

From: Kevin Koronko [<mailto:kevin.koronko@drmartens.com>]

Sent: Friday, December 22, 2017 10:37 AM

To: Leavitt, Keith <Keith.Leavitt@portofportland.com>

Subject: THANK YOU

EXTERNAL EMAIL:

Hi Keith

Just wanted to reiterate my thanks for the opportunity to be on the T6 committee and for the peek behind the curtain of Port Operations. Loved and appreciated the transparency which demonstrated trust and went a long way to clear up any misconceptions put forth by other involved parties.

Bringing together the various stake holders in T6, including labor, was a brilliant move and one that could/should have been done some time ago. The important thing is it finally came together and we all realized the power it has and will have as the Port moves forward.

Dr Martens has supported T6 since 2003 and hope to continue to support T6 moving forward. It's unfortunate that we don't realize what we have until it's gone but closing it down for a couple years may have been a good thing. We now appreciate it more and want its operation to come back. The negative financial impact to Dr Martens per year without T6 is in the 100's of thousands of dollars when we factor in an additional week in transit time, inventory carrying costs and rail costs.

The lost Tax Benefits to the State through lost jobs, the added negative impact on Oregon and Washington roads, bridges and other infrastructure not the least of which, the environment, with the addition of about 2000 extra trucks on the roads hauling ocean containers, needs to be factored into the equation FOR reopening T6. It's my belief when all things are considered, the Commissioners and the Governor will make the correct decision, move forward and reopen T6.

I am unable to attend the Jan 10th meeting but will be supporting you in spirit. Feel free to read the above letter at the meeting if you should choose to do so. Thanks again for all you do in operating the Port! Keep up the great work!

Kind regards,
Kevin Koronko
Logistics Manager
Dr Martens AirWair LLC
www.drmartens.com



1/4/18

Port of Portland

Thank you for the opportunity to participate in the Terminal 6 Industry Leader Committee.

It was an honor to be asked to share our insight and be included in the process. We have had a longstanding relationship with the Port of Portland and were encouraged to see a significant effort made toward making T6 a viable operation again. The diversity of ideas and options presented, all designed to encourage future business, with an eye toward long term viability, were refreshing.

Both Patricia and I are encouraged personally and professionally by the potential to have an operational port back at T6. The economic impact to the community and our organization is significant.

Please feel free to reach out to us in any capacity you feel we can add value to in regard to this effort.

Sincerely,

Patricia Villalonga
International Logistics
The Kroger Company

Robert Wilkerson
Seasonal Supply Chain
The Kroger Company



1/7/18

Statement at Port of Portland Commission Meeting

Port of Portland Commissioners, Port Staff, and Attendees:

My name is Brenda Barnes and I work for Geo. S. Bush & Co., Inc., which is an international freight forwarder and Customs house broker. Our company started in Portland in 1888, but I have only worked in the industry since 1988, focusing most of these 30 years on exports. Personally, I am a third generation Oregonian. (My great aunt was the first woman to tag a buck in Oregon.)

Freight forwarders help exporters move their cargo by handling/setting-up the logistics, gaining the cargo entry into the destination country by obtaining the required paperwork, complying to U.S. regulations as well as the destination country's regulations, and trying to stay in business by keeping the exporters happy and wanting to ship again. I have stood before you in the past expressing how important the barge was to exporters when we had carriers calling T-6. Now I stand before you to state T-6 operations are important in keeping companies within Oregon viable in the global economy.

The 6 to 7-month Industry Leader Committee process we all devoted our time to was well organized, and included all facets of our industry involved with T-6 operations, allowing different perspectives to be heard. Every one of us has reasons to want T-6 back into our operations. All operating container terminals have issues that T-6 does not bring: truck turn-time, space for efficient processing, quick connection to rail, or bureaucracy to climb through for answers.

The idea of using the rail for more than just Portland cargo allows the gate of the terminal to be open throughout the work week so that the container portion can operate normally. I am excited to use the new services as they come to T-6 for existing business, but the new services may also bring new business no one has thought of yet. The future for all of us is much brighter with T-6 operations back in the picture.

Brenda Barnes, Geo. S. Bush & Co., Inc.

Telephone (503) 228-6501

On the Web at WWW.GEOSBUSH.COM

Fax (503) 294-0432

FOREIGN FREIGHT FOWARDERS
SEA AND AIR
FMC NO. 162 IATA NO. 38-5-7837

CUSTOM BROKER
CHB LIC. NO. 38



January 8, 2018

Good morning distinguished Commissioners of the Port of Portland, Port staff and guests:

My name is Del Allen, President of Allports Companies, a local International Freight Forwarder, U.S. Customs Broker and native Oregonian. I have nearly 40 years of experience in the business of International Trade and Logistics and Allports Forwarding will celebrate its 32nd year in business in 2018.

It has been an extreme honor to be a part of the Port of Portland's Terminal 6 Industry Leader Committee, working closely together with fellow Freight Forwarders, Customs Brokers, Ports, Carriers, Importers/Exporters, Labor and the national consultant team on the business study. The past six months collaborating with the committee in reviewing and providing guidance on the analysis of the business study by the national consultant has been extremely rewarding.

This Port is viable and is an important economic engine for our region. In my opinion, to be successful, the Port will need to redefine its role, continue to engage all stakeholders in the process, and obtain local, state, regional political and financial support.

Much of western regional business leaders, politicians and general populous are unaware of the critical importance of international market access, the magnitude of the current situation, and the importance of global trade to the region's economic health.

It is imperative that we take all steps necessary to ensure that the Columbia River and namely the Port of Portland's Terminal 6 remains open to the world for business as a multi-use facility.

As has been stated in the past, this isn't about the Port of Portland. It's about this region and the billions of dollars of waterborne trade moving annually through a water system that has proven to be cost effective, reliable and supports green initiatives.

The previous executive director of the Port once stated and his comment is so poignant today, "The Columbia River is the region's link to world markets and a strategic trade corridor for the nation. Literally, for Oregon agriculture producers, this is their farm to market transportation system....and right now, there is no investment more important to our connection with trading partners around the globe than the regions Container Terminal located in Portland".

In the long-term, it's in everyone's interest to get things working at Terminal 6, seeing carrier and rail service operational at Terminal 6 not just for the sake of Portland but for the regional importers and exports who have daily movements of cargo into global markets.



Regional economic growth is strong, and the outlook is good. Having strong truck and rail infrastructure in place to exploit connections going north, south, east and west would further promote development of major distribution centers in the region and our economy. There is sufficient cargo in the region to be of interest to container carriers and rail operators in the movement of cargo in all directions.

Developing Terminal 6 as a multi-use facility will redefine its purpose, future and launch new strategies for strategic growth and prosperity for the region.

Importers and exporters are suffering because of the vast volume of container cargo that comes through northern and southern ports. Getting cargo through these large terminals (i.e., Seattle/Tacoma and Los Angeles/Long Beach), through the gate, onto truck/rail and delivered on time is challenging at best. A niche operation at Terminal 6 could drive the timeliness of scheduled deliveries to Beneficial Cargo Owners to unprecedented visibility, speed and accuracy.

As previously stated, this is not an exclusive Port of Portland operational problem. This is a state and regional issue. To be successful, everyone needs to have a little skin in the game to achieve effective, responsible and long-term goals. This would include, but not be limited to, recovery of shipper cargo volumes, reduction of Port overhead costs, labor cooperation, and targeted marketing strategy with full engagement of all affected parties. If all parties are committed to the process, commit to the long-term investment, and share in economics involved, we can further this economic driver and create profitability for all stakeholders and business.

We should extend support to importers and exporters, locally, regionally and nationally and provide financial incentives to support Terminal 6 and not to go anywhere else. There is room to capitalize on congestion issues at other West Coast ports. Predictability is a vital selling point as cargo owners want visibility and consistency door-to-door. In this market, they do not have this, and it is truly an expensive intangible cost.

The Port's success will be in a mix-use facility, generating profits from a combination of mixed uses, including but not limited to container, breakbulk, intermodal, container yard and multi-directional rail services.

People talk about international trade being a commodity business that is supported by competitive market access. Global transportation is an expensive game, is highly competitive and volatile. The continued consolidation of ports, global carriers, stevedores, trucking companies, terminal operations, supply chain professionals, etc., are based on reduction of costs which contributes to diminished customer service. This new paradigm affects the ability of importers/exporters to move cargo efficiently which increases the cost of goods to consumers exponentially.

Everyone wants to be large enough to survive in this global economy but at what price? A terminal operation at the Port of Portland's Terminal 6 can become highly customer-centric, develop close and long-term relationships, and provide accuracy and visibility in their services. The Port of Portland is an economic engine to state, regional and national economies and should be provided financial funding, incentives and support to be successful.



The Industry Leader Committee recognizes and appreciates the Port's willingness to invest funds to ready the terminal for long-term business and focus on new business development. These efforts allowed the Port to secure commitments from Swire Shipping and BNSF intermodal to begin building confidence in the facility and further enhance the prospects of showing the world that this facility is open and ready for business.

This new business provides a foundation for the Port and its stakeholders to develop a package to entice container carriers and key transportation service providers to commit to Terminal 6.

My passion for the success of Terminal 6, the sovereign Columbia River, and this industry that affects so many family wage jobs and livelihoods is unparalleled. I am eager and ready to continue the work still in front of us in bringing back a stable and economic engine to this region soon.

Most sincere regards,

Del Allen, CEO/President
Allports Forwarding Inc.
Allports Incorporated

January 09, 2018

To: Port of Portland Commission
From: Stuart Follen, Member T-6 Industry Leader Committee

Dear Commission,

I have asked that my comments be read as I am currently out of town and unavailable to attend this meeting. For the last 30+ years, our group of companies have been involved in the import and export business utilizing the services of many USA ports. So, we are very familiar with the strengths and weaknesses of all the West Coast ports. In addition, we have seen the evolution of the shipping industry over the last 30+ years and the subsequent impact it has had on all the ports. Below I have outlined my personal opinions regarding the future of the T-6 terminal going forward.

Future of Terminal 6

Change is inevitable. It is how we adapt to change that decides our viability. Today, retail "brick and mortar" businesses are trying to figure out how to survive in the new e-commerce economy. 60 years ago..."Mom and Pop" grocery stores tried to figure out how to survive against the emerging national "chain stores"....like Safeway, Albertson, and Kroger. While "John's Market" on the corner of 42nd and Sandy may have closed, it was only a few years later that 7-11 and Plaid Pantry Markets started popping up all over Portland and continue today. Why? Their prices were higher...they had limited selection. They survived, because they served a niche that people wanted. They served a niche that the big retailers could not provide. John's Market may have disappeared...but the "new Mom and Pop" grocery is now 7-11. Change...evolve...adapt, find and serve the niche markets that people want.

The T-6 Niche

T-6 can be the "niche" port on the West Coast. No, we are never going to be a port of call for a 20,000 TEU Mega ship. Ships are getting bigger and bigger...just like retail markets in the 1960's. But, this very trend which has hampered growth at T-6, offers a huge opportunity for the future. Find the niches...they are out there. North – South Trade...with Central and South America and Europe...is a niche market with huge potential. And...the vessels servicing these areas are smaller...a perfect fit for Portland.

In addition, T-6 is perfectly positioned to expedite e-commerce growth overseas with both "air and ocean". This is a "new industry"...that is poised to explode. E-commerce is high value...freight costs are a very small % of overall costs. So, building efficient distribution systems is the way to capture this explosive industry.

The Future

T-6 has a future...but we need to adapt. Portland is perfectly placed to succeed with the correct plan. We will never be Seattle/Tacoma or Long Beach/LA. But, we never were.

Closing Terminal 6 would be a huge mistake. So many other terminals are hampered by congestion....taking days for cargo to make it from ship to "rail or truck".

Conclusion

Now is not the time to "quit". Now is the time for vision and change. Now is the time to identify niches...create efficiencies, and serve the markets that are "coming in the future". It is the time to lead...not follow. It is the time to know and understand where Portland "fits". No, it is certainly not the time to quit.

Regards,

Stuart Follen
President, SL Follen



January 9, 2018

To: Port of Portland
Advisian
Coraggio Group

Re: Terminal 6 Industry Leader Committee

I am writing to express Tidewater's thanks for being invited to participate on the Terminal 6 Industry Leader Committee over the past seven months. We have participated in similar endeavors over the years and your team conducted a most thorough and well-organized program. Tidewater has been involved with the operations at T-6 since the first shipment of containers was delivered there by barge. We can also claim that we delivered the most recent shipment of containers to T-6 by barge back in early 2015 and we are confident that there will be more to come in the future. My own involvement with T-6 spans 20 years not just with Tidewater but also while working previously for two ocean carriers calling the terminal. Over that time, there have been many changes in the local market needing international ocean carriage, West Coast ports, the ocean carrier market, and the ancillary modes of transport involved with moving goods to and from Pacific Northwest ports. Many of these changes have not been advantageous to sustaining ongoing business at the terminal.

The Port and its team conducted a very thorough examination of operating costs and what will be necessary going forward to cover those costs. With a breakeven target of roughly the terminal's volume during its best years, it is clear achieving sustainable business will be neither quick nor easy. That volume represents the majority of Portland's draw area for containerized cargo. This cargo has not stayed idle for three years. It has found alternatives to get to ports further away where there already exists far greater ocean carrier options compared to T-6 over the last decade. Although local shippers have many reasons to want service back at T-6, they will not drop their current options and direct significant volume to vessels calling Portland until there is a proven record of reliable service and competitiveness. This will take years, not months. We support your group's recommendation to develop a mixed-use terminal with the goal of attracting container service along with other business lines. Ports along the Columbia River are successful handling autos, bulk materials, and breakbulk cargo. For example, collectively, our local ports are the largest export gateway for U.S. wheat. Restarting T-6 by combining similar operations our region is successful at in conjunction with container service is the best plan. Like all plans, that will change but it provides a platform now to move forward.

Tidewater has appreciated the opportunity to be involved with this process. We know that your efforts to have sustainable service at T-6 will be ongoing and we aspire to remain engaged.

Regards,

A handwritten signature in black ink, appearing to read 'Greg Zanavich', is written over a light blue horizontal line.

Greg Zanavich

From: Mike Stanton [mailto:ilwu8@yahoo.com]
Sent: Tuesday, January 09, 2018 2:15 PM
To: Glancy, Lise <Lise.Glancy@portofportland.com>
Subject: Terminal 6 Business Study

EXTERNAL EMAIL:

Hello, my name is Mike Stanton. I am the current president of the International Longshore and Warehouse Union Local 8 here in Portland Oregon.

First of all, I would like to say I felt privileged to be included in the Terminal 6 Industry Leader Committee. The executive director and his exceptional staff put together a committee of people that were a very good representation of the groups or companies that would possibly be affected by the re-opening or non-re-opening of Terminal 6.

The group was been facilitated well and hopefully has had some effect on the path that the Port has decided to follow to continue its mission to enhance the region's economy by providing efficient cargo access.

The men and women of the ILWU have been loading and unloading cargo on Portland docks since 1934, and we've seen many changes over the decades. We see the relationship with Swire Shipping as a very positive step for our state and region. Longshore workers have been hard at work at the Port of Portland's other terminals, handling cars, bulk cargo, grain and other goods. We are happy to be adding containers and bow cargo at Terminal 6 to the work we've been doing and are looking forward to working with other labor groups, the Port, and the terminal customers to ensure that Terminal 6 is given every opportunity to excel and grow into a busy terminal that is an asset to the local region and the port.

Over the last two weeks, containers and cargo have started to flow into Terminal 6 to support the rail transload operation and staging of cargo for the first Swire vessel call coming soon. Harbor Industrial, the Port management, and the ILWU locals have worked very hard to put the right people in the right positions to make the terminal opening a success.

I hope that the Port Commission recognizes the effort that the Terminal 6 Industry Leader Committee, the port staff, and the individuals at the terminal have put into the reopening of the terminal. And I hope the Commission continues to support programs and ideas that will ensure that the Port's Marine Division continues to create jobs and growth for the region. Thank you.

Mike Stanton
President, ILWU Local 8
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O: 503-224-9310
F: 503-224-9311

To: Port of Portland Commission
From: Guy C. Stephenson
January 10, 2018
Re: Industry Leaders Review and Recommendations for Terminal 6

Good morning: My apologies for not being able to attend the Commission meeting, and many thanks for accepting these written comments, which are offered in my personal capacity only.

I have been President and CEO of Westwood Shipping Lines, Inc. for the past ten years. Westwood is a “non-alliance” carrier that operates a fleet of seven ships in the North Pacific trade lane. Our west coast service calls the ports of Everett, Tacoma, Vancouver BC, and a monthly mill call at Longview. Our service to Asia includes ports in Japan, Korea and northern China. Westwood is the second largest carrier of containers from Japan to the PNW, and in the top five from Korea. From 2010-2016 Westwood made a monthly westbound container call at T-6. We were the last carrier of containers to leave Portland.

As a “conbulk” carrier Westwood carries a mix of containerized and non-containerized cargos including project cargo and heavy lift. Our container business is both local and intermodal with regular service to the Midwest of the U.S. and Canada. Westwood is one of the few conbulk carriers that operates on a fixed schedule. Our schedule integrity is among the best in the industry.

I am very pleased to be a part of the Industry Leaders Review Committee. This review process was very thorough and expertly conducted. Difficult questions were not avoided, and candid discussion was encouraged. As a result of the review process, the recommendation is for a mixed-use terminal, for the reasons stated in the report. I support that conclusion.

The collapse of the container operation at T-6 created hardships for local and regional shippers, and certainly forced “alliance” carriers to eliminate Portland from their schedules. For a container carrier, Portland has always been a high-cost call, and it will be difficult to attract an “alliance” carrier unless it can achieve the volumes and cargo operation production necessary to make a call profitable. This will require both import and export volumes. After two years of shut-down, such a decision would be very high risk, especially since there are numerous alternatives through ports in Washington State, BC, and even California, particularly for the import business. Other obstacles to a “container only” operation include Portland’s present reputation for labor/management issues and the terminal’s history of operating losses, whether operated by the Port or by private companies.

A mixed-use terminal seems the best alternative, as it will not require the Port to run the financial risks necessary to return to a container only operation. A mixed-use terminal will attract a wide variety of businesses, and will make better use of the terminal’s size. This should lower the costs to any carrier that might wish to call T-6, whether for container or non-containerized cargo. Mixed use has the best potential to make this very important property again serve its purpose to support commerce in the Columbia River Basin, and greater PNW.

I would be happy to make myself available for follow up questions, and to continue to work on this very important issue.

Guy C. Stephenson

Testimony at Port of Portland Commission Meeting

January 10, 2018

Hello Commissioners, I'm Bob Carroll, a Business Representative of the International Brotherhood of Electrical Workers and the President of the District Council of Trades Unions representing the Maintenance Workers at the Marine Terminals. Thanks for allowing me to speak today.

Being a part of this committee has been both a privilege and educational. I learned a tremendous amount about the dynamics of the container shipping industry and the changes that are happening worldwide but more specifically in the Pacific. It was also interesting to hear what the other committee members had to say about the import-export/shipping industry from their perspective.

I have been associated with the Marine Terminals as a Union Representative for almost 11 years now and have seen fluctuations, turmoil, business upheaval and labor strife. As a result, the DCTU member numbers have declined, especially the IBEW.

The myriad issues that determine if the Port can be successful at T6 are many and varied, including rail, channel depth, traffic and other infrastructure. The fact that the Port has reached out and drawn together the type of committee they did is encouraging and I believe that the Port is and putting in the time and the work to make the Terminal successful. I think that all of us on the committee and at the Port understand that the time is now to take great strides in getting T6 up and running since it has been and will be an economic driver in this community.

Even during the time that T6 has been shut down, the Port has committed the resources to the Maintenance Department to continue to upgrade certain cranes and do routine maintenance to ensure that when the Gate opens the Terminal is ready for business.

It is vital that Terminal 6 be successful, that success will benefit the community, business, labor, the Port and not least on my mind, the District Council of Trades Unions and the IBEW.

Thank you.

Bob Carroll, Business Representative
IBEW Local 48



PORT OF MORROW

Alice Cuprill-Comas, Commission President
Port of Portland Commission
PO Box 3529
Portland Or. 97208

January 8, 2018

RE: Industry Leader Committee Terminal 6 Comments

President Cuprill-Comas, Commission Members:

I wanted to share with you my appreciation for being able to serve on the Committee to identify potential ways to support bringing container service back to Terminal 6 for the benefit of Oregon and the shippers that depend on import and export services to successfully do business in Oregon and beyond.

I have been involved with the Columbia-Snake River System as a Port Manager for over 34 years and the Port of Portland Terminal 6 facilities have been a critical part of the economy that surrounds the regions I have served. The Port of Portland and its role as the gateway to the Pacific Rim and beyond is a key link that requires all of us to work together to support the import and export potential that we have enjoyed in the past and strive to reinstitute for the future.

The Port of Morrow's businesses in the Eastern portion of the State along the Columbia River are primarily export operations shipping products throughout the world. Terminal 6 is the first choice to export if our shippers can access the steamship lines that deliver to the locations they serve. There are many reasons why we have lost the service through Portland, including consolidation in the steamship industry, size of ships, labor, and other factors; however, we need to continue our efforts to identify pathways that will bring services back to Portland. As you are aware, the Port has had recent success in the startup of the SWIRE container service and has had the opportunity to identify other niche type services that shippers from Oregon may benefit from. The need for potential intermodal services can be another opportunity that assists Oregon's import and export community. Oregon, being number 14 in states dependent on trade, most definitely needs access to those worldwide markets. Key markets that Oregon shippers need to access are from Asia, 89% are import markets and 87% are export markets.

How do we continue to pursue this desperately needed service? I believe it takes support from all fronts. Our export shippers rely on containers that are positioned through Portland in order to use those containers for product shipment to the Asian market. We need our importers to participate in directing their product through the Port of Portland Terminal 6. Oregon has many large importers that call Oregon home. How can we solicit their commitment to redirect containers through Portland to be able to attract steamship lines to call on Portland? We need the support of the Oregon Legislature to assist in identifying financial incentives or other alternatives to encourage participation from Oregon importers to help bring import containers through Terminal 6 to be able to generate containers to be utilized for exporting. There might be a tax incentive or some other benefit to those importers that pay Oregon income taxes that would ultimately help generate the much-needed steamship service at Terminal 6. The Port of Portland needs to receive financial assistance for at least a 5-year period while strategies for carrier services continue to be developed, pursued and successfully brought to fruition.

Port of Morrow • P. O, Box 200 • Boardman, OR 97818 • (541) 481-7678

Oregon Lottery proceeds should be allocated to commit \$5 million per year for the next 5 years to shore up the Port of Portland's and Oregon's commitment to the international trade we are dependent on in our ongoing economies in most regions of the State. The short-term and long-term success of these efforts are too important to not place Terminal 6 at the highest priority for Oregon as a trade dependent state.

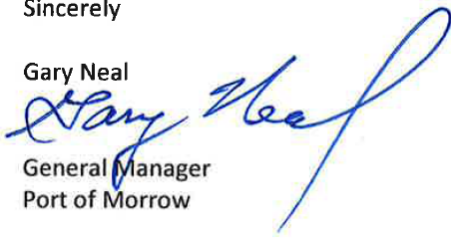
The challenges the Port of Portland has had to financially carry this burden is a State of Oregon issue, not just Port of Portland and having financial assistance on this statewide need benefits all importers and exporters located in Oregon. Another consideration for assistance could be mitigating the cost of pilotage from the mouth of the Columbia River to Terminal 6. Again, mitigating the cost of calling on Portland by the steamship lines.

There are several short-term strategies as well as long-term recruitment ideas and efforts that are specifically addressed in the Committee's Guidance Report that will require continued support from this Commission. You have a well-qualified and dedicated staff that have been a part of the strategic process to date and the state of Oregon is well represented in the committee participation and the staff of the Port of Portland. I know that most committee members are involved because they have either a vested interest or a desire to see the steamship service and imports and exports travel through Terminal 6 to their ultimate destination for the benefit of all involved. Please let us know how we can help in the next steps as you decide how to proceed.

Sincerely

Gary Neal

General Manager
Port of Morrow



cc: Speaker Tina Kotek
State Representative Greg Smith
State Senator Bill Hansell