

## **PORTLAND INTERNATIONAL AIRPORT UPDATE**

TO: PDX Community Advisory Committee

FROM: Vince Granato, Chief Operating Officer

DATE: June 21, 2017

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### **BUSINESS UPDATE**

#### **Airport Activity**

PDX is experiencing strong passenger growth. For the first five months of 2017, overall passenger volumes are growing at a rate of 5.5%. Our international passenger traffic is experiencing double digit growth, adding over 30,000 international passengers with all of our international carriers growing. Both IcelandAir and Condor brought back their seasonal flights earlier this year.

#### **Additional Air Service Development Updates**

The airport is seeing growth from new flights that started this winter and spring, including destinations of: Newark, Sun Valley, Orlando, and Philadelphia.

In total for 2017, we have launched or will launch 11 new or additional frequencies including two international flights.

We are on track for our busiest summer and the fifth year of record passenger traffic. The eclipse this summer will play a role in bringing additional passengers for tourism across all modes of transportation.

On May 24<sup>th</sup>, Grupo Aeroméxico and Delta Air Lines announced new routes and additional frequencies for customers flying between Mexico and the United States as part of their new joint cooperation agreement. A new route between Mexico City and Portland, Oregon is one of those new routes starting December 1<sup>st</sup>.

On May 26<sup>th</sup>, Delta launched seasonal service from Portland to London representing Portland's first and only flight to the U.K. The flight will be operated four days per week from May 26, 2017, through Oct. 29, 2017 using a Boeing 767-300ER aircraft. The London service will complement Delta's existing long-haul international service to Amsterdam and Tokyo for Portland's business and leisure travelers.

Alaska Airlines brought four new markets to Portland customers. New seasonal and year- round service includes:

- Portland-Philadelphia, started May 22;
- Portland-Milwaukee, Wisconsin, started June 5;
- Portland-Baltimore started June 6.
- New nonstop service between Portland-Albuquerque will start Aug. 18 and operate year-round.

Cathay Pacific has increased year -round service from two to three flights per week and will be providing five flights per week during peak times associated with seasonal northwest agricultural products.

## **Airport Concessions/Properties**

### **Award Winning Concessions**

Airports Council International-North America (ACI-NA) announced at the end of April that Portland International Airport is the winner of the Richard A. Griesbach Award of Excellence in the 2017 ACI-NA Airport Concessions Awards.

The award was based on a concessions program that focused on operational efficiency and the passenger experience. In particular, ACI acknowledged efforts to incorporate local flavor that represents regional businesses in the community while providing a supportive and professional atmosphere to ensure success for all business partners. The success of Portland’s concessions program has been providing opportunities for small businesses and embracing excellence in customer service for all concessionaires.

Additionally, The Country Cat at PDX received an ACI award for Best New Local Concept, and PDX received a third place award for Best “Green” Concessions Practice.

### **Concessions Redevelopment Phase 2**

Work continues on the second phase of PDXNext concessions redevelopment; new concessions and ongoing construction continues to be visible in multiple areas of the terminal.

On April 24<sup>th</sup>, *Tender Loving Empire* (TLE) announced the opening of their new retail location at the Portland International Airport (PDX), in the D Concourse. It is the fourth retail location in Portland for the company, currently celebrating the 10th anniversary of its founding in 2007. TLE is a record label and marketplace for handmade goods that supports local independent artists. The new PDX location carries a specially curated selection of handmade gifts, apparel, music, food and beverages, including its own signature line of products. The unique and inviting retail space has been created by the award-winning Fieldwork Design, who has also designed TLE’s SE Hawthorne and NW 23rd Avenue locations in Portland.

*Tamale Boy* is slated to open its third Portland location, on Concourse D, in late June. Originally a successful food cart, followed by two Portland neighborhood brick and mortar locations, Tamale Boy is known not only for its authentic and varied tamales, but

also for an assortment of burritos, tacos, salads, bowls and breakfast. The PDX location will also offer beer and sangria to thirsty travelers.

*Providence* will open a kiosk-based clinic at PDX this fall, in the post-security ABC lobby, adjacent to the south exit lanes. An onsite medical assistant will provide basic information on medical services available at the PDX location, sell over the counter medications and provide information on health plans and wellness. Passengers and employees will be able to use private exam rooms featuring video conference to speak to physicians regarding more routine health issues such as colds and flu, allergies, rashes, sinus infections and other non-acute concerns. Appointments are not necessary, wait times are minimal, and visits cost just \$49. The clinic will be a welcome supplement to the PDX Workplace Initiative, providing basic, convenient, and cost-effective healthcare access for airport employees.

### Concessions Redevelopment Phase 3

The Request For Proposal (RFP) evaluation process for Phase 3 of the concessions redevelopment program is now underway. Ron Glanville, East Portland Office of Neighborhoods, is representing the CAC in the process. Phase 3 kicked off with the RFP release on January 27th. The RFP includes four locations – three Food & Beverage concepts and one Retail concept (Rogue/Roses on Concourse D, Laurelwood on Concourse E, vacant space on Concourse C, and InMotion on Concourse D). The advisory group has had one meeting so far and a second meeting scheduled for late June. Because social equity is a key consideration in the evaluation process, Steven Nakana, Social Equity Program Manager, and Chip Polito, Senior Compensation Analyst, have been included on the advisory committee for Phase 3. Leases are expected to be awarded this August, and locations will open in the Spring of 2018.

## **CONSTRUCTION UPDATE**

### Terminal Balancing (PDXNext)

This project is intended to alleviate the current imbalance of a majority of passengers being served on the south side of the PDX terminal, enhance operating efficiencies and improve customer service by extending Concourse E. The imbalance has led to operational inefficiencies for the airlines and Port operations and has impacted customer service.

The project is currently in the detailed design phase and work on the apron has begun with construction activity now visible from Airport Way.

The project has completed design development, with an additional extension of the building by 55' to the east to improve operations at Gate E11. The design is progressing with the intent of achieving 95% design and beginning substantive permit submittals in September 2017. Construction has started on early/enabling work

packages for the E1 Sanitary Lift station, Central Utility Plant Terminal Feeder upgrade, Concourse E Roof Rehabilitation and Concourse B Renovation. Aviation fuel system construction is scheduled to start in early June. The site civil engineering package was advertised in mid-May, with bid results due mid-June. Construction for the temporary bike path relocation is complete and the rerouted path is now open for a period of two years to allow room for construction of the new concourse extension.

### PDX Travel Center

The new Cell Phone Waiting Lot, part of the new PDX Travel Center, will open on August 1. Other site amenities including food, coffee and fuel will be opening later this summer.

### Mecham

The aircraft hangar development located on the north side of Airport Way just east of the new Atlantic Aviation campus is still awaiting permit approval, related to fire suppression system design, before they can proceed with construction.

## **PLANNING UPDATE**

### Terminal Core Redevelopment (PDXNext)

The Terminal Core Redevelopment program is a modernization of the heart of PDX, necessary to ensure sufficient capacity for future passenger demand, upgrade seismic resiliency, and replace aging systems and infrastructure. Preliminary planning is underway for this effort. The terminal core includes the existing ticket lobby, Oregon Market, security checkpoints, north and south lobbies, and baggage claim area.

The current plan is for the consultant teams (ZGF and Turner Construction) to develop the project's preliminary plans. The preferred concept, described as the Western Expansion alternative, includes extending the core terminal west to address a range of issues and needs. The Port will continue to work with the airlines as we proceed with concept development which will include evaluating options for the Terminal Core program and how the work could be phased. Seismic resilience is one of the major issues associated with the terminal core area.

Airlines have approved \$17M in conceptual design funding. After a project alignment phase to determine if there were any compelling alternatives to the current direction (expansion of the existing core terminal building), the decision was made to proceed as planned. Conceptual design will progress through the summer time frame. Consistent with Port policy, sustainability will be a key consideration.

### Concourse A/B Renovation/Redevelopment/Reuse

The Port has scoped a study to confirm the highest and best use of existing Concourse A. It is generally understood that the concourse has exceeded its useful life, has limited reuse potential as a concourse, and occupies valuable space for aircraft ground loading and aircraft parking. Concourse B is believed to be ideally located to meet key terminal

capacity needs. The B Concourse currently has three contact gates suitable for Aircraft Design Group III (Boeing 737) use and is being remodeled to meet immediate needs. This study will evaluate alternatives ranging from a remodel to a redevelopment, and determine the project and timeline best suited to meeting current and long-term needs.

#### PDX Signage Master Plan

An RFP has been issued to select a consultant to evaluate existing airport signage and formulate recommendations for a comprehensive and cohesive program of airport sign standards that can be applied to current and future airport signing needs. The project will consider both standard and digital sign formats and will be evaluating how to best provide information to a broad range of users including elderly and visually impaired passengers.

#### NE Columbia Blvd: Cully Blvd & Alderwood Rd

Design is officially underway on the long-anticipated improvement to the intersection of Alderwood/Columbia/Cully. The intersection was identified as a priority in the PDX Bicycle and Pedestrian Master plan and represents a key connection between NE Portland and the airport area.

Effective June 13, 2017, the Federal Highway Administration (FHWA) authorized funds for preliminary engineering through the preparation of final plans, specifications, and estimates and a bid/award for this project.

## **SUSTAINABILITY UPDATE**

#### Social Equity

As part of the Port's social equity strategy to enhance capacity of Port employees, staff have attended various equity trainings, including Undoing Institutional Racism by the People's Institute and training provided by the Intertwine Alliance as part of a five-month cohort in partnership with Coalition for Communities of Color. After issuing an RFP and going through a selection process, the Port has selected a vendor to provide equity training to Port employees. A member of Metro's equity staff participated in the selection process.

#### Cully Park Grant

The Port has stepped up as a local government sponsor for a \$100,000 grant to Verde from the state of Oregon to support the development of Cully Park. Verde is a local non-profit that works with communities to build environmental wealth. Cully Park is a re-development project, transforming a former landfill site into a community asset and greenspace. Verde is working with City of Portland Parks and Recreation in a public-private partnership to design and build Cully Park. Construction begins this summer.

## **OTHER**

### Executive Director Selected

On May 23<sup>rd</sup>, the Port of Portland Commission selected Curtis Robinhold as the new executive director of the Port of Portland.

Curtis currently serves as the Port's deputy executive director. Bill Wyatt will retire from the Port on Friday, June 30, after which time Curtis will begin in the executive director position. The selection is subject to successful negotiation of an employment package.

The Commission's process for selecting the new executive director included initial interviews by a Commission advisory group, which included representatives from labor and the environmental and business communities. It also included two public comment periods, on both the job description and final candidates. Curtis will be spending some time in the next few months reaching out to key Port stakeholders and hearing perspectives from all parts of the community.

### PDX Triennial Exercise – Active Shooter Training

On Tuesday, May 23<sup>rd</sup>, airport first responders and partner agencies tested their ability to respond to an active shooter event at PDX with a full scale exercise on Concourse D.

Signage was placed throughout the airport letting passengers know that an emergency response exercise was underway. Announcements were made over the PA system, and the FAA notified incoming flight crews. Planning helps us be better prepared to respond in case of a real incident.

### Airport Access: I-205 Paving Project Update

The Oregon Department of Transportation is currently in the planning and design phase for a project to improve operations and safety on I-205 between Johnson Creek Boulevard and Glenn Jackson Bridge. Work will include paving the freeway, ramps and intersections, as well as building auxiliary lanes in two locations.

Approximately nine miles of I-205 will be repaved in both directions between Johnson Creek Boulevard and Glenn Jackson Bridge, including many freeway ramps. The surface is deteriorating and needs to be replaced. This section of freeway was last paved in 2004.

The following areas will also include ramp and intersection paving and some ADA sidewalk ramp improvements:

- Glisan Street — all on- and off-ramps
- Washington Street — northbound off-ramp and southbound on-ramp

- Stark Street — northbound on-ramp and southbound off-ramp
- Woodstock Boulevard — northbound off-ramp and southbound on-ramp
- Foster Road — northbound on-ramp and southbound off-ramp
- Couplet of Foster Road and Woodstock Boulevard
- Johnson Creek Boulevard — all on- and off-ramps

Lane extensions from entrance to exit ramps will improve safety and reduce congestion at these locations:

- I-205 northbound from I-84 eastbound to the Killingsworth Street exit
- I-205 southbound from I-84 eastbound to the southbound Washington Street on-ramp

Anticipated project schedule

- Design Phase: Summer 2015 – Summer 2017
- Construction: Early 2018 – Late 2019

### Summer Events

The Port will host informational tables and displays at the upcoming summer events. Please come by and see us!

- Explorando: June 24
- Sunday Parkways: June 25 and July 23
- Troutdale Summerfest: July 22
- Columbia Slough Regatta: Aug 6

### The Vanport Mosaic Festival

The Vanport Mosaic Festival was held over four days in May, and is an exploration of the history and legacy of Vanport, Oregon's second largest city wiped out by a flood in 1948.

The Vanport Mosaic Festival included theater, documentaries, historic exhibits, lectures, and tours to honor the experience of those former residents. The Port hosted an information table, provided buses and offered tours of Vanport Wetlands.

To honor the 75th anniversary of the establishment of the city of Vanport, this year's festival aimed to engage Portlanders in an exploration of community histories around the themes of home, housing, migration, and displacement. Several of the events considered the rippling effects of gentrification on affordable housing, and how unresolved issues with race-based displacement are addressed today.

### Military Landing Procedures at PDX

On May 1<sup>st</sup>, the Oregon Air National Guard expanded use of a special landing procedure at Portland International Airport for a six-month trial period.

Background on the military landing procedure:

Ongoing practice of the procedure is required training for military pilots. It is also a preferred arrival procedure as it maximizes efficiency, reducing flight time, fuel-burn, air emissions, and noise. The overhead approach reduces noise exposure for communities below the traditional arrival path – those communities along the final approach – because the aircraft remain higher and faster, reducing both the noise level and time overhead.