

**MINUTES
REGULAR COMMISSION MEETING
THE PORT OF PORTLAND
November 9, 2016**

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 on the Port's website: www.portofportland.com. The following written minutes constitute a summary of the proceedings.

QUORUM

Commissioners present were Jim Carter, President, presiding; Michael Alexander; Tom Chamberlain; Alice Cuprill-Comas; Bob Levy; Pat McDonald; Tom Tsuruta and Gary Young. 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 Commissioner Pearce, who was out of town. Commissioner Chamberlain moved to grant the leave of absence. Commissioner Young seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

MINUTES

Commissioner Carter called for a motion to approve the minutes of the Regular Commission Meeting of October 12, 2016. Commissioner Chamberlain moved to approve the minutes. Commissioner Cuprill-Comas seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

EXECUTIVE DIRECTOR'S REPORT

Bill Wyatt addressed the Commission and audience. He said his formal Executive Director's report is attached to the packet that is sent out with the Commission materials prior to the meeting. He takes advantage of this opportunity to talk about things that have occurred over the course of the last month.

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

- Noted the Commission meeting will be livestreamed in test mode the next couple of months with the hopes of making livestreaming available to external users early next year;
- Recognized the Port's monthly safety champions, provided evacuation instructions in the event of an emergency and asked Stan Watters for this month's safety message;
- Recognized the veterans working at the Port;

- 29th annual Conde Nast Readers' Choice Awards survey recognized PDX as the second-best domestic airport in the United States;
- PDX received two significant grants from the Federal Aviation Administration; an Airport Improvement grant of \$11.6 million and a Voluntary Airport Low Emission grant of \$5.7 million;
- Cathay Pacific launched new twice-weekly cargo service to Hong Kong on November 3;
- Alaska Airlines will launch new service to Newark Liberty International Airport on November 10;
- Icelandair announced they will offer up to five flights a week from Portland during next summer's high season;
- On November 14, the Port, Delta Air Lines and the regional travel partners will celebrate London Day, an event to draw attention to the upcoming service to London;
- Southwest Airlines announced they will be exiting the Portland–Orange County market on January 5, 2017;
- A new food cart will open at PDX this week – Moberi will serve smoothies and acai bowls;
- The Port is currently accepting applications for our Mentor-Protégé Program, which helps build effective working relationships between leaders of mature, established companies and emerging minority and women-owned companies;
- On October 25, we completed two more of our statewide visits to Salem and Eugene as part of our 125th anniversary outreach. Next up will be trips to Astoria and Tillamook; and
- The Port hosted 900 attendees at our annual Hillsboro Airport Open House on October 22.

Commissioner Carter called for a motion to approve the Executive Director's Report. Commissioner Tsuruta moved to approve the Executive Director's Report. Commissioner Levy seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

GENERAL DISCUSSION

External Audit Results and Port of Portland Fiscal Year-End 2016 Financials

Bob Burket, Controller, presented a high-level overview of the Fiscal Year 2016 financial performance, focusing on the Port's two major financial components: the General Fund and PDX. He reviewed the operating revenues, expenses and income for each area.

Mike MacBryde, Partner, and one of the Port's auditors from PricewaterhouseCoopers, briefly reviewed the required communications and summarized the results of the audit.

CONSENT AGENDA

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

Agenda Item No. 1

CONSENT TO EXPANSION OF THE NORTH URBAN CLACKAMAS COUNTY ENTERPRISE ZONE

BE IT RESOLVED, That the Port of Portland Commission consents to the joint application by Clackamas County, the City of Happy Valley, and City of Milwaukie for the expansion of the North Urban Clackamas County 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.

Agenda Item No. 2

APPROVAL OF ADJUSTMENTS TO THE APPROPRIATION LEVELS FOR FISCAL YEAR 2016-17

BE IT RESOLVED, That in accordance with ORS 294.463, the Port of Portland Commission finds the need to adjust appropriations within the Airport Revenue Fund in the amounts shown on Exhibit A and for the purposes shown on Exhibit B, incorporated by this reference, to provide for reimbursement of demolition and site preparation costs stipulated in the MAC Venture LLC (dba Mecham Air Center) ground lease that were not anticipated at the time the Fiscal Year 2016-17 Budget was adopted; and

BE IT FURTHER RESOLVED, That copies of Exhibit A, Schedule of Appropriations Fiscal Year 2016-17, and Exhibit B, Explanation of Changes to Fund Appropriations Fiscal Year 2016-17, shall be included in the minutes of this meeting; and

BE IT FURTHER RESOLVED, That the Budget Officer is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.

Agenda Item No. 3

LEASE AMENDMENT – CONGLOBAL INDUSTRIES, INC. – RIVERGATE INDUSTRIAL DISTRICT

BE IT RESOLVED, That approval is given to enter into a lease amendment with ConGlobal Industries, Inc., for an additional 0.35 acres of land adjacent to ConGlobal's leasehold in the Rivergate Industrial District, 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 titles of the Consent Agenda by Commissioner Carter, Commissioner Chamberlain moved that the Executive Director's recommendations be approved. Commissioner Young seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

ACTION ITEMS

Agenda Item No. 4

EQUIPMENT PURCHASE CONTRACT – MOTOROLA SOLUTIONS, INC.

This agenda item requested approval to award an equipment purchase contract to Motorola Solutions, Inc., to purchase 126 APX™ radios and recording and backup consolettes for the Portland International Airport Communications Center, and miscellaneous radio accessories.

Linda Dyson presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That approval is given to enter into a lease amendment with Auto Warehousing Co. to add the 18.845-acre Rivergate Industrial District site to the existing Auto Warehousing Co. leasehold, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That approval is given to enter into a public improvement contract with Auto Warehousing Co. for the auto processing facility project in Rivergate Industrial District, 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 called for a motion to approve the Executive Director’s recommendations. Commissioner Chamberlain moved that the Executive Director’s recommendations be approved. Commissioner Levy seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

Agenda Item No. 5

PUBLIC HEARING AND ENACTMENT OF PORT OF PORTLAND ORDINANCE NO. 459-B TO ISSUE UP TO \$285 MILLION OF PORTLAND INTERNATIONAL AIRPORT REVENUE BONDS, SERIES TWENTY-FOUR

This agenda item requested approval of Port of Portland Ordinance No. 459-B to authorize the sale of up to \$285 million aggregate principal amount of Portland International Airport Revenue Bonds, Series Twenty-Four, in one or more series, to fund capital projects in the Airline Cost Center. Additionally, Ordinance No. 459-B authorizes the issuance of bonds to fund the Subordinate Lien Bonds Reserve Account, capitalize interest and pay costs of issuance.

Lisa Fedeli presented the Executive Director’s recommendations as follows:

BE IT RESOLVED, That Port of Portland Ordinance No. 459-B, in the form presented to the Commission, be read by title only; and

BE IT FURTHER RESOLVED, That a public hearing be held prior to adopting Port of Portland Ordinance No. 459-B, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended; and

BE IT FURTHER RESOLVED, That proposed Port of Portland Ordinance No. 459-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.

Commissioner Carter opened a public hearing for the purpose of taking testimony on Ordinance No. 459-B. Hearing no comments, Commissioner Carter closed the public hearing and asked Ms. Fedeli to read Ordinance No. 459-B by title only.

Commissioner Carter called for a motion to approve the Executive Director's recommendations. Commissioner Cuprill-Comas moved that the Executive Director's recommendations be approved. Commissioner Levy seconded the motion, which was put to a roll call vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Tsuruta and Young voted in favor of the motion.

The meeting adjourned at 10:44 a.m.

President

Assistant Secretary

Date Signed

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