



AGENDA
Regular Commission Meeting
Port of Portland Headquarters
7200 N.E. Airport Way, 8th Floor
November 10, 2010
9:30 a.m.

Minutes

Approval of Minutes: Regular Commission Meeting – October 13, 2010

Executive Director

Approval of Executive Director's Report – October 2010

General Discussion

External Audit Results

*PRICEWATERHOUSE-
COOPERS*

Consent Item

1. PORT OF PORTLAND CONTRACTING RULES REVISIONS *CRAIG JOHNSEN*
Requests approval of revisions to the Port of Portland Contracting Rules.

Action Items

2. CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT *STAN SNYDER*
Requests approval to amend two contracts related to the In-Line Baggage Screening Improvements Project at Portland International Airport.
3. MASTER DEVELOPMENT AGREEMENT AMENDMENT AND GROUND LEASE WITH OPTION – 19.29 ACRES TO MEPT RIVERGATE IV LLC – RIVERGATE INDUSTRIAL DISTRICT *JOE MOLLUSKY*
Requests approval to amend the Master Development Agreement with MEPT Rivergate III LLC to adjust the lease rate and option terms for a ground lease with an option to lease additional land in Rivergate Industrial District.

4. COLUMBIA/SNAKE RIVER SYSTEM LOCK CLOSURE –
SHIPPER SUPPORT PROGRAM – MARINE & INDUSTRIAL
DEVELOPMENT

DAN PIPPENGER

Requests approval to establish and fund a program in support of up-river export cargo interests during the 16-week lock closure on the Columbia/Snake River system.

5. APPROVAL OF INTERGOVERNMENTAL AGREEMENT WITH
STATE OF OREGON OFFICE OF GOVERNOR-ELECT
CONCERNING TOM IMESON

CARLA KELLEY

Requests approval of an intergovernmental agreement for the Port of Portland's Director of Public Affairs to assist on a temporary and part-time basis on Governor-elect Kitzhaber's transition team.

PORT OF PORTLAND CONTRACTING RULES REVISIONS

November 10, 2010

Presented by: Craig Johnsen
Manager
Contracts and Procurement**EXECUTIVE SUMMARY**

This agenda item requests approval of revisions to the Port of Portland (Port) Contracting Rules (Exhibit A-1, a “redlined” version; and Exhibit A-2, a final version*).

The Oregon Legislature made changes to the Public Contracting Code (ORS Chapters 279A, B, and C; the Code herein) in the 2009 regular legislative session, and again during the 2010 special session. Oregon’s Attorney General (AG) amended Oregon’s model public contracting rules effective January 1, 2010. The Port Contracting Rules are partially composed of applicable statutes from the Code, so the Port Contracting rules must be revised for consistency with the Code. The Port has not adopted Oregon’s model public contracting rules, but instead has adopted its own rules of procedure for public contracts. The Code requires the Port to review its unique Contracting Rules each time the AG modifies Oregon’s model public contracting rules. The Port has completed that review, resulting in minor additional changes to the Port Contracting Rules. Contracts and Procurement and Legal staff have jointly reviewed the Port Contracting Rules and updated them to reflect all applicable changes.

In the course of their comprehensive review, Port staff also made some grammatical improvements in the current rules and made a number of formatting and similar changes. No new Port rules have been added as a result of these changes.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That the Commission adopts the revised Port of Portland Contracting Rules set forth on the attached Exhibit A-2 as the Port of Portland’s official Contracting Rules; and

BE IT FURTHER RESOLVED, That Exhibits A-1 and A-2 be attached to the minutes of this meeting.

* Due to the volume of these documents, hard copies or electronic versions are available upon request.

CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT

November 10, 2010

Presented by: Stan Snyder
Engineering Project Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to amend two contracts related to the In-Line Baggage Screening Improvements (BSI) Project at Portland International Airport (PDX):

- Amend the PGAL Architecture, LLC (PGAL), personal services contract for project design to add to the scope and increase the contract amount by a sum not to exceed \$1,350,000; and
- Amend the Hoffman Construction Company (Hoffman) Construction Management/General Contractor (CM/GC) construction contract to add scope, extend the schedule for performance and increase the contract cost by an amount not to exceed \$3,200,000.

BACKGROUND

The BSI Project team is installing an automated in-line baggage screening and delivery system which requires:

- Demolition of the existing baggage handling system;
- Remodeling approximately 65,000 square feet of the terminal deplaning level space to accommodate the new baggage handling system and displaced tenants;
- Infrastructure modifications including electrical, mechanical, fire suppression and communication systems, structural and seismic upgrades;
- Installation of 11,000 linear feet of new conveyor belts and six new baggage make-up carousels;
- Integration of eight Transportation Security Administration (TSA) -provided explosive detection system (EDS) baggage screening devices; and
- Construction of new work space for the TSA and maintenance support.

The bulk of the work is located on the secure side of the ground level of the terminal building. A detailed construction phasing strategy has been implemented to minimize disruption to Port of Portland (Port), airline and tenant operations while maintaining the safety and security of the work area. Funding is being provided by the airlines and the TSA.

Project Milestones to Date

- 2002: Conceptual design on the project started with an initial consultant contract awarded to PGAL under the Executive Director's delegated authority.

CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT

November 10, 2010

Page 2

- November 2007: Following a competitive selection process, the CM/GC construction contract was awarded to Hoffman Construction.
- January 2008: Start of construction
- May 2008: Design completed
- May 2009: TSA change in EDS equipment
- October 2010: South Matrix operational

Construction is approximately 75 percent complete. In November 2009, the project schedule was extended seven months largely as the result of the EDS change. The proposed schedule, with the adjustments as described in this agenda item below shows the North Matrix operational in June 2011 with project completion by August 2011. This represents an addition of four weeks to the existing schedule.

Amendment to the PGAL Personal Services Contract

The Port originally selected PGAL in 2002 based on a competitive selection process to provide design and construction support services for the BSI Project. The Port approved schematic design in mid 2006. PGAL completed the project design in May 2008. In May 2009, PGAL went through a significant redesign effort to accommodate the change in the TSA EDS machines. PGAL is currently supporting the construction effort through review of contractor and vendor compliance with specifications; responding to change and information requests; and site visits and system commissioning.

The proposed amendment to the PGAL personal services contract would incorporate three changes:

1. Additional Commissioning Services: In November 2009, the Commission approved Amendment No. 8 to the PGAL contract, authorizing an additional \$600,000 in available funds primarily to cover the impact of the TSA's change in the EDS equipment. However, the actual amount of Amendment No. 8 was ultimately only \$358,000 because the Port elected not to include testing and commissioning services in that amendment due to uncertainties. Instead, the Port planned to add the testing and commissioning work scope under a future contract amendment once the program was better understood.

In order to recover from the impact of the TSA equipment change, the team established an aggressive schedule, setting an October 1, 2010, operational date for the South Matrix. Port staff estimates that this schedule saved the project approximately two months and over \$1.5 million on the South Matrix alone, and it is expected that similar savings will be realized on the North Matrix. However, this approach comes at some cost, since significant additional effort is necessary to test and commission the system over a much shorter timeframe than was originally planned. The additional testing and

CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING
IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT

November 10, 2010

Page 3

commissioning effort by PGAL is related to overtime, “piecemeal” of the work (evaluating system operation piece by piece), and standby time. The total estimated cost of PGAL’s additional testing and commissioning effort is \$1.2 million.

2. Additional Design Services: This additional work includes development of the contingency plans for system operations and design of custom TSA search tables. The cost of this additional design is approximately \$150,000.
3. Increase Contract Amount: Based on an evaluation of rates and hours and subsequent negotiations with PGAL, Port staff has determined that the proposed amendment for construction support services in an amount not to exceed \$1,350,000 is fair and reasonable. PGAL would be compensated based on established hourly rates and approved reimbursables.

PGAL Contract Summary

Original Contract Schematic Design	\$292,015
Amendment 1: Refine Conceptual Designs	\$484,574
Amendment 2: Clarify Work Scope	\$0
Amendment 3: Final Design	\$3,800,000
Amendment 4: Administrative	\$0
Amendment 5: North/South Redesign & Additional Design Scope	\$1,157,635
Amendment 6: Construction Support Services	\$5,622,613
Amendment 7: Additional Design Scope and Time Extension	\$391,724
Amendment 8: Additional work scope for EDS change	\$358,776
Total to Date	\$12,107,337
Amendment 9: (Proposed)	
Additional Commissioning Services	\$1,200,000
Additional Design Services	\$150,000
New Contract Total	\$13,457,337

Amendment to Hoffman Construction Contract

In October of 2006, the Commission approved Hoffman as the construction contractor for the BSI project. The Port and Hoffman entered into a pre-construction services contract under which Hoffman developed a budget estimate, construction schedule, phasing plan and sub-contracting strategies that served as the basis for negotiating a construction contract that was approved by the Commission in November 2007. The contract was subsequently amended with Commission approval for added scope in May 2008 and again in November 2009. Changes to the existing Hoffman contract are summarized in a table below.

CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING
IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT

November 10, 2010

Page 4

This proposed amendment of \$3,200,000 to the Hoffman contract would address three items:

1. Added Work Scope: As work has progressed, numerous changes to Hoffman’s work scope have been required. These changes include tenant improvements, fireproofing, design refinements, facility upgrades and improved conveyor system access. Most of these changes have been offset by various line item savings in the original Hoffman contract. However, the amount of changes to date has exceeded the forecasted ability of the contract to absorb these changes by approximately \$2,500,000.
2. Four Week Time Extension: A schedule extension of four weeks is being requested. This extension is due to the cumulative impact of the additional work scope, the delay in receipt of the TSA’s test plan, and the TSA testing program taking longer than planned. The estimated cost of the time extension is \$400,000.
3. Additional Fee: If approved, the total of this proposed amendment plus the approved amendments to date will exceed 12 percent of the initial Maximum Construction Cost (MCC) as defined in the Hoffman contract. In accordance with the contract, when the amount of changes exceeds 10 percent of the initial MCC, the fee is to be adjusted 2.25 percent of the difference between the initial MCC and the adjusted MCC. The amount of the additional fee is approximately \$275,000.

Hoffman Contract Summary

Original Contract	\$101,300,000
Amendment 1: Additional Work Scope	\$3,000,000
Amendment 2: 2-Month Time Extension	\$0
Amendment 3: EDS equipment change	\$6,200,000
Total to Date	\$110,500,000
Amendment 4: (Proposed)	
Additional Work Scope	\$2,525,000
4-week Time Extension	\$400,000
Additional Fee	\$275,000
New Contract Total	\$113,700,000

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to amend the existing contract with PGAL Architecture, LLC, for the In-line Baggage Screening Improvements Project, consistent with the terms presented to the Commission; and

CONSTRUCTION CONTRACT AMENDMENT – IN-LINE BAGGAGE SCREENING
IMPROVEMENTS PROJECT – PORTLAND INTERNATIONAL AIRPORT

November 10, 2010

Page 5

BE IT FURTHER RESOLVED, That approval is given to amend the existing construction contract with Hoffman Construction Company for the In-Line Baggage Screening Improvements Project, 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.

**MASTER DEVELOPMENT AGREEMENT AMENDMENT AND GROUND LEASE WITH
OPTION – 19.29 ACRES TO MEPT RIVERGATE IV LLC – RIVERGATE INDUSTRIAL
DISTRICT**

November 10, 2010

Presented by: Joe Mollusky
Real Estate Program Manager**EXECUTIVE SUMMARY**

This agenda item requests approval to amend the Master Development Agreement (MDA) with MEPT Rivergate III LLC (MEPT III) to adjust the lease rate and option terms for a ground lease for approximately 12.44 acres of land, with an option to lease an additional 6.85 acres of land (total of 19.29 acres), located on North Lombard Street in Rivergate Industrial District (Rivergate), to MEPT Rivergate IV LLC (MEPT IV), a Delaware limited liability company. This lease represents the second lease of property under the MDA signed by the Port of Portland (Port) and MEPT III in July 2007.

BACKGROUND

MEPT IV will develop a build-to-suit auto parts distribution facility within the Lombard Site for sublease to Subaru of America, Inc. (Subaru). Subaru's strong auto sales in North America have resulted in increased market share and significant growth projections. Subaru is seeking to lease a 250,000-square-foot (sf) facility for auto parts distribution and desires an option to expand this facility to over 400,000 sf within five years. This distribution center will serve the western United States and western Canada. Subaru currently imports approximately 10,000 twenty-foot equivalent unit containers into west coast ports.

Per the MDA, the Lombard Site will be developed in phases and upon completion, build-out will include approximately 2.5 million square feet of multi-tenant warehouse and distribution facilities. The marketing goal for the Lombard Site is to attract users that will potentially utilize other Port services and generate additional marine container business. With this lease, the Port has the opportunity to explore future logistics opportunities with Subaru for auto parts distribution operations.

The MDA will be amended to allow the Port to enter into a Ground Lease and Option with MEPT IV for a sublease with Subaru. The MDA amendment will address the following lease provisions:

- Allow for a five-year option to lease additional property (6.85 acres) of a future take-down parcel, to accommodate Subaru expansion plans;
- Allow for phased prepaid rent payment schedule for the ground lease; and
- Adjust the lease rate to reflect market conditions.

MASTER DEVELOPMENT AGREEMENT AMENDMENT AND GROUND LEASE WITH
OPTION – 19.29 ACRES TO MEPT RIVERGATE IV LLC – RIVERGATE INDUSTRIAL
DISTRICT

November 10, 2010

Page 2

The Ground Lease terms are as follows:

- Lessee: MEPT Rivergate IV LLC, newly formed entity owned by the MEPT Edgemoor REIT LLC
- Term: 55 years
- Extension Option: Three extension options of ten years each.
- Lease Premises: 12.44 acres
- Rent: Prepaid rent of \$500,000 upon lease execution and remaining rent of \$2,154,246 payable 18 months after lease execution, based on \$5.00/sf.
- Option to add 6.85 acres of adjacent land (Option Parcel) to leased premises:
 - Option period is five years.
 - Rent for the Option Parcel would be payable at the time of exercise of the option, calculated based on a rate of \$5.00/sf. If the option is not exercised 18 months after lease execution, the option lease rate will be subject to escalation at three percent annually from such date.
- Security deposit of \$186,600, based on \$15,000 per acre.
- Lessee shall be granted an approximately 30-foot-wide nonexclusive utility easement through an adjacent, unleased portion of the Lombard Site known as "Lot C" to connect existing utilities located in N. Lombard Street to the Phase 2 Parcel.
- Lessee shall also be granted a nonexclusive easement over the adjacent Phase 1 lease premises previously leased to MEPT III under the MDA, to provide vehicle and pedestrian access from the Phase 2 Parcel to N. Lombard Street.
- MEPT IV will be responsible for all improvements.

MEPT IV plans to commence construction of the 250,000 sf distribution facility in February 2011, and complete construction in September 2011, for Subaru occupancy in October 2011.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to amend the Master Development Agreement with MEPT III to provide for lease of approximately 12.44 acres of land, with an option to lease an additional 6.85 acres of land (total of 19.29 acres), located on North Lombard Street in Rivergate Industrial District, to MEPT Rivergate IV LLC, for development of a distribution facility, 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.

COLUMBIA/SNAKE RIVER SYSTEM LOCK CLOSURE – SHIPPER SUPPORT PROGRAM – MARINE & INDUSTRIAL DEVELOPMENT

November 10, 2010

Presented by: Dan Pippenger
General Manager
MID Operations & Marketing**EXECUTIVE SUMMARY**

This agenda item requests approval to establish and fund a program in support of up-river export cargo interests during the lock closure (Shipper Support Program). The Port would provide funds, not to exceed \$800,000, would be used to financially support export shippers, in order to maintain containerized cargo flow through Terminal 6 (T-6) during the unprecedented 16-week extended lock closure, between December 2010 and March 2011, on the Columbia/Snake River lock system. The program will conclude with the earlier of the reopening of the locks or depletion of the program funds.

BACKGROUND

The Port of Portland's (Port) Mission Statement reflects the importance to the region of access to global markets: "To enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets." A key component of the Port's effort to meet this mission is the export of regional cargo by ocean carrier to international markets through the container operation at T-6.

The U.S. Army Corps of Engineers (Corps) has announced an estimated 16-week extended lock closure, beginning in December of this year, for major repairs to the locks on the Columbia/Snake River system. This extended closure impacts the ability of exporters from this region to get their containerized goods to T-6 at competitive rates and could lead to the erosion of ocean carrier service, the loss of revenue, and the loss of longshore jobs. Business and community leaders from upriver have urged the Port to make a concerted effort to maintain the level of ocean carrier service at T-6 and the viability of the container-on-barge system.

The container-on-barge system has significant cost and environmental advantages over both rail and truck options from upriver ports and is a major service advantage for the Port. During the closure, containerized cargo will need to be transported by truck or rail to the export port. Without barge system economics, the cost differential is either not in favor of Portland or, at minimum, is negligible with Puget Sound ports. Maintaining cargo flow to the Port, in support of the current direct calling carriers, and in support of the export shippers, is the central goal of this initiative.

The Shipper Support Program will help ensure that Portland remains an economically viable alternative for moving containers during the lock closure.

COLUMBIA/SNAKE RIVER SYSTEM LOCK CLOSURE – SHIPPER SUPPORT PROGRAM –
MARINE & INDUSTRIAL DEVELOPMENT

November 10, 2010

Page 2

In developing this program, Port staff took into consideration the following:

- Hapag-Lloyd: During the same period last season, 41% of Hapag-Lloyd's export cargo loading out of T-6 originated from the upriver ports of Umatilla, Boardman and Lewiston.
- Westwood: The new Westwood service to Japan is an export-only service at this time. While it did not operate last year, this service is currently drawing over 11% of its cargo from the barge system.
- CKYH: Last season during the December-March time frame, Portland's largest ocean carrier service used the barge service to load about 7.5% of its cargo.

The Port has also been working with the Port of Lewiston and the BNSF Railway Company to offer a rail option to Portland.

In the case of Boardman and Umatilla, the only viable routing option is to use trucks. Trucking rates to bring containers from Boardman and Umatilla to Portland are about the same as hauling the containers to Puget Sound.

As a result of assessing viable routing options and their respective economics, Port staff recommends that a short-term "Shipper Support Program" focused on up-river containerized shippers should be implemented to help preserve cargo flow and competitive market access during the lock closure.

The Shipper Support Program would provide a per-unit reimbursement to shippers for whom there is a recent historical record of shipping through T-6 using container-on-barge services, and who move full export containers through T-6 with an origin point upriver east of the John Day dam. A total of \$800,000 would be available using rates of \$400 per container for Lewiston origin and \$250 for Boardman/Umatilla origins. Upon reopening of the locks or the depletion of funds, whichever comes first, the Shipper Support Program would cease.

Funding for the Shipper Support Program would come from General Fund cash reserves and the Marine operating budget.

Description of Project

A full container with a point of origin east of the John Day locks, which normally would have shipped through T-6 using container-on-barge services, must move by truck or rail and load at the Port during an extended lock outage scheduled by the Corps.

The Port will implement the Shipper Support Program through individual agreements with eligible shippers and carriers (as determined by bill of lading origin). The agreements will include appropriate internal controls for determining program reimbursements, which will be available on a first come first serve basis, and will provide for termination of the program upon the earlier of the reopening of the lock system or depletion of the program funds.

COLUMBIA/SNAKE RIVER SYSTEM LOCK CLOSURE – SHIPPER SUPPORT PROGRAM –
MARINE & INDUSTRIAL DEVELOPMENT

November 10, 2010

Page 3

Approximate anticipated volumes are based on December 2009 to March 2010 full moves as noted in the table below. Market projections are for a slightly higher number of upriver exports due to the positive market conditions for certain agricultural products. Rates will be \$250 for full export containers moving from Umatilla and Boardman, and \$400 for full export containers from Lewiston. The historic number and market projections provide a floor and ceiling projection for the program of \$731,100 and \$840,000. Staff recommends that \$800,000 will accomplish the strategic objective of maintaining cargo flow through T-6 during this period.

FY 09/10 Actuals	Umatilla	Boardman	Lewiston	Total
CKYH	295	349	326	970
Hapag-Lloyd	61	101	998	1,160
Westwood	0	0	0	0
Total	356	450	1324	2,130
Projections	Umatilla	Boardman	Lewiston	
	350	450	1600	2,400
Rate	\$250	\$250	\$400	
FY 09/10 Actuals	\$89,000	\$112,500	\$529,600	\$731,100
Projection	\$87,500	\$112,500	\$640,000	\$840,000

Alternatives

Taking no action may result in the following outcomes:

- Risk of ocean carriers suspending service, in whole or in part, during the lock closure.
- Shippers implementing non-barge alternatives on a longer term and/or permanent basis.
- Reduced connectivity to the Port of Portland as a gateway port of choice.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That to promote continuity and market access through the Port of Portland's Terminal 6 for the duration of the December 2010-March 2011 extended lock closure, approval is given for the Port of Portland to provide up to \$800,000 for the Shipper Support Program on 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.

APPROVAL OF INTERGOVERNMENTAL AGREEMENT WITH STATE OF OREGON OFFICE OF GOVERNOR-ELECT CONCERNING TOM IMESON

November 10, 2010

Presented by: Carla L. Kelley
General Counsel**EXECUTIVE SUMMARY**

The Port of Portland's (Port) Director of Public Affairs, Tom Imeson, has been asked by Governor-elect Kitzhaber to assist on a temporary and part-time basis in coordinating the Governor-elect's transition team. The assignment will be for a period of not more than 90 days. Mr. Imeson would continue to fulfill his responsibilities to the Port during this time period. This arrangement is covered by Port Ordinance No. 413 Section 2, which by its terms permits such an arrangement with Commission consent and an intergovernmental agreement. Staff believes this assignment will further the Port's statutory mission.

BACKGROUND

Under its authorizing statutes, ORS 778 and ORS 777, the Port has broad powers to do that which it deems "requisite, necessary or convenient" "to promote the maritime, shipping, aviation, commercial and industrial interests of the Port." The Port routinely interacts with all branches of state, local and federal governments to fulfill its core functions.

In 1994, the Port Commission modified its existing ordinance governing the responsibilities and authority of the Port's Executive Director to provide that:

"the Executive Director may from time to time provide assistance to and take on assignments on behalf of other units of government within the State of Oregon, pursuant to intergovernmental agreement, upon consent of the Commission and for periods not exceeding ninety (90)days." ⁱ Ordinance No. 413 Section 2.

The current position description for the Director of Public Affairs provides that he or she will advise the Executive Director on strategic issues related to public policy and governmental affairs. In addition, the Director of Public Affairs is to "[l]ead the Port's interaction with external public policy processes, including direct involvement with elected officials and stakeholders." This position description reflects the Port's interest in building strong relationships with elected officials and other stakeholders in order to fulfill its broader mission, and is consistent with the assignment of Mr. Imeson to the Governor-elect's transition team.

Although Ordinance 413 explicitly authorizes the Executive Director to take on temporary assignments on behalf of the State of Oregon, the Ordinance also contains within it broad authority for the Executive Director to delegate responsibilities to others "...as is deemed requisite, necessary or convenient in carrying out the work of the Port." In this context, the provision is not limited to only the Executive Director's personal services and the Executive Director may dedicate Port resources such as the services of its employees to provide such assistance.

APPROVAL OF INTERGOVERNMENTAL AGREEMENT WITH STATE OF OREGON OFFICE
OF GOVERNOR-ELECT CONCERNING TOM IMESON

November 10, 2010

Page 2

Mr. Imeson has been asked to coordinate Governor-elect Kitzhaber's transition team on a temporary and part-time basis. The time period specifically authorized by Port Ordinance 413 is 90 days; this time period will be specified by intergovernmental agreement. Mr. Wyatt has asked Mr. Imeson to take on this task as requested by the Governor-elect. Ordinance 413 requires Commission consent to this agreement.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to enter into an intergovernmental agreement with the State of Oregon under which Tom Imeson, Director of Public Affairs, would provide assistance to Governor-elect Kitzhaber's transition team on a temporary and part-time basis, 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.

ⁱThe Ordinance was passed when Port Executive Director Mike Thorne had been asked to serve an administrative role at the beginning of Governor Kitzhaber's first term.