

P PORTSIDE

A Port of Portland publication featuring news and information about airports, marine terminals, industrial parks and environmental programs.

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The Port of Portland's mission is to enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets.



A STAR-SPANGLED NONSTOP

A new, daily nonstop flight connects the people of Oregon and Southwest Washington with the heart of Washington, D.C.

The route, resulting from years of efforts by Alaska Airlines and support from local residents, elected officials, business leaders and the Port of Portland, exemplifies Alaska Airlines' commitment to the community since 1979.

Since that time, Alaska and sister airline, Horizon Air, have steadily increased flights to new nonstop destinations from Portland International Airport. Accenting those flights is Alaska's reputation for award-winning customer service, innovation, and partnerships with the local community.



Sen. Maria Cantwell cuts the inaugural flight ribbon with Oregon World War II veterans and Rep. Earl Blumenauer.

Launching Washington National

Alaska inaugurated service connecting PDX and Ronald Reagan Washington National Airport on Aug. 28.

Previously, PDX was one of the nation's largest markets without nonstop service to Washington National. The route is important because this airport provides the closest access to the heart of the capital, one of the country's most important business markets. Nonstop air service also increases schedule reliability over one-stop service.

After years of work, Alaska, elected officials and the Port helped persuade the U.S. Congress to include more Washington National takeoff and landing slots in February's Federal Aviation Administration reauthorization bill, clearing the path to compete for the new PDX route. The ensuing campaign to obtain the route resulted in May's U.S. Department of Transportation approval of Alaska's application to fly the new route.

"Providing residents of the greater Portland area with convenient nonstop service to the closest airport to our nation's capital has been a priority for us for a long time and we're delighted this day has come," said Brad Tilden, Alaska Air Group's Chief Executive Officer. "We thank the DOT for their vote of confidence in Alaska Airlines."

Tilden also credited the grassroots efforts of some 13,000 people who submitted letters to the DOT in support of Alaska's application. Also demonstrating strong support were the Congressional delegations from Oregon, Washington and Alaska, Oregon Gov. John Kitzhaber, Washington Gov. Christine Gregoire, local government officials and business leaders, and the Port.

No other carrier provides nonstop service to Washington National from PDX. Alaska flights to Washington National also significantly improve connecting service for passengers traveling

from Eugene, Medford and Redmond/Bend. In all, Alaska and Horizon operate more than 640 flights a week from their Portland hub. Alaska and Horizon, subsidiaries of Alaska Air Group (NYSE: ALK), together serve more than 90 cities through an expansive network in Alaska, the Lower 48, Hawaii, Canada and Mexico.

Leading Customer Service

Serving key destinations like Washington National is one thing. Providing great customer service is another. Alaska is doing both.

Alaska ranked highest in airline customer satisfaction among traditional network carriers for the fifth consecutive year by J.D. Power and Associates in its 2012 North America Airline Satisfaction Study.

Alaska scored highest in four of the seven measures ranked by travelers, including check-in, reservation, flight crew, and boarding/deplaning/baggage.

"We're humbled to receive high honors from our customers for five consecutive years," Tilden said. "This honor would not be possible without the hard work of our dedicated employees whose commitment to safety,



Alaska's in-flight teams win customer kudos.

customer service and cutting-edge innovation has made travel on Alaska Airlines among the best in the industry."

The study was based on responses from more than 13,500 passengers who flew on a major North American carrier between July 2011 and April 2012.

Pioneering Technology, Research

Helping chart the course to outstanding customer service, Alaska pioneered technologies and customer innovations that make the travel experience easier. Alaska was the first airline in North America to sell tickets online, and first in the world to allow customers to check in and print boarding passes via the Internet.

Alaska also blazed trails in navigation technology, which allows flying into both airspace-restricted Washington, D.C., and Juneau, Alaska, with equal precision. Alaska Air Group partnered with the Port in 2000 to initiate satellite-based navigation at PDX, and is leading the launch of NextGen Air Transportation System satellite-based navigation flight procedures that PDX will publish later this



year. Satellite-based navigation can help carriers both save fuel and reduce the impacts of aircraft noise on the community.

On the sustainability front, a project involving Alaska, the Port and other Northwest partners, earned a 2011 Environmental Achievement Award from Airports Council International-North America, and a 2012 Eco-Partnership of the Year award from *Air Transport World* magazine.

The project, called Sustainable Aviation Fuels Northwest, was the nation's first regional stakeholder effort to explore the opportunities and challenges surrounding the feasibility of creating an aviation biofuels industry in the Pacific Northwest.

The initiative, launched in July 2010, involved Alaska, Boeing,



A member of the ground crew refuels one of Alaska's Bombardier Q400 aircraft.

operators of the region's three largest airports – Port of Seattle, Port of Portland and Spokane International Airport – and Washington State University, a center for advanced biofuels research. The project retained Climate Solutions, a Northwest clean energy nonprofit, to manage a stakeholder process that included more than 40 organizations ranging across aviation, biofuels production,

environmental advocacy, agriculture, forestry, federal and state government agencies, academic research and technical

consultancies. The initiative took place within a global network of similar stakeholder processes, which all support the broader aim of achieving carbon-neutral growth across the aviation industry beyond 2020.

The 10-month study concluded that the Pacific Northwest has the diverse feedstocks, fuel-delivery infrastructure and political will needed to create a viable biofuels



industry capable of reducing greenhouse gases and meeting the future fuel demands of the aviation industry. Creating an aviation biofuels industry, however, will depend upon securing early government policy support to prioritize the aviation industry in U.S. biofuel development.

Going a step further, a few months later, Alaska inaugurated biofuel-powered passenger service with two flights from Seattle to PDX and to Washington, D.C. Alaska and Horizon operated 75 select flights between Seattle and the two cities for several weeks using a 20 percent blend of sustainable biofuel made from used cooking oil.

Promoting Portland Partnerships

Alaska's partnerships go well beyond technology and sustainability. Perhaps the most visible, locally, is with Major League Soccer's Portland Timbers.

"With Portland roots going back more than three decades, Alaska Airlines is honored to be the MLS Timbers' jersey sponsor," Tilden said, explaining the partnership with the Portland Timbers. "Supporting Portland's hometown soccer team is the perfect fit for Alaska Airlines and the 2,300 Alaska Airlines and Horizon Air employees who call the greater Portland area home."

In 2010, Alaska Airlines became the official airline of the Portland Timbers. The multiyear deal was highlighted by Alaska's logo prominently featured on the team's jerseys. In 2011, the jerseys were unveiled with great



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The Timbers' colors cover the full length of this 110-foot, 4-inch Alaska 737-700.

fanfare on a "fashion" runway debuting the Timbers MLS season. The event gave Timbers and Alaska fans the first glimpse of Alaska's Timbers-themed livery on a Boeing 737-700 aircraft and jerseys modeled by Timbers and Alaska teammates and their families.

From unveiling their jersey sponsorship to a cheering Timbers Army, to pressing for technological advancements in the aviation industry, to launching the first-ever PDX nonstop flights to Washington National, Alaska continues to make an indelible mark on the community it serves.

by Steve Johnson



CELEBRATING PORTLAND'S WORKING WATERFRONT

Despite the big ships, cranes, trucks and trains, the working harbor is a mystery to many people in the Portland area. The Port of Portland's sixth annual Seaport Celebration, presented by Gunderson, aimed to demystify the working waterfront.

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Held inside the fences of the active marine Terminal 4, located in St. Johns, the event offered attendees the opportunity to take a waterfront boat tour, try to load a ship with a miniature container crane, talk to a Coast Guard representative, grind wheat by bike, make rope, weld metal, climb on big equipment and trucks, and much more.

From the 17,000+ jobs to the thriving businesses that help keep Portland's economy afloat, the working harbor offers a slice of history, a sense of place and a local connection to the global economy for many residents.

Along with presenting sponsor Gunderson, the Port would like to thank the following Seaport Celebration sponsors – Gold: Fred Meyer, Portland Spirit; Silver: Auto Warehousing Company, Lower Willamette Group, Vigor Industrial; Bronze: City of Portland Office of Healthy Working Rivers, Kinder Morgan, Portland Harbor Partnership, Schnitzer Steel, Shaver Transportation, Toyota Logistics Services, and Union Pacific.





Kids, parents and community members explored Portland's working waterfront at the sixth annual Seaport Celebration, held at the Port of Portland's Terminal 4.

Aviation

FLY ALASKA AIRLINES TO KAUAI STARTING NOV. 5

Alaska Airlines will offer four weekly flights connecting Portland International Airport and Kauai running Nov. 5-April 7.

Flights will depart PDX at 10:40 a.m. on Mondays, Wednesdays, Fridays and Sundays, arriving in Kauai (Lihue) at 3:05 p.m.

Flights leave Kauai on Tuesdays, Thursdays, Saturdays and Sundays at noon and arrive at PDX at 7:55 p.m.

"We are thrilled to introduce service from Portland to the beautiful Garden Isle of the Hawaiian Islands," said Joe Sprague, Alaska Airlines' vice president of marketing. "Alaska's 26 flights to Hawaii each week from Portland give our customers several convenient options and great low fares to visit some of the world's most beautiful beaches."

Alaska will operate the flights on Boeing 737-800 aircraft, accommodating 16 passengers in first class and 141 in the main cabin. The new seasonal service is in addition to flights Alaska offers from PDX to Honolulu, Maui and Kona, on the Big Island of Hawaii.

PDX PARKING ESTIMATOR ADDS UP

Portland International Airport travelers need not be confused about the cost of parking as the new PDX Parking Estimator does the math.

Calculating parking rates can be a little tricky, as rates vary for different lots; sometimes travelers park for only portions of some days; and the economy lot, for example, offers free parking on the seventh day. The PDX Parking Estimator takes out the guess work and calculates the price.

Travelers can find the parking estimator at www.pdx.com. Then, travelers just enter the day and time they plan to arrive at and leave the airport, and the total rates will display for the various parking options.

Also available on the website are maps, descriptions and virtual tours of PDX parking options, which include economy, short-term, long-term, and valet, plus information on the free cell phone waiting area, and free motorcycle and bicycle parking.



PDX PUBS, DELI NAMED BEST BETS

Eater.com's Portland page recently named three restaurants as "best bets" for dining at Portland International Airport: Rogue Ales Public House, Laurelwood Public House and Brewery, and Flying Elephants Delicatessen.

Excerpts from the article follow:

Rogue Ales – "Newport, Oregon's Rogue Brewing is one of the state's highest-profile breweries, so it's unsurprising that one of its 14 in-state 'meeting halls' is inside PDX. The food menu, with bites like Kobe beef sliders and blue cheese balls, heavily features Rogue brews as key ingredients, not to mention products by the affiliated Rogue Creamery." (Concourse D)

Laurelwood – "The Portland-based Laurelwood Brewing pours at two locations in PDX, pairing traditional American pub grub with brews like its smooth Space Stout and the fresh, hoppy Free Range Red. Thrill the passenger next to you by ordering up the garlic fries; make it up to them by sharing a 22-ounce bottle of brew, available for purchase to-go." (Concourses A and E)

Flying Elephants – "The Portland-based Elephants Deli, which mirrors the city's fresh-and-local ethos, offers a sit-down and to-go location in the airport, offering grilled sandwiches, soups, salads, and rotating entrees like chicken pot pie and porchetta. For those eating gluten-free or vegan, Elephants offers several GF, dairy-free, and vegan options, like spinach edamame salad and wild mushroom soup." (Oregon Market)

TSA Pre✓™ EXPANDS AT PDX

The Transportation Security Administration has expanded TSA Pre✓™ at Portland International Airport to eligible flyers traveling domestically on United Airlines and US Airways.

TSA Pre✓™ is a passenger pre-screening initiative that began at PDX in mid-May for certain passengers flying on Alaska Airlines, American Airlines and Delta Air Lines. The addition of United Airlines and US Airways brings the total number of TSA Pre✓™ participating airlines to five at PDX. The TSA Pre✓™ lane is located at the ABC security checkpoint.

TSA Pre✓™ is part of the agency's larger effort to implement risk-based security concepts that enhance security by focusing efforts on travelers considered high-risk and about whom the agency knows less.

Eligible passengers include U.S. citizens flying on participating airlines as well as those who are members of U.S. Customs and Border Protection Trusted Traveler programs, including



Global Entry, SENTRI and NEXUS. Individuals interested in applying for one of CBP's programs should visit www.globalentry.gov.

If TSA determines a passenger is eligible for expedited screening through the TSA Pre✓™ pre-screening process, information is embedded in the barcode on the passenger's boarding pass. TSA reads the barcode at the designated checkpoint and the passenger may be referred to the TSA Pre✓™ lane for expedited screening, which could include being able to leave on their shoes, light outerwear and belt, and allow them to keep their laptop in its case and 3-1-1 compliant liquids/gels bag in a carry-on bag.

TSA will always incorporate random and unpredictable security measures throughout the airport and no individual is guaranteed expedited screening. For more information about TSA's risk-based security initiative, visit www.tsa.gov.

appeal," said Chris Madsen, Port of Portland general manager, business and properties.

The store's signature items include the company's popular Native American inspired woven blankets, apparel for men and women and home furnishings and decor. Also, the store will carry its new line of hip clothing for younger, contemporary consumers, known as the Portland Collection.

Pendleton's new store aligns with the Port's philosophy of bringing the best local brands to travelers, and joins several other Northwest retailers found at PDX.

PUBLIC LUGGAGE AND DELIVERY FOR PDX TRAVELERS

Portland International Airport helped lighten the load for passengers this summer with help from Luggage Services and Logistics, a subsidiary of Bags, Inc., which offers luggage storage and delivery.

"Expanding our baggage services with public storage capabilities will allow passengers to travel with ease and confidence, knowing their luggage is in good hands while they shop, dine or attend an off-airport event," said Steve Huff, aviation business and properties manager at the Port of Portland.



DOWNLOAD DIGIBOO AT PDX

Portland International Airport movie-lovers now have an easier way to rent and buy movies while on-the-go.

Digiboo, a digital retail entertainment download service, offers seven interactive touchscreen kiosks on PDX concourses.

"Travelers have a wide variety of shopping, dining and entertainment options at PDX, and the new Digiboo movie kiosks let them take along some of the fun," said Scott Kilgo, Port of Portland senior manager concessions development. "Through Digiboo, travelers can download movies to enjoy on the plane or when they arrive at their destination. Digiboo's service is a welcome addition to the PDX concessions program."

Digiboo is a convenient choice for people to watch the movies they love, whenever and wherever they want. Movie-lovers can choose from more than 800 movies, including new releases, as well as popular catalog titles. These movies can be downloaded in as little as 30 seconds to a USB. The movies can be played back on any Windows-enabled PC, laptop or tablet.

SEAPORT AIRLINES NEW LOCATION

SeaPort Airlines is now located in the main terminal at Portland International Airport.

SeaPort is temporarily using Gate B3, and will move permanently this fall to Gate E6. The airline is using the north central section of the ticket lobby, and baggage carousel 7.



PENDLETON WEAVES INTO PDX CONCESSIONS PROGRAM

Portland International Airport welcomed iconic Pendleton Woolen Mills, Inc. to its lineup of shops in August.

The new store showcases Pendleton's heritage in Oregon and Southwest Washington. Portland-based Pendleton was founded in Pendleton, Ore., and has owned and operated a Washougal, Wash. weaving mill for nearly 100 years.

Located near the entrance to concourses D and E, the store offers access to the general public and travelers from around the world.

"We are thrilled to welcome Pendleton Woolen Mills to PDX and especially to this highly coveted pre-security Oregon Market location, where everyone can enjoy its local

Luggage Services and Logistics expanded its services in May to offer public storage service at PDX. This added service was made possible after the company moved to its new location at the north end of baggage claim, which provides more storage capacity. Now, travelers can store luggage in a safe and secure place; Luggage Services and Logistics will deliver to a home or office location for a nominal fee. The company is open seven days a week.

After a year and a half without public luggage storage, PDX and Luggage Services and Logistics joined forces to identify passenger needs and find a workable solution. Bags, Inc. has a proven track record of more than 10 years of service at airports across the U.S.; they have been working at PDX for nearly two years.

Marine and Properties



SOUTH RIVERGATE RAIL YARD EXPANSION BOOSTS EXPORTS

A new rail yard expansion project is improving efficiency and capacity for exports. Started in 2010, completed in June and now fully operational, the South Rivergate Yard expansion project was the last in a series of four recent rail and road improvement projects in the Rivergate Industrial District.

The \$11 million rail yard expansion was funded through investments from the Port, ConnectOregon II state transportation funding, Union Pacific and BNSF Railway. Improving freight mobility and rail velocity makes the bulk facilities at marine Terminal 5 more competitive.

Construction expanded the rail yard, adding five additional tracks to increase capacity and nearly doubling service to Columbia Grain. The facility handled more than 4.7 million tons of grain in 2011.

Adding tracks helped reduce congestion, which also benefits the adjacent Portland Bulk Terminals potash export facility and other rail users in the area. The project enhanced rail connections between the north and south portions of Rivergate; the yard is now capable of handling two unit trains of 100 cars or more.

Besides the added capacity, the adjacency of the yard supports cleaner air through lower emissions, reduces road intersection blockages to keep road freight and people moving, and offers more efficient delivery of cargo to the terminals.

RESTORING DEPENDABLE CONTAINER TERMINAL OPERATIONS

Starting in June, a labor jurisdictional dispute began negatively impacting operations at the Terminal 6 container facility, which is managed by ICTSI Oregon under a 25-year lease. At the heart of the matter, two different unions engaged in a dispute over the same work jurisdiction for certain jobs at Terminal 6.

The International Longshore and Warehouse Union claimed jurisdiction for two jobs responsible for plugging, unplugging

and monitoring refrigerated containers that have been historically performed by the International Brotherhood of Electrical Workers. On August 13, the National Labor Relations Board affirmed the collective bargaining agreement with the IBEW, recognizing the workers' consistent role in performing these jobs at the terminal since the 1970s. The federal ruling provided important clarification needed to proceed toward resolution of the dispute over jurisdiction.

Meanwhile, the container terminal remains open for business. The gate has been open to all transactions, and regular vessel calls have resumed. The Port of Portland continues to monitor the situation closely, paying special attention to productivity levels.

In August, Port Commissioners approved a temporary agreement with ICTSI Oregon to share in covering certain increased labor costs and lost revenue directly attributable to labor productivity impacts at Terminal 6. The program covers 50 percent of shared costs, with full accountability for payments, capping Port participation at a maximum of \$4.66 million. Payments will be made directly from rent received from ICTSI Oregon.

Container terminal operations are core to the Port's mission, and disruptions have pushed cargo away from Portland, hurting many businesses. This situation has increased costs for carriers, shippers and transportation providers.

Along with ICTSI, the Port will continue to honor contracts with employees and tenants while pursuing legal means to end the jurisdictional dispute and proceed toward a lasting resolution at Terminal 6.

PORT WELCOMES FBI FIELD OFFICE

On June 15, Port of Portland Executive Director Bill Wyatt helped dedicate the new Portland Field Office for the Federal Bureau of Investigation in Cascade Station. The Port, an early partner in the project, leased the ground to the developer where the facility was constructed.

Ground-breaking for the new building occurred in December 2010 on an 8-acre site in the Airport Way urban renewal area, near the Target store. Construction of the \$60 million project generated 600 jobs. The four-story, 121,000-square-foot building is now home to more than 200 agents and employees.

"These kinds of numbers help underscore the critical importance of shovel-ready land to our economy and our ability to retain and grow professional service jobs locally," said Wyatt.

Wyatt also complimented the foresight of the Molasky Group to design the structure to earn LEED silver certification. Similarly, the Port's nearby headquarters on Airport Way is certified LEED platinum.

Located adjacent to Oregon's only IKEA store, Cascade Station is a mixed-use development and 800,000-square-foot retail center. It is a development of CenterCal Properties, LLC, which owns and operates seven shopping centers in the western U.S.

DREDGE WORK ENSURES TRADE GATEWAY PASSAGE

Like a highway, the 43-foot Columbia River navigation channel requires constant maintenance to ensure vessel traffic moves smoothly to and from the marine terminals. Dredges are the unsung heroes that ensure the region's trade gateway remains open for business.

Sedimentation and shoaling can lead to draft restrictions, impacting cargo volumes and the Columbia River Pilots' ability to safely and efficiently navigate the river. The navigation channel is maintained by the well-directed work of the stalwart dredge *Oregon* and the U.S. Army Corps of Engineers' contract hopper dredge *Stuyvesant*.

On July 11, the *Stuyvesant* arrived from New Orleans and commenced dredging hundreds of thousands of cubic yards within weeks. The majority of the material was placed near-shore, which helps avoid impacts to navigation safety and the environment.



Federal Bureau of Investigation Portland Field Office located in Cascade Station.



A barge travels on the Columbia River between Portland and an upriver port.

After damage to a propeller, the U.S. Army Corps of Engineers' dredge *Essayons* is now out of the shipyard. It completed working sea trials in the Columbia before heading south to work in San Francisco. The *Essayons* is scheduled to return again in September.

The government dredge *Yaquina* is also working along the California coast and scheduled to be back on the Columbia River in September.

The Port's dredge *Oregon* is still working in the Columbia while slated for a major repower over the course of the next two years.

Visit www.portofportland.com and click on video library for more information on the history and current dredging practices.

RECEPTIONS BUILD RELATIONSHIPS WITH UPRIVER PORTS

For a quarter of a century, it has been an annual tradition as well as a proven relationship-builder and lead generator: Port of Portland staff traveling to meet with upriver ports, commissioners, customers and prospective customers at special reception events.

Portland's important and longstanding relationship with the upriver ports provides container-on-barge and bulk-barge service connections for inland producers of exports. Barges travel the lock system on the Columbia, including the Bonneville, The Dalles and John Day dams just to make the trip to the Port of Morrow in Boardman. Going upriver 360 miles to Lewiston requires going through eight sets of locks on the Columbia/Snake river system.

Two successive upriver customer receptions in Clarkston, Wash., and Boardman, Ore. in mid-September included a "state of the Port" presentation and Q&A session. Before and after the formal presentation, there was plenty of time for private meetings and discussions about special needs and concerns. In past years, the Port has

also held similar events in Boise and Pasco.

The Port of Lewiston had news to share of its own at this year's event, as the port received a federal TIGER grant of \$2.9 million to extend the port's existing 120-foot dock by 150 feet.

CRUISING INTO TERMINAL 2

The Port's annual cruise statistics immediately surged by 100 percent with the arrival of *The World* cruise ship at Terminal 2



The World, resting at Terminal 2.

in early July – in part because it has been many moons since Portland was a regular call for cruise ships, which are now the Port of Astoria's forte.

The World visited Portland in 2004 and 2009, when the massive vessel docked along the seawall in downtown Portland. Navigation and security issues continue to pose logistical challenges to calling at the downtown seawall, so they arranged to dock at Terminal 2 instead. The versatile, multiuse facility had no problems accommodating the vessel.

The World is no ordinary cruise ship. Like a floating city, the live-aboard vessel features 165 luxury residences with all of the comforts of home. It travels around the globe, stopping at a variety of international destinations over the course of the year. You'll need a lot of digits in your bank account balance, but if you're ready to move in, learn more at www.aboardtheworld.com.

STILL TIME TO REGISTER FOR FREIGHT CONFERENCES

There are still a few spots left for the Portland Region Export Gateway Summit on Tuesday, Oct. 2 and the Northwest Global Freight Conference Oct. 3-4.

The Portland Region Export Gateway Summit promises an informative day for shippers, transportation providers, transportation policy makers, elected officials and other stakeholders. The Summit features discussions on the major technology trends, transportation funding issues and other game-changers affecting the region's transportation and export needs. Featured speakers include national research experts on the role of trade and freight in our regional economy.

The Northwest Global Freight Conference will address themes pertinent to the global supply chain's vital connection to the region and its developing infrastructure. The event covers a broad spectrum of cargo types, ranging from containers to autos, project cargoes to bulk commodities, airfreight and more.

Both events will be held at the Governor Hotel in downtown Portland. For information or to register go to www.cargobusinessnews.com.

Business and Environment

JIM CARTER APPOINTED PORT COMMISSION PRESIDENT

Former Nike Executive Jim Carter has taken the helm as Port of Portland Commission President. He replaces Judi Johansen who served on the Port Commission since 2003 and as President since 2007.

Governor John Kitzhaber first appointed Carter to the Port Commission in December 2009. He formerly served as general counsel at Nike and was a managing shareholder at the law firm of Schulte, Anderson.

"I look forward to my service as the Port of Portland Commission President," said



Jim Carter

Carter. "I have grown in my appreciation of the Port in the regional economy and look forward to the opportunity to help guide its work in this new leadership position."

Other members of the Port Commission are: Steve Corey, Commission vice president and a Pendleton attorney and sheep rancher; Paul

Rosenbaum, Commission treasurer, chairman and CEO of Rentrak, Diana Daggett, Commission secretary and American region director of corporate affairs, Intel Corporation; Peter Bragdon, vice president and general counsel, Columbia Sportswear Company; Tom Chamberlain, president, Oregon AFL-CIO; and Bruce A. Holte, a longshoreman with the International Longshore and Warehouse Union.

INDUSTRIAL SITE DEVELOPMENT: CHALLENGES AND OPPORTUNITIES

New insight into the challenges of developing larger industrial sites in our region and the costs of making these sites ready to expand or attract traded-sector jobs is the result of a recently completed study.

The first phase of the study provided a comprehensive review of the market-readiness of the Portland region's inventory of industrial sites of 25 acres or more within the urban growth boundary and selected urban reserves. While the Portland metro region has a number of sites zoned, planned or proposed for industrial development where high-paying manufacturing and other traded-sector jobs can grow, there is a limited supply of sites ready for development within six months. Other industrial sites in the pipeline will require additional time, effort and investment to make them ready for new employers to develop. These actions and investments include regulatory approvals (flood plain, wetlands), infrastructure (sewer, water, transportation, fill), aggregation of



©Bergman Photographic

New study points to constraints in developing industrial land within the urban growth boundary.

sites, brownfields clean-up, and state and local actions (land division, annexation, concept planning, UGB expansion).

The second phase of the study delved deeper into these challenges to development with an analysis of 12 industrial sites in the region reflecting a diversity of traded-sector development opportunities, site barriers, size and geography. These analyses used hypothetical traded-sector development scenarios and identified the requirements, costs and timeframes necessary to overcome the barriers to development. In addition, the economic benefits of successful development – more jobs and increased property tax and state income tax revenues – were identified.

The report provides possible approaches for state and regional decision-makers to consider and act on to strengthen our state's economy. Some of those recommendations include:

- Maintaining and expanding existing state infrastructure funding and technical assistance programs while exploring new opportunities for state support to move industrial sites to market readiness;
- Streamlining and improving predictability of state and local regulatory and permitting processes to reduce risk and increase private-sector investment;
- Encouraging state funding of due diligence work that can help attract private and public sector investment, speed environmental work and facilitate site aggregation efforts; and
- Exploring opportunities for regional and state funding for "patient developers," either public or private, that can invest in site preparation.

Both phases of the report were sponsored by Business Oregon, Metro, the Oregon chapter of NAIOP, the Port of Portland and Portland Business Alliance.

PORT RECEIVES PROJECT FUNDS

Among the 65 statewide ConnectOregon IV applications that met eligibility criteria this year, the Port of Portland will receive nearly \$7 million for specific marine and aviation infrastructure projects.

As a recipient of past funding for other projects, the state program has proven a valued and critical funding mechanism to support airport and seaport improvements. Successful Port projects this time include:

- \$1.2 million for a \$1.5 million wharf optimization project to increase utilization and capacity at Terminal 6;
- \$2.2 million to support a \$2.8 million auto import facility expansion at Terminal 6 to retain and grow jobs; and
- \$3.5 million toward an \$18.3 million project to upgrade taxi lane pavement at PDX to support air cargo carriers.

A number of projects will support infrastructure improvements at other Oregon ports as well. ConnectOregon grants statewide funded a total of 38 projects supporting air, rail, marine, transit and other multimodal improvements. While previous programs in 2005, 2007 and 2009 disbursed \$100 million in funds, this iteration had \$40 million available for requests totaling approximately \$72 million.

As described by the Oregon Department of Transportation, "The ConnectOregon program is a lottery bond-based initiative to invest in air, rail, marine, and transit infrastructure to ensure Oregon's transportation system is strong, diverse, and efficient."

FRIENDS OF TREES HONORS PORT WITH COMMUNITY PARTNER AWARD

Friends of Trees, a Portland non-profit organization which plants and cares for city trees and green spaces, celebrated another impressive planting season at its annual Leadership Award Luncheon in May, naming the Port of Portland one of its Community Partners of the year.

Bill Wyatt, executive director of the Port, accepted the Community Partner Award, which honors the Port for contributing tens of thousands of dollars to community tree plantings during the past decade. Wyatt noted the Port values its partnership with Friends of Trees and appreciates the work that builds community as it increases urban tree canopy. "I think we're going to have a long and prosperous relationship," he said.

With the help of more than 3,500 volunteers and hundreds of donors, Friends of Trees planted more than 43,000 trees and native plants during the 2011-12 planting season.

The Port has collaborated with Friends of Trees for the last ten years, including contributions to tree planting as part of its environmental objectives and targets, participating in community planting events and organizing employee volunteer planting

work on Earth Day. Since 1989, Friends of Trees has planted more than 450,000 trees and native plants in the Portland-Vancouver and Eugene-Springfield metro areas.



Port staff march in Portland's Pride Parade

PORT STAFF PUTS BEST FOOT FORWARD IN THE COMMUNITY

The summer was action-packed for Port of Portland staff who showed a strong presence at some signature Portland community events.

Nine Port employees joined a crowd of runners for the annual Starlight Run on June 2. The evening run is a three-mile race that precedes the Rose Festival's Starlight Parade; the Port runners joined more than 5,000 other participants.

On June 17, more than 100 Port employees, their friends and families marched in the Portland Pride Parade. It was the second year of Port participation in the parade, which celebrates the diversity of the lesbian, gay, bisexual and transgendered communities of the region as part of the three-day Pride Northwest festival. Among the Port marchers were Director of Human Resources Gail Woodworth and Executive Director Bill Wyatt. "We're thrilled to have participated in the parade and look forward to many more years," said Woodworth.

In addition, June in Portland would not be complete without cyclists participating in Pedalpalooza. Port staff once again rode in the Airport Ride, sponsored by PDX By Bike, showing Portland residents and visitors alike the nationally acclaimed bike amenities available at Portland International Airport. Other activities this summer included sponsorship of the Columbia Slough Regatta, Sunday Parkways and The Big Float.

PSU REPORT HIGHLIGHTS DESIRE TO BALANCE VALUES

This spring, Portland State University released a report summarizing the public's perceptions of, and values for, the Willamette River as Portland Harbor Superfund Site cleanup planning continues to move forward. PSU prepared the report for the Portland Harbor Partnership, a group founded in 2011 to raise overall awareness and public engagement during the Portland Harbor Superfund process. The Partnership comprises nine public entities and local businesses, including the Port of Portland, and is a small subset of the more than one hundred potentially responsible parties at the Superfund Site.

PSU worked collaboratively with the Partnership to complete the report, based on almost 2,000 responses gathered through surveys and focus groups with diverse audiences. Responses reflected three key community values: restoration and preservation of wildlife and natural resources; responsible economic development and maintaining an operational port; and improved public access to the river, particularly recreational amenities and fishing. The report was completed in conjunction with a broad outreach effort consisting of conversations with community leaders, participation in 11 community events and 54 community meetings, an educational lecture series and an online presence.

Also this spring, the Lower Willamette Group submitted a Draft Feasibility Study to the Environmental Protection Agency, describing various options for cleaning up Portland Harbor. The study is currently undergoing review by the EPA, which will likely issue a Proposed Plan in the next year.

PSU's report and more information about the Portland Harbor Partnership are available at www.portlandharborpartnership.com.



The Port was one of the sponsors of The Big Float on the Willamette River.



CREATING THE RIGHT BLEND

More than 38,000 travelers pass through Portland International Airport each day, savoring a tasteful blend of nearly 70 award-winning shops and restaurants with Northwest appeal. These airport concessions occupy more than 80,000 square feet throughout five concourses, creating a buffet of decorated walls and tantalizing scents and adding flavor to the inviting, comforting customer experience.

PDX introduced its leading-edge approach to concessions in the late 1980s. Today, the airport's program aims to provide customers with an exceptionally unique experience. From roadway to runway, PDX wants passengers to have a delightful visit, and concessionaires are helping lead the way.

The PDX concessions program is managed by a team of seven Port of Portland employees: Chris Madsen, general manager of business and properties; Scott Kilgo, concessions program manager; Walt Froman, concessions senior manager; Rebecca Sonniksen, market development manager; Shane Andreasen, concessions operations manager; Scott Van den Akker, concessions operations specialist; and Walt Marchbanks, property manager.

Like the region it serves, PDX's concession program is known for its originality, character and respect for the environment. Its focus provides travelers with an authentic Portland, Ore. experience that represents what travelers would find elsewhere in the city and state. Cornerstones of the program are true street pricing, which are the same prices customers would find at off-airport locations, as well as its local flavors. PDX concessions are open 365 days a year; many locations are open 16 hours a day.

be found throughout the airport from massage chairs at Brookstone, to a relaxing read at Powell's Books, and even beautiful hand-woven tapestry on display in the new Pendleton store.

In the environmental arena, since its launch in 2003, PDX's nationally accredited compost waste minimization program has collected more than 2,175 tons of food waste from collection sites throughout the airport. This program directs the food waste into a regional composting program and minimizes the amount of waste sent to the landfill each year. PDX liquid and ice drain stations at security checkpoints also minimize liquid waste. Among tenant efforts, Nike is demonstrating an environmental approach by using reclaimed high-school bleachers along the store's walls, which highlight a new in-brand experience and sports-life concept.

Airport Revenue News recognized PDX as the 'Best Concessions Management Team' in the medium airport division in 2002 and 2012. The monthly trade magazine, devoted to revenue-generating issues affecting the airport industry, also named Beaches Restaurant and Bar the 'Best New Food and Beverage Concept,' and Nike 'Best Overall Retail Store Design'; both in the concessionaires division in 2012. The PDX concessions program has received 10 *Airport Revenue News* awards during



Honored with more than 80 awards since the program's inception, PDX concessions strive to attract, make successful and retain concessions concepts reflecting the food, beverages, apparel and services found in the Pacific Northwest.

Port of Portland concessions staff, left to right: Scott Kilgo, Walt Marchbanks, Chris Madsen, Scott Van den Akker, Rebecca Sonniksen, Shane Andreasen and Walt Froman.

Honored with more than 80 awards since the program's inception, PDX concessions include local favorites such as Flying Elephants Delicatessen, Beaches Restaurant and Bar, Made in Oregon, Columbia Sportswear, Powell's Books and The Real Mother Goose, to name a few.

"We want to provide a local experience for our guests," said Madsen, who manages leasing, property and tenant relations. She explains that the approach is not a universal model for airports: "Portland is unique in that Oregon has thriving restaurant and brewpub industries specializing in local goods. The draw it gives to Oregon-based chains over national chains appears to be working." Madsen said her favorite aspect of working at the Port is being creative and working with some of the most amazing people in the industry.

"We've learned that innovation is key to giving concessions the ability to stand out and formulate business practices from a more holistic approach," said Kilgo, who focuses on bringing new ideas to light and creating fresh concepts for the program.

For example, Dragontree Spa provides its customers a unique experience in beauty and wellness with its innovative spa-like tranquility, therapeutic aromas, and mood lighting, a perfect combination for travelers carrying more than just their luggage. Stress reducers can also

the last decade including 'Best Program Design,' 'Best Redeveloped Program,' 'Best Overall Program,' 'Best Single Terminal Design,' and 'Best Customer Service.'

Froman, tasked with managing the day-to-day operations of the concessions program, explains how he interacts with a broad spectrum of stakeholders, which lends itself to diversity and challenges, and always growth opportunities: "It's no wonder PDX concessions receive these kinds of awards," said Froman. "We operate at a very high standard. Because of the nature of our job, we are constantly renewing relationships with former business partners, developing strategies for success and seeing desired results. We are also thankful for the opportunity to work with such talented staff."

Success of airport concessions relies heavily on maintaining a fresh and consistent vision, thinking like a consumer and the ability to target discretionary spending with the right mixture of shops and restaurants, according to Kilgo. "It's the unique draw that keeps people coming back to PDX, and staying awhile."

by Annie Linstrom



PORTEVENTS

September

29

SOLVE West Hayden Island Cleanup Event

9:30 a.m. - 2:00 p.m. • West Hayden Island, west end, N. Hayden Island Dr., Portland

October

4

Hillsboro Airport Issues Roundtable and Community Forum with Bill Wyatt

5:00 - 8:00 p.m. • Washington County Public Service Building, 155 N. First Avenue, Hillsboro

10

Port of Portland Commission meeting

9:30 - 11:00 a.m. • Chinook Room, Port of Portland headquarters

11

Citizen's Noise Advisory Committee (CNAC)

6:00 - 8:00 p.m. • Anchor Room, Port of Portland headquarters

27

Hillsboro Airport Open House

11:00 a.m. - 3:00 p.m. • Hillsboro Airport

November

8

Citizen's Noise Advisory Committee (CNAC)

6:00 - 8:00 p.m. • Anchor Room, Port of Portland headquarters

14

Port of Portland Commission meeting

9:30 - 11:00 a.m. • Chinook Room, Port of Portland headquarters

December

12

Port of Portland Commission meeting

9:30 - 11:00 a.m. • Chinook Room, Port of Portland headquarters