

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
October 14, 2020**

Following due notice to the public, the regular meeting of the Board of Commissioners of the Port of Portland was held virtually at 9:30 a.m. The meeting was streamed live on the Port's website and YouTube channel.

An audio recording was made of these proceedings. The recording, and the full Commission agenda, is available on the Port's website: www.portofportland.com. The following written minutes constitute a summary of the proceedings.

QUORUM

Commissioners present, all via Microsoft Teams, were Alice Cuprill-Comas, President, presiding; Mike Alexander; Katherine Lam; Bob Levy; Pat McDonald; Meg Niemi; Sean O'Hollaren; Linda Pearce and Tom Tsuruta. Also present were Curtis Robinhold, Executive Director, and participating staff members.

Commissioner Cuprill-Comas noted that due to the COVID-19 pandemic, the Commission is meeting virtually, and the meeting would be streamed live on the Port's website and YouTube channel.

MINUTES

Commissioner Cuprill-Comas called for a motion to approve the minutes of the Special Commission Meeting of September 8, 2020 and the Regular Commission meeting of September 9, 2020. Commissioner Tsuruta moved to approve the minutes. Commissioner O'Hollaren seconded the motion, which was put to a roll call vote. Commissioners Alexander, Cuprill-Comas, Lam, McDonald, O'Hollaren and Tsuruta voted in favor of the motion. Commissioners Levy, Niemi and Pearce were not present for the vote.

EXECUTIVE DIRECTOR'S REPORT

Curtis Robinhold addressed the Commission and audience; his comments covered the following general topics:

- Acknowledged the monthly safety champions and asked Stan Watters for this month's safety message;
- Noted the Port took an important step forward by adding anti-racist language to its core values. To ensure our work is explicitly clear, the following language was added: We acknowledge and actively work to dismantle institutional racism in our workplace.”;
- Noted air cargo continues to be a bright spot at PDX as they continue to bring much-needed goods and medical supplies into our region;
- Said the International Longshore and Warehouse Union and Pacific Maritime Association recently reached an agreement to increase staffing for the waterfront over the next several months;

- Noted the physically-distanced celebration of the 20th anniversary of the Hillsboro Airport Air Fair that included a free drive-in movie of Coco, in both Spanish and English;
- Thanked Oregon State Representative Teresa Alonso Leon for joining our all-employee town hall to help commemorate Hispanic Heritage Month; and
- Noted we continue to share the ongoing impacts of the pandemic on Port operations with our Congressional delegation as the leadership and the White House negotiate another COVID response package.

Commissioner Cuprill-Comas called for a motion to approve the Executive Director’s Report. Commissioner O’Hollaren moved to approve the Executive Director’s Report. Commissioner Levy seconded the motion, which was put to a roll call vote. Commissioners Alexander, Cuprill-Comas, Lam, Levy, Niemi, McDonald, O’Hollaren, Pearce and Tsuruta voted in favor of the motion.

PUBLIC COMMENT

The following people provided testimony regarding the proposed Verizon/Skyward drone test facility: Matt Stein, a St. John’s resident and business owner; Cassie Cohen, Executive Director, Portland Harbor Community Coalition; Michael Pouncil, Portland Harbor Community Advisory Group; and Toma Deavers, Braided River Campaign. Written comments were received from Barbara Quinn, a resident of North Portland, regarding the proposed drone test facility.

Following the testimony, there were comments from Keith Leavitt, Chief Commercial Officer, and the Commission.

GENERAL DISCUSSION

PDXNext Update

Vince Granato, Chief Project Officer, provided an update on the PDXNext projects.

CONSENT ITEMS

No presentations were made for the following agenda items, which were brought before the Commission as the Consent Agenda.

Agenda Item No. 1

COMMISSION POLICY NO. 6.1.2 – INVESTMENTS

BE IT RESOLVED, That Port of Portland Commission Policy No. 6.1.2, *Investments*, dated October 14, 2020, is hereby readopted; and

BE IT FURTHER RESOLVED, That a copy of Port of Portland Commission Policy No. 6.1.2, *Investments*, shall be attached to the minutes of this meeting.

Agenda Item No. 2

APPOINTMENT AND DESIGNATION OF ASSISTANT TREASURERS

BE IT RESOLVED, That effective October 14, 2020, Curtis Robinhold, Antoinette Chandler, Robert A. Burket, Lisa K. Fedeli, Suzanne Kenny, Kenneth A. Gorton, and Dylan P. Lauzon are designated Assistant Treasurers of the Port of Portland Commission and shall perform such functions and duties as the Commission shall authorize from time to time; and

BE IT FURTHER RESOLVED, That all previous Assistant Treasurer designations be rescinded.

Following the reading of the titles of the Consent Agenda by Commissioner Cuprill-Comas, Commissioner Alexander/Tsuruta moved to approve the recommendations. Commissioner O'Hollaren seconded the motion, which was put to a roll call vote. Commissioners Alexander, Cuprill-Comas, Lam, Levy, McDonald, Niemi, O'Hollaren, Pearce and Tsuruta voted in favor of the motion.

ACTION ITEMSAgenda Item No. 3

PERSONAL SERVICES CONTRACT AMENDMENT – TERMINAL CORE REDEVELOPMENT PROJECT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to amend the existing personal services contract with ZGF Architects LLP for the Terminal Core Redevelopment project at Portland International Airport in the amount of \$24,174,264. The increase included in this amendment will fund additional construction document development and construction administration services.

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

BE IT RESOLVED, That approval is given to amend the existing personal services contract with ZGF Architects for the Terminal Core Redevelopment project 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.

Following the presentation there was a question from Commissioner Alexander.

Commissioner Cuprill-Comas called for a motion to approve the recommendations. Commissioner Alexander moved that the recommendations be approved. Commissioner Pearce seconded the motion, which was put to a roll call vote. Commissioners Alexander, Cuprill-Comas, Lam, Levy, McDonald, Niemi, O'Hollaren, Pearce and Tsuruta voted in favor of the motion.

Agenda Item No. 4

INTER-GOVERNMENTAL AGREEMENT – TRIMET MAX RED LINE EXTENSION PROJECT – PORTLAND INTERNATIONAL AIRPORT

This agenda item requested approval to execute an Amended and Restated Inter-Governmental Agreement between the Port of Portland and the Tri-County Transportation District of Oregon (TriMet) for the design and construction of the airport terminal section of the Metropolitan Area Express (MAX) Red Line Extension Project (TriMet’s A Better Red project) at Portland International Airport in the amount of \$4,258,000.

Eric Forsyth presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to execute an Inter-Governmental Agreement with the Tri-County Transportation District of Oregon for the MAX Red Line Expansion project at Portland International Airport; 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 presentation there were comments from the Commission.

Commissioner Cuprill-Comas called for a motion to approve the recommendations. Commissioner Tsuruta moved that the recommendations be approved. Commissioner O’Hollaren seconded the motion, which was put to a roll call vote. Commissioners Alexander, Cuprill-Comas, Lam, Levy, McDonald, Niemi, O’Hollaren, Pearce and Tsuruta voted in favor of the motion.

The meeting adjourned at 10:46 a.m.

President

Assistant Secretary

Date Signed

From: Barbara Quinn
Sent: Tuesday, October 13, 2020 10:59 PM
To: Testimony <Testimony@portofportland.com>
Cc: Cassie Cohen
Subject: Testimony - Port of Portland Commission

To: Port of Portland Commission

Re: LU 20-142770 GW

In regard to the proposed Verizon/Skyward drone test site north of Cathedral Park/Green Anchors:

Verizon/Skyward has said they will not fly test drones over public spaces, such as St. Johns' residential neighborhood or Cathedral Park, but the proposed fly zone over the river ignores the fact that it too is a public space. The river is owned by the community and hosts recreational users regularly. In spite of this, there has been no meaningful discussion with the public on the drones effect on river users. Since the applicant's proposal includes a boat to pick up drones, it is clear some could go down in the river. This presents an unacceptable risk of danger to recreational river users, not to mention the drones overhead flight is an infringement on their privacy.

Further, the Federal Aviation Administration has no federal restrictions on overflight of residential areas. That means we only have Verizon's word they won't fly over neighborhoods even though there's nothing to stop them. That makes concerning potential for privacy violations, especially since Verizon does not have a good track record in the area of privacy protection. The company handed over the private information of its entire customer base in response to a likely illegal request from the NSA. Our diverse north Portland community does not need to be burdened with the fear of being surveilled by extraordinarily high-powered drones.

Another important question: Is it appropriate for a public agency, the Port of Portland, to compel our community to serve as a base for the development of technology with advanced surveillance capabilities when the largest market for them has been government, military and law enforcement around the world. In fact, Verizon is already partnering with the US military at Marine Corps Air Station Miramar in San Diego for development of a military version of the 5G drone. The media reports that the "initiative with Verizon will improve Defense officials' grasp of what the new technology is capable of and how it should be utilized both on bases and for operations abroad." There is every likelihood that these powerful drones will be used to surveil law-abiding civilians around the world just as we've seen in peaceful protests in various US cities. Is this something the Port of Portland wants to be affiliated with?

Privacy laws are not strong enough to ensure that the new technology will be used responsibly and consistently with democratic values. Until privacy laws catch up to the technology, this proposal should be off the table and not imposed on the community by a public agency, the Port of Portland, with no meaningful public process and input.

Sincerely,

Barbara Quinn

Portland OR

PORT OF PORTLAND COMMISSION POLICY

INVESTMENTS Policy No. 6.1.2

Readopted Commission Meeting of October 14, 2020

The Port of Portland's investment program shall be operated in conformance with Oregon Revised Statutes and applicable Federal Law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to regulations established by the State of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

Objectives

The primary objective of the Port of Portland investment program is preservation of capital. Consistent with that objective and the cash flow needs of the Port the investment portfolio shall be managed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return and income return, this policy discourages active trading and turnover of investments. Investments should generally be held to maturity.

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to Assistant Treasurers and the Debt, Cash and Investments Program Manager. No person may engage in an investment transaction except as provided under the terms of this policy.

Investment Types

The Port may invest its funds in securities or investments subject to ORS 294.035, 294.040, and 294.810, with the following restrictions:

Time certificates of deposit with any issuer will not exceed 30 percent of the net capital of such issuer, based on their most currently published financial report and shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.

Banker's acceptances guaranteed by a qualified financial institution shall not exceed 30 percent of the net capital of such institution, based on their most currently published financial report.

No more than 5 percent of municipal bond funds shall be placed with any single issuing authority other than the State of Oregon or one of its agencies. However, to the extent that any reserve or construction funds exist and are also subject to yield restrictions by U.S. Treasury regulations or code, such funds may be invested in municipal bonds and no more than 20 percent of such funds shall be placed with any single issuing authority other than the State of Oregon or one of its agencies.

Repurchase agreements shall not exceed a term of 30 days. Collateral provided to the Port under a repurchase agreement shall be deposited with the Port's custodian bank(s), marked to the market daily and maintained at a minimum level in conformance with ORS 294.035 (3)(j).

Repurchase agreements may be entered into with authorized dealers or institutions when a master repurchase agreement or specific written contract governs the transaction. In no case will the total of such agreements with any firm exceed 10 percent of their equity (based on their most recently published financial report).

Diversification

The portfolio will be diversified so that the par value for each of the security classes shown shall not exceed the maximum position indicated as a percentage of the portfolio:

U.S. Treasury Obligations	100% maximum
U.S. Agency Obligations (GSE) (but no single Agency position shall exceed 30% of the portfolio)	100% maximum
Corporate Indebtedness (subject to ORS 294.035)	35% maximum
Time Certificates of Deposit (TCD)	30% maximum
Bankers Acceptances (subject to ORS 294.035(D))	30% maximum
Repurchase Agreements Under 30 days	50% maximum
Municipal Debt Obligations (subject to ORS 294.035) (No single issuer shall exceed 5% of the portfolio)	15% maximum
Oregon Short Term Fund (subject to ORS 294.810)	As allowed under Oregon Statutes

Investments in Bankers Acceptances, TCDs and other Corporate Indebtedness of any single company or qualified financial institution shall not, in the aggregate, exceed 5 percent of the portfolio. Where appropriate exposures will be limited by security type, maturity, issuance and issuer. Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations: Moody's Investors Service; Standard & Poor's; or Fitch Ratings Service, ratings should be investment level ratings and not issuer level ratings (see ORS 294.035).

If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, designated staff shall bring the portfolio back into compliance in a prudent manner as soon as feasible. Due to fluctuations in the portfolio balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the original purchase date. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

Investment Maturity

Since the Port's operating cash needs are generated through operating revenues rather than tax receipts, the Port has more flexibility in structuring maturities than is typical for a municipal district dependent primarily on tax resources. Investments will be timed to meet projected cash requirements unless a shorter maturity is desirable. Funds may be invested to a maximum maturity of five years from the date of settlement.

The portfolio will be structured to meet the following minimum maturities:

- Two years and under, 55 percent of par value
- Three years and under, 75 percent of par value
- Five years and under, 100 percent of par value

In all cases, the "Prudent Person Standard" shall apply to investment decisions. The only exceptions to the maximum maturity shown shall be cases where the Port is using the security as collateral on an operating agreement or in instances where the Port is purchasing its own bonds in the marketplace to lower outstanding debt.

Authorized Dealers and Financial Institutions

The Port may purchase or sell securities subject to the provisions of this policy through any of the following:

- Banks, savings and loans, and mutual savings banks authorized to do business in Oregon (not simply loan production offices).
- Primary security dealers as designated by the Federal Reserve Bank of New York and Oregon secondary dealers.
- Primary agency selling group members as designated by the U.S. agency involved.

Financial institutions utilized as depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

Safekeeping

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP). All securities will be evidenced by safekeeping receipts in the name of the Port of Portland. Securities acquired through repurchase agreements with the Port's custodian bank(s) may be held by the custodian bank(s). In all cases, payment shall be made only upon delivery.

Reporting Requirements

Quarterly, staff will provide the Commission with portfolio reports showing: portfolio diversification, yield and benchmarking comparisons, maturity distribution, and investment allocation, or any other report or information as the Commission may request. The Commission has review authority over the investment program.

Renewal

This policy shall be reviewed annually by the Commission.