest Account, SLB Serial Bond Principal Account and the SLB Term Bond Principal Account within the SLB Fund into one account (previously approved by the Commission in Ordinance 449-B in March 2014). All references to these accounts in the Executive Director Certificate for Series 18 Bonds will be amended accordingly.

Tatiana Starostina presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That Port of Portland Ordinance No. 455-B, in the form presented to the Commission, be read by title only; and

BE IT FURTHER RESOLVED, That the proposed Port of Portland Ordinance No. 455-B, 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.

Tatiana Starostina read Ordinance No. 455-B by title only.

Commissioner Carter called for a motion to approve the Executive Director's recommendations. Commissioner Chamberlain moved that the Executive Director's recommendations be approved. Commissioner Bragdon seconded the motion, which was put to a roll call vote. Commissioners Bragdon, Carter, Chamberlain, Daggett, Pearce and Rosenbaum voted in favor of the motion. Commissioner Holte was not present for the vote.

Agenda Item No. 4

SOFTWARE AS A SERVICE CONTRACT – PROJECT AND PORTFOLIO MANAGEMENT SYSTEM

This agenda item requested approval to award a software as a service contract to Aurigo Software Technologies, Inc. (Aurigo) in the amount of \$3,294,980 for implementation and subscription services for Aurigo's project and portfolio management information system, Masterworks™.

Josh Moriarty presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a software as a service contract to Aurigo Software Technologies, Inc., for software implementation and subscription services, in accordance with this agenda item; 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 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, Chamberlain, Daggett, Pearce and Rosenbaum voted in favor of the motion. Commissioner Holte was not present for the vote.

Agenda Item No. 5

PERSONAL SERVICES CONTRACT – RENTAL CAR QUICK TURN AROUND FACILITY – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a personal services contract to Mackenzie in the amount of \$3,722,666 for design services related to the Rental Car Quick Turn Around Facility project at Portland International Airport.

Greg Sparks presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a personal services contract for the design of the Rental Car QTA Facility project at Portland International Airport to Mackenzie, in accordance with this agenda item; 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 called for a motion to approve the Executive Director's recommendations. Commissioner Rosenbaum moved that the Executive Director's recommendations be approved. Commissioner Chamberlain seconded the motion, which was put to a voice vote. Commissioners Carter, Chamberlain, Daggett, Pearce and Rosenbaum voted in favor of the motion. Commissioners Bragdon and Holte were not present for the vote.

Agenda Item No. 6

PUBLIC IMPROVEMENT CONTRACT – TERMINAL CARPET REPLACEMENT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to award a public improvement contract to Emerick Construction Company for carpet replacement at the Portland International Airport terminal in the amount of \$8,070,380.

Robin McCaffrey presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to award a public improvement contract for the PDX Terminal Carpet Replacement project at Portland International Airport to Emerick Construction Company 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 Carter 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 Carter, Chamberlain, Daggett, Pearce and Rosenbaum voted in favor of the motion. Commissioners Bragdon and Holte were not present for the vote.

The meeting adjourned at 11:22 a.m.

President

Assistant Secretary

Date Signed