

PORT OF PORTLAND

SPRING 2013 PORTSIDE

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



The Nature
of Mitigation

3-5
The Nature of Mitigation

6-7
The Port's Mitigation Sites

8-9
Aviation News
Oregon Air National Guard Continues Mission at PDX

10-11
Marine and Properties News
Columbia Grain Announces Expansion

12-13
Business and Environmental News
Port Welcomes Two New Commissioners

14-15
Growing a Healthy Economy
The Economic Impact of the Port

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THE NATURE OF MITIGATION

Shipping containers, Toyota vehicles, grain and global travelers are common sights on Port of Portland properties, but how about long-toed salamanders and Pacific tree frogs? It may seem a little curious that an agency in the business of providing efficient cargo and passenger access to national and global markets is also in the business of improving the quality of life for some local critters.



Balancing Values

Development is necessary for communities so that their residents have a place to live, work and play – it’s a roof overhead, a bridge that makes crossing a river possible, or a park where children and pets can play. In the Port’s case, it’s creating spaces that facilitate the movement of goods, creating jobs that keep our local economy going, and enabling people to travel for business and pleasure.

But development can result in unfavorable consequences, too. The rapid population growth of the twentieth century drastically changed the American landscape. For decades, development proceeded unchecked and little value was attributed to wetlands and other natural ecosystems, other than their conversion to commercial, agricultural and residential land uses. As the impacts of rapid development – namely a loss of wildlife

natural resource buffer zones between the developable land and the adjacent rivers. On the remainder of the property, the Port drew lot lines to avoid sensitive wetland areas and preserve hydrologic function where possible.

Some existing wetlands on the property were degraded and contaminated due to the site’s historical industrial use. In the second phase of development, the Port ultimately decided to fill and cap the existing degraded wetlands, enhance some others, and create new wetlands, resulting in 44 acres of new wetlands and 43 acres of enhancements. In addition to improvements already completed in the first phase of development, the second phase will add improvements to the upland portion of the natural resources buffer and add two acres of new floodplain forest.

This page left to right: Commodore Cove at Government Island, clustered wild rose at T-5 Powerline site, western painted turtle at Rivergate Enhancement site, white-tailed deer at the Randall site.



“Although mitigation means that an impact has occurred, it’s gratifying to see that something

habitat and hydrologic function – became more apparent, Congress enacted legislation to safeguard against further damages. From this legislation arose environmental mitigation – a formal method for avoiding and addressing the impacts of development on natural resources.

“Although mitigation means that an impact has occurred, it’s gratifying to see that something better and more productive is created,” says Marla Harrison, Port environmental manager, “We strive to do that with every project.”

Mitigation in Action

Mitigation is most often associated with impacts to wetland areas, but can also come into play when there are anticipated impacts to riparian areas or wildlife habitat. As part of land use approval processes, many local jurisdictions now require assessment of natural resource impacts and, in some cases, mitigation.

In evaluating project alternatives, the Port follows federal, state and local guidance, which encourages avoiding impacts altogether. When that’s not possible, the Port looks for ways to minimize the impact, such as selecting where development occurs within a site to preserve the existing ecological function to the greatest extent. When it’s not possible to avoid an impact to wetlands or other natural resources, environmental mitigation becomes a part of project planning and implementation. Mitigation can occur in the form of restoration, enhancement or creation of a similar resource – in some cases up to three times more than the area impacted.

In 2007, the Port purchased the Reynolds Metals Plant property, listed as a Superfund site, for redevelopment. Site cleanup was completed by the previous owner, Alcoa, and after the first phase of redevelopment the project received the Phoenix Award for top brownfield redevelopment in 2011. About half of the 700-acre site, now called the Troutdale Reynolds Industrial Park, has been set aside as open space, wetlands, or for recreational use. Riparian corridors along the Columbia and Sandy rivers are permanently protected under a conservation easement as

Ongoing Stewardship

Regulatory permits usually specify a monitoring period for mitigation sites – typically about five years for wetland mitigation. However, that timeframe does not necessarily align with the amount of time it takes a site to become established and reach its full ecological potential. A main focus in the Port’s mitigation program is establishing sites that are ultimately self-sustaining and self-maintaining. To that end, the Port often continues management activities after the mitigation site has met its regulatory obligations. In addition, mitigation sites often include conservation easements or deed restrictions stipulating that the property remain a natural area in perpetuity. As Port development projects occur, the Port’s inventory of mitigation lands has also grown. The Port now owns and manages nearly 800 acres of mitigation and enhancement areas in the Portland metropolitan area.

Perhaps one of the largest and well-established mitigation sites in the Port’s portfolio of mitigation properties is Vanport Wetlands. The site was purchased in 1999 and restoration efforts began in 2001. Located next to Interstate 5 and the Expo Center in North Portland, the site covers more than 90 acres. It compensates for impacts to wetlands from development on multiple Port properties, but primarily Portland International Airport. At the time of purchase, the property contained an existing wetland overrun by reed canarygrass, which effectively crowds out other species, creating a monoculture and decreasing biodiversity.

Today, after 12 years of active management, Vanport Wetlands

provides habitat for more than 100 species of birds, many of which nest and raise young on the site during the breeding season.

“The dramatic transformation has made Vanport Wetlands an urban gem that provides abundant forage and nesting habitat while supporting resident and migratory species within the City,” said Port Mitigation Site Manager Carrie Butler. The wetlands are the furthest west yellow-headed blackbirds have been spotted successfully nesting and fledging their young.

Mammals also enjoy the site; observers have noted the presence of small rodents, beaver, muskrat, coyote and Blacktail deer. Common amphibian and reptile sightings include the Pacific tree frog, long-toed salamander, common garter snake and western painted turtle.

“Port mitigation sites provide important habitat for a variety of

grassland mitigation on Government Island. The first phase of mitigation was designed in consultation with Xerces Society and other experts. Phase I will serve as a field trial to determine indicators of success for the remaining mitigation that will take place in conjunction with future development at Portland International Airport. The grasslands on the island represent a unique landscape within the Pacific Northwest; Government Island will ultimately become the largest grassland mitigation site in the United States.

Innovations

Mitigation banking has emerged as a way to complete larger, more sustainable projects in advance of anticipated impacts. The Port recently established its first wetland mitigation bank. The



better and more productive is created. We strive to do that with every project.” Marla Harrison, Port environmental manager

wildlife, from migratory birds to reptiles and amphibian, many of which are ‘at risk’ or ‘special status’ species,” says Elizabeth J. Ruther, habitat conservation biologist for the Oregon Department of Fish and Wildlife.

The Vanport Wetlands restoration project received awards from the Columbia Slough Watershed Council and the Oregon State Land Board.

An Evolving Science

When wetland mitigation first became a regulatory requirement in the 1980s, mitigation sites had low success rates and many did not adequately replicate the wetland or habitat they were intended to replace. Over time, regulatory agencies and mitigation specialists have learned more about what makes a mitigation site successful.

The Port has built a strong mitigation management program while maintaining partnerships with experts in the field. The Port’s wetland mitigation sites have been used by the nonprofit Xerces Society to research wetland invertebrates, including insects such as dragonflies, mayflies, caddisflies and beetles. Scientists from the organization conducted field surveys to develop a biological assessment tool for evaluating the health and function of Pacific Northwest wetlands. The tool will be a valuable resource for the Port and others to monitor wetland mitigation sites and measure improvements in biological function.

“The diverse aquatic invertebrate communities we’ve found at these mitigation sites sustain a larger aquatic and terrestrial community of fish, amphibians and birds,” said Dr. Celeste Mazzacano, Xerces Society staff scientist and aquatic program director. “They demonstrate that well-designed and managed wetlands can serve as valuable natural habitat within a developed urban area.”

As part of the Airport Futures process, the Port entered into an agreement with the city of Portland that included several phases of

concept of banking also allows multiple impacts within the same watershed to be mitigated at the same site.

Starting in 2009, the Port participated in the development of a wetland mitigation bank in partnership with the Oregon Department of Transportation at the 725-acre Jackson Bottom Wetland Preserve owned by the city of Hillsboro and Clean Water Services and operated by a dedicated nonprofit. The nearly 16-acre Bobcat Marsh Mitigation Bank will compensate for wetland impacts associated with future development at Hillsboro Airport.

Creating a mitigation bank at the preserve allowed enhancements to be completed within a regionally significant community asset, preserving water quality, wildlife habitat and augmenting opportunities for public access and education.

“Ensuring that the location of a mitigation site is correct is so important,” said Harrison. “It’s the difference between a dismal failure and a successfully connected part of a larger productive ecosystem.”

Students from a local elementary school participated in a planting at the site and the entire mitigation project now bears the name of their school mascot, the Bobcat. Subsequent restoration and enhancement efforts included invasive plant removal, earth moving, shaping and grading, and planting native trees and vegetation. This mitigation bank site complements an adjacent 60-acre enhancement project, later completed by Ducks Unlimited.

For more information on the Port’s mitigation sites and mitigation management program, visit www.portofportland.com/miti_home.

by Lisa Timmerman

This page left to right: walkers enjoy part of the 40-mile loop trail at Troutdale Reynolds Industrial Park, red-legged blackbird nest at Vanport Wetlands, dragonfly at Vanport.

PORT OF PORTLAND MITIGATION SITES

The Port of Portland owns and manages more than 800 acres of mitigation and environmental enhancement lands. They are home to resident and visiting birds, mammals, reptiles, amphibians and invertebrate insects. Although mitigation lands are intended to compensate for impacts related to development, the Port takes great pride in the quality of its mitigation projects and often continues stewardship beyond required regulatory periods. This map displays a selection of Port mitigation projects.

Bobcat Marsh Mitigation Bank – 2009 – 18 acres

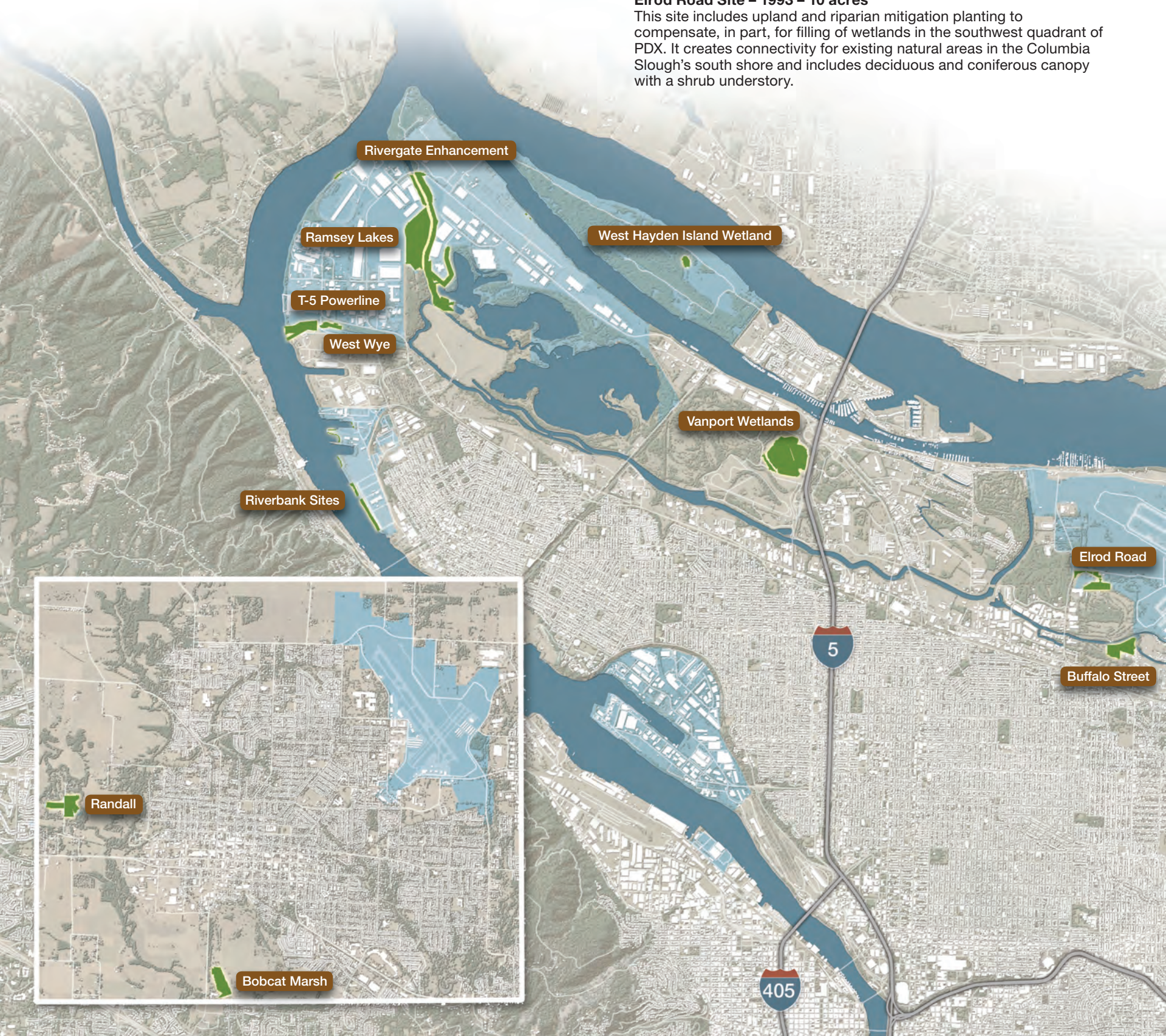
The Port participated in a mitigation bank to restore and enhance wetlands in the Jackson Bottom Wetland Preserve to compensate for anticipated impacts at Hillsboro Airport.

Buffalo Street Site – 1993 – 15.6 acres

Upland and riparian mitigation planting at Buffalo Street compensates, in part, for filling of wetlands in the southwest quadrant of Portland International Airport. The site enhanced slough banks, riparian woodlands and upland meadows.

Elrod Road Site – 1993 – 10 acres

This site includes upland and riparian mitigation planting to compensate, in part, for filling of wetlands in the southwest quadrant of PDX. It creates connectivity for existing natural areas in the Columbia Slough's south shore and includes deciduous and coniferous canopy with a shrub understory.



Government Island Grassland – 2011 – 50 acres

The goal of the grassland mitigation project is to enhance the structure of grassland habitat on the island by replacing non-native and invasive vegetation with a mosaic of diverse native forbs and grasses to support wildlife and insect populations.

Jewett Lake – 1993 – 427 acres

This large mitigation site compensates for approximately 65 acres of wetland impacts in the southwest quadrant of PDX. The lake, located on Government Island, was a shallow basin connected to the Columbia River via a man-made channel. Mitigation was designed to increase water retention in the lake and enhance and restore adjacent wetlands to diversify winter waterfowl habitat.

PIC E-Zone Enhancement Planting – 1999 – 2 acres

PIC Army Corps of Engineers Mitigation site – 1988 – 2.5 acres

In 1988, during one of the Port’s earliest mitigation efforts, the agency excavated the Army Corps of Engineers site to create a meandering channel, and planted native vegetation adjacent to the channel, to mitigate for impacts from property development and roadway crossings at the Portland International Center. The nearby PIC E-Zone is related to the removal of the Environmental Zone designation from 2.04 acres of drainageways located within the Columbia South Shore Plan District, filled during Cascade Station development and subsequent construction of a bridge over the Columbia Slough.

Ramsey Lakes Mitigation Site – 1990 – 16 acres

The Port created three separate ponds in the Ramsey Lakes Wetlands in response to planned development of the Rivergate Industrial District. Material removed from the ponds contributed to fill dikes, islands and to enhance upland soil for planting native vegetation.

Randall Property – 2001 – 22.3 acres

To meet Federal Aviation Administration requirements for runway safety standards, the Port filled approximately 6.19 acres of wetlands at Hillsboro Airport. Mitigation included creating wetland forest and scrub-shrub habitats, enhancing wetland prairie and riparian habitats and restoring upland buffers.

Riverbank Sites – 1997 and 2001 (various terminal locations)

Berth 503: 34,000 sq. ft., Berth 607: 23,200 sq. ft.,

Berth 408: 3,200 sq. ft.

The Port manages a wide variety of constructed and natural riverbanks and conducts vegetation enhancements and stabilization improvements around Port marine terminals.

Rivergate Enhancement Site – 2004 – 43.7 acres

The Port restored and enhanced wetland and riparian habitat to compensate for wetland fills over the course of 30 years of development at the Rivergate Industrial District. Mitigation goals included increasing or restoring water storage capacity, thermoregulation, anadromous fish habitat, amphibian habitat, waterfowl habitat and native plant communities.

T-5 Powerline Site – 1995 – 10.7 acres

The T-5 Powerline site compensates for wetlands filled at Terminal 5 during development of a bulk-commodities marine terminal facility. The site offered an opportunity for restoration adjacent to the Willamette River and along a corridor that connected the river with Smith and Bybee Lakes.

TRIP Phase I – 2009 – 11.4 acres

The Troutdale Reynolds Industrial Park Phase I mitigation was required for construction of the FedEx Ground distribution center. Mitigation efforts enhanced and created emergent, scrub-shrub and wetland forest habitat adjacent to the existing lakes located north of the levee. The mitigation site also provides advance credits for future Port development.

West Hayden Island Wetland – 2007 – 2.3 acres

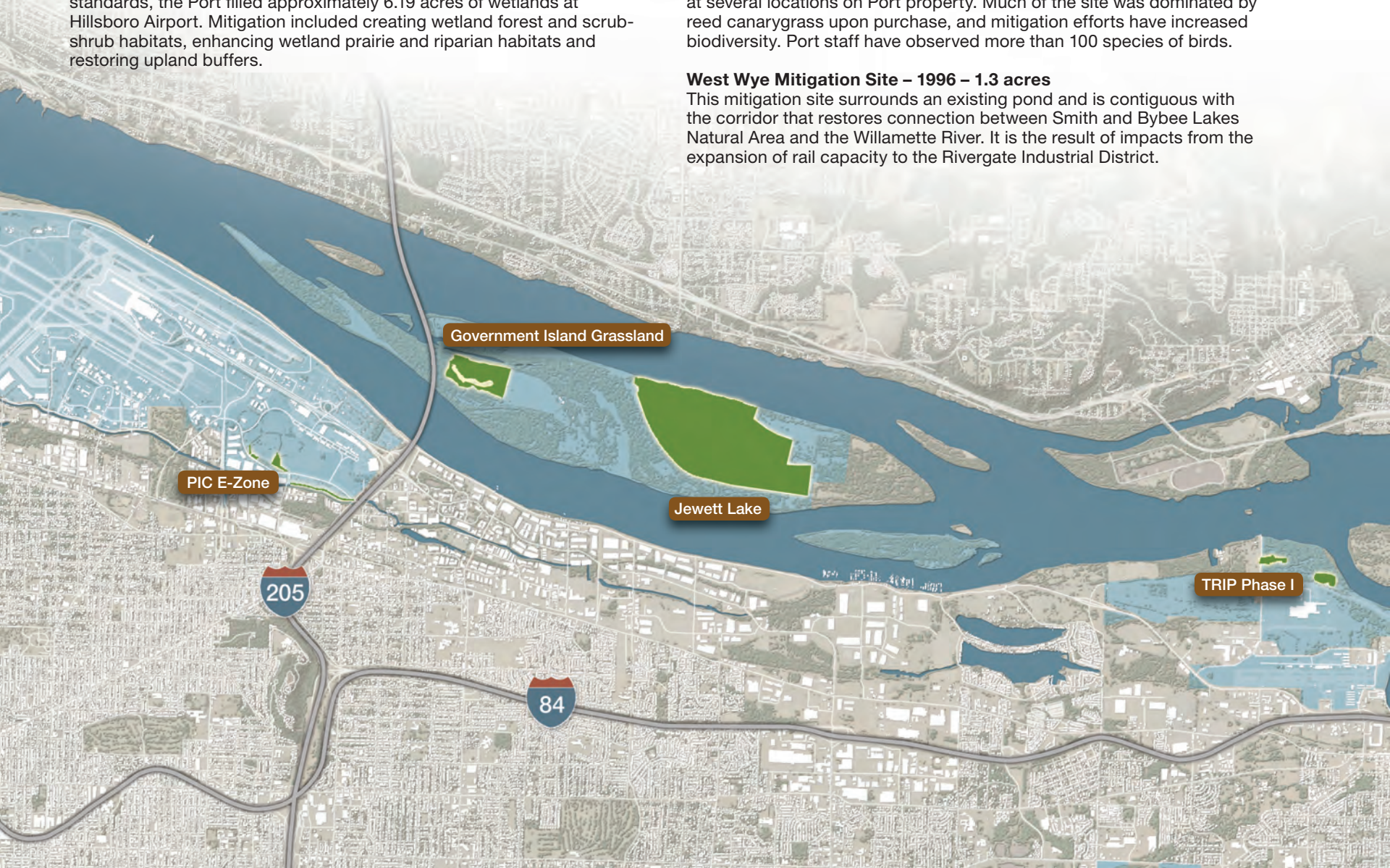
This mitigation site is adjacent to an existing emergent wetland and cottonwood forest on the north side of West Hayden Island.

Vanport Wetlands – 1999 – 90.5 acres

The award-winning Vanport Wetlands compensates for wetland impacts at several locations on Port property. Much of the site was dominated by reed canarygrass upon purchase, and mitigation efforts have increased biodiversity. Port staff have observed more than 100 species of birds.

West Wye Mitigation Site – 1996 – 1.3 acres

This mitigation site surrounds an existing pond and is contiguous with the corridor that restores connection between Smith and Bybee Lakes Natural Area and the Willamette River. It is the result of impacts from the expansion of rail capacity to the Rivergate Industrial District.



Aviation

Pictured left to right:
Brigadier General Michael Stencel, Vince Granato, Steve Schrieber, Bill Wyatt, Oregon Senator Ron Wyden, Major General Raymond Rees, Brigadier General Steven Gregg and Brigadier General Bruce Prunk.



OREGON AIR NATIONAL GUARD CONTINUES MISSION AT PDX

The Oregon Air National Guard's 142nd Fighter Wing, based at Portland International Airport, will continue its 70-year mission of protecting the Pacific Northwest skies, following recent approval of a 50-year lease by the Port of Portland Commission.

The Portland Air National Guard Base is home of the 142nd Fighter Wing, which safeguards the airspace and coastal waters from northern California to the Canadian border with F-15 Eagles on a 24-hour alert.

In addition to the aerospace control alert at PDX, operational and training missions take 142nd Fighter Wing units around the globe in support of Air Expeditionary Force missions and contingency operations including drug interdiction.

At home, the Governor can activate the Oregon ANG to provide protection of life and property, and preserve peace, order and public safety. State missions include disaster relief in times of earthquakes, floods and forest fires; search and rescue; protection of vital public services; and support to civil defense.

The Portland Air National Guard Base supports the region's economy by paying more than \$44 million in annual salaries to Guard members who live in Oregon and Washington, and providing approximately 1,500 jobs.

"Oregon Air National Guard has proven a great airport partner, and this new agreement allows them to continue their vital mission at PDX, while at the same time allowing us to

expand the airport if needed in the future to accommodate the air travel and cargo needs of our community," said Bill Wyatt, Port executive director.

Under the primary terms of the agreement, the existing Oregon ANG lease of 240 acres will reduce to 195 acres over the next 20 years to allow use of some facilities for commercial aviation activities, such as aircraft parking.

PDX PASSENGER NUMBERS SOAR

With new passenger records expected this year at Portland International Airport, travelers are encouraged to arrive early to catch their flights on time.

Nearly 14.7 million passengers are forecast this year, exceeding the all-time record of more than 14.6 million travelers in 2007. Last year, PDX served 14.4 million passengers.

Arriving early is important because with more passengers, everything takes a little longer. Travelers who miss their flights may also find rebooking difficult because many flights are full.

Travelers on flights departing before 8 a.m., or flights departing between 10:30 a.m. and 1:30 p.m., should arrive two hours before their flights. This two-hour window is the estimated time it takes during busy



travel periods to park, ride a shuttle bus to the terminal, check a bag at the ticket counter, and go through security to make the flight on time.

Travelers on international flights, with children, with disabilities, or with medical conditions that could impact travel should arrive two hours and 30 minutes before their flights. Travelers being dropped off at the terminal, or who aren't checking bags, for example, will need a little less time. Those who are not traveling during peak travel times are advised to arrive at least 90 minutes prior to flight.



Courtesy of The Oregonian

NEARLY 300 DOGS FLOWN TO SAFETY

Many hands helped transport and care for more than 300 homeless puppies that arrived at Hillsboro Airport during an airlift rescue mission by Wings of Rescue in early December. Wings of Rescue is a non-profit organization that rescues dogs on death row. They airlift dogs from high-kill shelters in Los Angeles, Calif., where they would otherwise be euthanized due to overcrowding. The animals are transported to no-kill shelters in Oregon, where they're given a second chance at life and an opportunity for adoption.

PORT APPRECIATES PORTLAND POLICE AIR SUPPORT UNIT

The Port of Portland thanked Portland Police Bureau's Air Support Unit for managing aircraft noise while conducting important law enforcement work.

Recognition came during a Port Commission meeting, with special acknowledgement of Sgt. Dan Slauson, former head of the air support unit, and Sgt. Josh Goldschmidt, current head.

The Port noise management department began working with Portland Police in 2009 when noise complaints emerged relating to law enforcement aircraft flights. Responding to such complaints is particularly challenging because of restrictions surrounding the availability of flight track information for law enforcement activity.

“We want to say ‘thank you’ to the air support unit for their partnership in reducing noise impacts while still performing their important role in our community,” said Vince Granato, Port chief operations officer.

Through the partnership, Port staff were often able to advise residents when flights resulting in complaints were involved in law enforcement activities; information was well-received when residents realized the noise was associated with public safety.

In addition to increasing communication with noise management staff, the air support unit implemented a number of operational procedures in an effort to reduce community noise exposure. These included increasing altitudes when operating over residential areas, flying over highways rather than neighborhoods, using quieter aircraft when possible and including noise abatement information in pilot briefings and trainings.

PDX PLANS SOUTH AIRFIELD WORK

Portland International Airport plans to reconstruct Taxiway C and repair the south runway soon.

Work on the eastern portion of Taxiway C runs April through mid-October. Repairs to the south runway will take place from approximately April 15 to May 31, and again from Aug. 16 to Sept. 29. The runway opens from June 1 to Aug. 15 to accommodate peak summer traffic.

Taxiway C needs replacement after 20 years of service. South runway work will replace temporary repairs made after a military jet’s tire failed, and its landing gear scraped the runway.

Airport neighbors, particularly south of the airport, should expect increased flights and larger aircraft over their neighborhoods during runway closures, because many aircraft that would normally use the south runway will temporarily use the north or crosswind runways.



NEXTGEN HELPS MINIMIZE NOISE, LOWER EMISSIONS

A satellite-based aircraft navigation system serving Portland International Airport is designed to help pilots fly existing routes more precisely, which reduces aircraft noise impacts, saves fuel and lowers greenhouse gases.

The system is part of NextGen, the Federal Aviation Administration’s Next Generation Air Transportation System. The GPS-based aircraft navigation technology is gradually replacing the nation’s legacy ground-based equipment network.

The FAA published NextGen flight approach procedures in September for PDX; airlines serving PDX are gradually beginning to use the procedures. Pilots anticipate the addition of arrival procedures, which guide aircraft that are further from the airport, this spring.

“From helping us minimize aircraft noise, to reducing aircraft greenhouse gases,

NextGen has numerous benefits for PDX and our community,” said Jason Schwartz, Port of Portland noise management manager. “We have many to thank for helping bring NextGen to PDX, including the FAA, the PDX Citizen Noise Advisory Committee, Alaska Air Group, Southwest Airlines and SkyWest Airlines.”

Among the benefits of NextGen, pilots can more precisely follow existing flight paths designed to minimize community noise impacts. The new technology also allows pilots to perform an optimized profile descent – descending from higher altitudes with less power, which results in less noise and fewer emissions.

PORTLAND & UTRECHT BECOME FRIENDSHIP CITIES

Portland and Utrecht, the Netherlands, are now official Friendship Cities, following a unanimous vote of support from Portland City Council.

The Port of Portland and Delta Air Lines supported the Friendship City relationship, expected to further business ties and tourism between the two cities. Portland and Utrecht are connected through Delta Air Lines nonstop international air service linking Portland with Amsterdam Airport Schiphol, located just a short distance from Utrecht.

The movement to establish a relationship began in 2009 when members of Portland Bureau of Transportation visited Utrecht to discuss transportation policy and sustainability. Both cities saw many opportunities for bilateral partnerships.

The following year, Portland city officials met with Dutch Consul General Bart van Bolhuis. Consul van Bolhuis recommended that Portland and Utrecht consider a Sister City relationship. After that meeting, a group of local citizens developed the Portland-Utrecht Network.

Last year, a government delegation from Utrecht visited Portland during the EcoDistricts Summit. They concluded that Portland and Utrecht share many characteristics and that there are many opportunities for educational and cultural exchange, as well as business partnerships, particularly in the areas of sustainability, transit, and bicycle infrastructure. The Portland-Utrecht Friendship resolution followed.

SeaPort Airlines flights are now located at gate E6 in the main terminal at Portland International Airport. Passengers can find the SeaPort ticket counter in the north central section of the ticket lobby, and receive bags at carousel 7. SeaPort offers nonstop flights connecting PDX with North Bend/Coos Bay and Pendleton.



Marine and Properties

SHIP RETURNS FOR 100TH VOYAGE

As one of the first ships to call Portland in the days after the 9/11 attacks, Port of Portland officials were not able to give a customary welcoming presentation for the maiden voyage of the New Century 1. Eleven years and approximately 750,000 miles later, Port staff was on hand to give a proper welcome to Captain Hiromi Shimomura when the pure car carrier returned for its 100th voyage.

Toyofuji Shipping Co., Ltd. was founded in 1964, and it operates as a subsidiary of Toyota Motor Corporation.

The New Century 1 is one of three Toyofuji vessels regularly calling Portland at the Toyota Logistics Services vehicle distribution center at Terminal 4. Launched in late August 2001, alongside the New Century 2, they were the first new ships for Toyofuji in many years. They were also very innovative.

"It was among the first green ships, setting a new standard with solar panels on deck, better fuel efficiency and cleaner emissions," said Doug Beeber, senior vice president of Jones Stevedoring Company.

The New Century 1 has since been retrofitted to comply with the new Emission Control Area standard, which requires ships to switch from bunker fuel to low sulfur fuel within 200 miles of the coastline. The vessel earned a 2011 Environmental Achievement award from the Port of Long Beach.

The New Century 1 was one of the first pure car carriers equipped to handle two-way traffic, which speeds loading and unloading operations. Arriving from Tahara, Japan, most recently, the vessel carried 4,700 Toyota, Lexus and Scion vehicles on board; 3,600 vehicles were discharged in Portland. The Port estimates a local economic benefit of \$271 from each vehicle that rolls across the docks.



COLUMBIA GRAIN EXPANSION

With unanimous approval of a new ground lease by commissioners in December, longtime Port of Portland tenant Columbia Grain, Inc. will continue to grow export volumes at its Terminal 5 facility for at least another 25 years. Columbia Grain is a world-leading grain exporter located in Portland since 1978.

As a Port tenant, Columbia Grain has spent approximately \$18 million on capital improvements, technological upgrades and facility enhancements. Columbia Grain plans expansion within 30 months to meet customer demand and will improve the existing grain elevator by constructing new storage, cleaning, transporting and inventory management systems inside the leasehold. The terminal expansion investment is approximately \$40 million.

Columbia Grain owns and operates 61 grain elevators in six western states with a combined storage capacity of 1.3 million metric tons. The company purchases wheat, corn and soybeans from more than 5,000 producers, and merchandises this grain to all major U.S. domestic markets and 30 foreign countries. Columbia Grain handles approximately 9 million tons annually. The 43-acre facility at Terminal 5 is the company's primary gateway for export shipments.



Columbia Grain, located near the confluence of the Columbia and Willamette rivers.

INDUSTRIAL LAND PLANS ADVANCING

Recent studies have underscored the need for more shovel-ready, large-lot industrial land parcels in the Portland metropolitan area. One area where the Port of Portland is working to help meet this demand is in east Multnomah County at the Troutdale Reynolds Industrial Park.

In October, the Troutdale Planning Commission approved the TRIP Phase II subdivision. Phase II is located on the east side of Sundial Road. The approval included creation of the nine lots and tracts that will add more than 184 acres of large-lot, industrial-zoned property to the regional land supply.

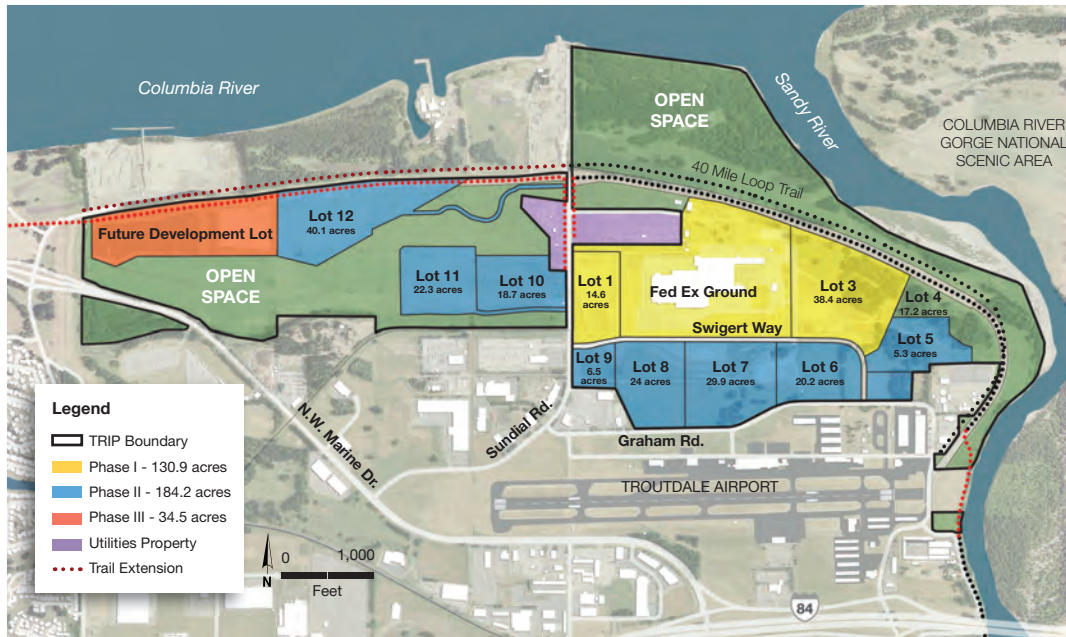
The plat approval addressed impacts to riparian buffers, wetlands and floodplains, tree removal, creation of mitigation sites (see feature story page 3) and conceptual approval of public street and utility improvements. It also makes one of the lots available for a power transmission enhancement project for Bonneville Power Administration, near the existing substation on the site.

Construction on public improvements will begin within five years after the plats are recorded. At completion, TRIP will include 12 developable lots totaling 314 acres.

NEW BUSINESS PARK CERTIFIED

Gresham Vista Business Park, the Port of Portland's newest industrial property acquisition, has officially joined Oregon's Certified Industrial Lands program. The program is administered by Business Oregon.

Achieving Industrial Site Certification marks a major milestone for Gresham Vista Business Park, as it has joined the state inventory of project-ready industrial sites that are available for construction within six months or less. This helps market the site as a prime location for new business investment and growth. Every certified site in Oregon must be recertified every two years.



Some of the benefits of inclusion in the program are national exposure to site selectors, marketing support through the State, and faster time to market.

According to the Business Oregon website, Oregon's industrial site certification program is recognized as one of the most comprehensive shovel-ready programs in the country. It is a rigorous program that is trusted by the market and has been a factor in many of the state's largest employment successes.

Gresham Vista Business Park is a 222-acre site purchased from LSI Logic Corp. for \$26.5 million in 2011. At completion, the park will include 11 lots on 203 developable industrial acres and 17 commercial acres, generating an estimated 2,768 direct jobs.

OREGON'S GROWING EXPORTS

Winemaking has been a significant industry in Oregon since the 1960s; the fruits of vintners' labor have established the state as a world-class wine producing region. This is reflected in recent wine shipments through the Port of Portland.

Oregon's largest-ever export shipment of wine departed through Terminal 6 in mid-February, according to the blog, *Wine Julia*. Bound for South Korea were 2,200 cases of Oregon Pinot Noir and Pinot Gris from four local wineries – Domaine Drouhin, Lange Estate Winery, Union Wine Company and Willakenzie Estate. This shipment totaled about 27,000 bottles, filling two 40-foot containers.

The story doesn't end there. Oregon is ranked fourth in the nation for agricultural

production of wine grapes, with the most harvested in Yamhill, Polk, Umatilla, Jackson and Washington counties. According to the National Agricultural Statistics Service, Oregon wine grape production rose 33 percent in 2011 to a record 41,500 tons from 17,500 harvested acres.

It would appear that the growth trend will continue, as the state's wine industry has outpaced the economy over the past two decades. Nationally, wine exports have grown over the past three consecutive years to more than 112 million cases and \$1.4 billion in revenue.

As a rapidly growing middle class in Asian markets develops a taste for Oregon wines, the state is poised to benefit greatly through exports. In 2010, Full Glass Research estimated that more than \$2.7 billion in economic activity and 13,518 jobs in Oregon are related directly or indirectly to wine. Like grapes on the vine, those numbers are poised to grow.

AWC'S GROWING FOOTPRINT

In January, Port commissioners approved a public improvement contract with Auto Warehousing Company for expansion of its Terminal 6 auto processing facility totaling \$2.8 million in improvements. The project will be supported by Connect Oregon IV grant funding and a \$560,000 investment by AWC.

Tacoma, Washington-based AWC processes Hyundai vehicles for delivery to dealerships at the 130-acre facility that they have leased at Terminal 6 since 2005. In 2012, the company also started exporting Fords to South Korea. By expanding the processing building by 27,000 square feet, company officials expect to increase capacity to more than 110,000 vehicles annually.

Growing capacity means AWC can market to an additional product line, which would bring new cargo volumes, vessel calls and employment. The company could double the 70 auto processing jobs already on site, not to mention providing added work for rail, trucking, longshore and teamster workers.

Portland is the second largest auto importer on the U.S. West Coast. In addition to Hyundai, which has been a customer since 1988, the Port also handles Honda and Toyota vehicles. All three makes maintain domestic production in addition to import operations.

Portland saw more than 275,000 vehicles roll across the docks in 2012; each one has an estimated economic impact of \$271 to the local economy.



Business and Environment

NEW PORT COMMISSIONERS

The Port of Portland recently welcomed two new commissioners to its nine-member board. Tom Tsuruta, a Washington County resident, is professor and executive-in-



Tom Tsuruta

residence at Marylhurst University and also serves as a senior advisor to Aeon Co. Ltd., a \$60 billion-a-year global retail conglomerate based in Tokyo, Japan.

Tsuruta replaced Commissioner Ken Allen who has served on the commission since 2004.

Linda M. Pearce, chief financial officer of Nautilus, Inc., fills the vacant seat of Judi Johansen who left the commission in June 2012. Before joining Nautilus in August 2012, Pearce served as executive vice president and chief financial officer for Warn Industries and served as the interim president of Warn from May 2010 to January 2011.



Linda Pearce

The commission sets Port policy during its monthly meetings. At least two commissioners must each live in one of the three counties in the Port district (Multnomah, Washington and Clackamas counties). Pearce, a Lake Oswego resident, will fill the Clackamas County seat on the commission.

The remaining members may live in any part of the state. Commissioners are unpaid volunteers who are appointed by the governor and confirmed by the Oregon Senate. They serve four-year terms and can be reappointed. Commission presidents are selected by, and serve at the pleasure of, the governor. The commission appoints the Port's executive director.

"Both Tom and Linda bring a wealth of experience and unique perspectives on the importance of international trade to

our region," said Port Executive Director Bill Wyatt. "We are very fortunate to have their service on the commission."

Other members of the commission are: Jim Carter, commission president; Steve Corey, commission vice president and a Pendleton attorney and sheep rancher; Paul Rosenbaum, commission treasurer and CEO and board chairman of SWR Corporation; 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 and president, Local 8-ILWU.

PORT RETIREES NET 19 YEARS

The Port of Portland bid farewell to two directors in January, General Counsel Carla Kelley and Human Resources Manager Gail Woodworth.

Kelley served as general counsel of the Port since February 2002, managing a team of seven attorneys, seven support staff and several law student interns. After retiring from the Port, Kelley joined the Portland law firm of Miller Nash.

"Carla has created a very strong in-house legal team able to serve the diverse needs of the Port's business lines and activities," said Port Executive Director Bill Wyatt. "From the legal aspects of the Lower Willamette Superfund site and the deepening of the Columbia River navigation channel, to bond financings, leases, litigation and legislation, Carla has served the Port well and we wish her all the best in the next, exciting chapter of her life."

Woodworth joined the Port in 2003 and managed a staff of 17 human resource professionals. During her tenure, Woodworth and her team designed and implemented a variety of compensation and benefits programs including pay for performance, Port Share, and other market-competitive programs that help attract, retain and motivate the current and future workforce.

"Gail brought true innovation and creativity to the Port," said Wyatt. "Her work helped build a more collaborative, diverse and effective workforce."

TWO NEW DIRECTORS JOIN PORT'S SENIOR MANAGEMENT TEAM

The Port of Portland named environmental and land use attorney Krista Koehl the new general counsel, replacing Carla Kelley who retired from the Port in January.

Koehl has been with the Port since 2004, first serving as assistant general counsel and most recently as general manager of the Portland Harbor Environmental Program.



Krista Koehl

"Krista is a proven leader with a well-rounded legal and managerial background and a deep understanding of Port issues," said Port Executive Director Bill Wyatt. "Her experience as a lawyer,

client, program manager and supervisor has given her the ability to see the big picture while having a steadfast attention to detail that will make her a valuable addition to my management team."

Prior to joining the Port, Koehl served as an associate attorney at Stoel Rives.

Bobbi Stedman recently joined the Port as its new human resources director. She replaced Gail Woodworth who retired earlier this year.

Stedman comes to the Port from Vestas Wind Systems, where she was vice president of people and culture, for the firm's global sales office and senior vice president of people and culture, Vestas-American and Vestas-Canadian Wind Technology, Inc.

"Bobbi is a perfect match for the Port," said Wyatt. "She brings a wealth of human resources and management experience with a true global perspective that will ensure our greatest resource – our staff – is ready and able to take advantage of market opportunities and face challenges that come our way."

Prior to joining Vestas, Stedman was director of human resources at Philips Medical Systems NA in Bothell, Wash. and the director of human resources at adidas-Salomon North America.



Bobbi Stedman

REDUCING THE WASTE STREAM

The flying public plays an active role in helping the Port of Portland effectively manage waste streams at PDX. Many people have become accustomed to separating out recyclables and even compost, but removing liquids from the waste stream is not yet a common habit.

In 2008, the Port introduced liquid collection stations at PDX to prevent liquid-filled containers from being sent to waste handlers, reduce costs in janitorial services and allow passengers to reuse their container post-security. By mid-2012, the stations had diverted 100 tons of liquid from the landfill; however, a passenger survey revealed the liquid collection stations were often overlooked in this busy section of the airport.

Based on passenger feedback, the Port redesigned the collection stations to make them brighter and more eye-catching. With the redesigned stations in place for six months of the year, the Port collected 60 tons of liquid at the security checkpoints in 2012 alone.

PROTECTING THE LARK

The U.S. Fish & Wildlife Service announced their proposal to list the streaked horned lark as threatened under the Endangered Species Act in October 2012.

The streaked horned lark sets itself apart from its avian counterparts with a habitat preference that most other birds would gladly pass up. It gravitates toward lands actively managed by humans due to its penchant for open areas with sparse vegetation. These days, the bird is most commonly found at airports and industrial properties, and on farmland and military installations.

The Port of Portland has prior experience in addressing the habitat needs of the lark. Starting in 2007, the Port participated in a project in collaboration with Metro, Oregon State University, and the Department of State Lands with the support of the Oregon Department of Environmental Quality and Audubon Society of Portland, to help create a five-acre site at St. Johns Landfill for streaked horned larks.

The USFWS is proposing to designate open spaces on or around the airfield at PDX as critical habitat as part of the listing. The Port is working with the USFWS and the Federal Aviation Administration to develop alternate conservation strategies that both support species recovery and do not adversely affect airport operations.



EMPLOYEES HELP WITH RIVERSIDE BEACH CLEANUP

On a beautiful day in September, Port of Portland employees and their friends and families were joined by Starbucks employees, University of Portland students, the Portland AmeriCorps Alums group and a handful of local residents for a cleanup on the beaches of West Hayden Island. The event took place as part of SOLVE's annual Beach and Riverside Cleanup weekend. More than 100 similar volunteer events cleaned up ocean and riverside beaches throughout Oregon in September.

Plenty of litter and debris had accumulated on West Hayden Island's shores since the last time the Port held a volunteer cleanup event there in 2010. Public use of the beach areas combined with debris washing up on the shore contributed to the accumulation of the trash on the island. The group of 128 volunteers removed 2,800 pounds of litter and debris in just under five hours.

RE-CHARGE WHILE PARKING AT PDX

Last fall, the Port of Portland unveiled new electric vehicle charging stations at PDX, located in the short-term parking garage.

The Level 2 charging stations are located on the fourth floor near the south skybridge that connects to the airport terminal building. Six parking stalls are dedicated to electric vehicle charging and two additional charging units are allocated for valet service. Valet staff performs the charge at no extra cost.

"The charging stations help us reduce carbon emissions, while at the same time supporting the growing trend of electric vehicles" said Michael Huggins, PDX landside operations manager.

The Port already has two charging stations to support its fleet vehicles. Currently, 24 percent of the Port's fleet is powered by electric, compressed natural gas, flex-fuel or hybrid systems.

GLOBAL SHIFT IN MARINE VESSEL FUEL STANDARDS

Last August marked a significant change to global marine fuel standards. An amendment to the International Convention for the Prevention of Pollution from Ships, governed by the International Maritime Organization, will result in improved air quality along United States coasts and inland areas.

Marine passenger and cargo vessels are now required to burn fuel containing no more than one percent sulfur once they pass within 200 nautical miles of U.S. coastline due to the designation of an Emissions Control Area. Currently, bunker fuel is commonly used and contains about three percent sulfur which, upon combustion, emits fine particulate matter that can contribute to health conditions such as asthma.

The fuel transition is not coming easy – compliant fuel adds a 20 percent cost premium, and the new regulation has disproportionate effects on inland ports. Engines can also be damaged more easily due to differences in fuel viscosity.

The sulfur standard that went into effect in August can be achieved through blending bunker fuels and lighter low-sulfur fuels. An even more stringent standard – 0.1 percent or less sulfur – goes into effect in 2015.





HELPING GROW OREGON'S HEALTHY ECONOMY

Much like a root system provides vital support to a tree, the Port of Portland's facilities and activities are an important part of a virtual orchard that provides a good quality of life for our local communities. From our region's first inhabitants all the way to the present day, the Portland Metro area's success has been rooted in trade.

One look at the tree above, and the connections become clear. Port aviation and marine facilities and other infrastructure provide a firm foundation for Oregon's key traded sector industries to access and grow their markets. Those industry clusters in turn support other local businesses and all of this activity results in the fruit of our collective labor – jobs, business revenues and a healthy tax base that in turn supports local services like schools, public safety, social services and parks.

Viewed this way, every citizen is connected to and benefits from having a

successful port in our region. There are the obvious connections, such as the clothes we wear, the cars we drive, the furniture in our offices – or exports of grain, minerals and machinery. There are the family vacations, world travel and welcoming family and guests to our city at the Portland International Airport terminal.

But then there are the less obvious big picture impacts critical to the viability of our economy – employment, infrastructure, essential services and overall livability illustrated by our tree.

Warren Buffet once said that, "someone is sitting in the shade today because someone planted a tree a long time ago." By acknowledging the interconnectedness, and by nurturing the health of all of the parts of our economic tree, we can help ensure a prosperous future for years to come.



PORTEVENTS

April

9

Gateway to the Globe annual luncheon

10

Port of Portland Commission meeting

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

11

PDX Community Advisory Committee

2:30 – 5:30 p.m. • Chinook Room, Port of Portland headquarters

May

1

Hillsboro Airport Roundtable Exchange

5:00 – 8:00 p.m. • Hillsboro Civic Center, Rooms 113 B & C, 150 E. Main St., Hillsboro

8

Port of Portland Commission Meeting

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

9

PDX Citizen Noise Advisory Committee

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

11

St. John's Bizarre

10:00 a.m. – 7:00 p.m. • N. Philadelphia Avenue at N. Lombard St.

June

5

PDX Community Advisory Committee

2:30 – 5:30 p.m. • Chinook Room, Port of Portland headquarters

12

Port of Portland Commission Meeting

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

23

Sunday Parkways

11:00 a.m. – 4:00 p.m. • Northeast Portland