

Metro | Agenda

Meeting: Metro Council
Date: Thursday, February 24, 2011
Time: 2 p.m.
Place: Metro Council Chambers

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS
2. CITIZEN COMMUNICATIONS
3. PORT OF PORTLAND SUSTAINABILITY PRESENTATION Bill Wyatt, Port of Portland
Marla Harrison, Port of Portland
4. CONSIDERATION OF THE MINUTES FOR FEBRUARY 17, 2011
5. CHIEF OPERATING OFFICER COMMUNICATION
6. COUNCILOR COMMUNICATION

ADJOURN

METRO COUNCIL WILL CONVENE A SPECIAL WORK SESSION IMMEDIATELY FOLLOWING THE REGULAR COUNCIL MEETING.

1. METRO COUNCIL PROJECT LEADS AND LIAISONS AND PROJECT ASSIGNMENTS Shaw

Television schedule for February 24, 2011 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 11 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 2 p.m. Thursday, Feb. 22 (Live)	Portland Channel 11 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 <i>Date:</i> 8:30 p.m. Sunday, Feb. 27 <i>Date:</i> 2 p.m. Monday, Feb. 28
Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 <i>Date:</i> 2 p.m. Monday, Feb. 28	Washington County Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 11 p.m. Saturday, Feb. 26 <i>Date:</i> 11 p.m. Sunday, Feb. 27 <i>Date:</i> 6 a.m. Tuesday, March 1 <i>Date:</i> 4 p.m. Wednesday, March 2
Oregon City, Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.	West Linn Channel 30 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 503-797-1804 or 503-797-1540 (Council Office).

Agenda Item Number 3.0

Port of Portland Sustainability Presentation

Metro Council Meeting
Thursday, Feb. 24, 2011
Metro Council Chamber

Sustainable Natural Resources Policy	Policy No. 7.4.19
	Date: January 12, 2010
	Rev.
	Page 1 of 2
	Owner: Environmental Affairs

1. PURPOSE

Establishes guidelines for incorporating sustainability principles in Port decision-making process.

2. PERSONS AFFECTED

All Port Employees

3. POLICY STATEMENT

The Port recognizes that our actions today affect and influence the lives of future generations and the environment where we live and work. The Port is operating sustainably when we make business decisions that support long-term economic health, integrate community concerns into our work, and reflect a deep and broad commitment to environmental stewardship.

The Port of Portland is committed to protecting the environment for the benefit of future generations. This means that as we pursue our mandate from the Oregon Legislature to meet the trade and transportation needs of our customers and community, we respect the natural resources that make our work possible. As a public agency, we have a specific and enduring role in the community; we recognize that clean air, healthy waters, and productive landscapes help to facilitate our mission to move goods and people efficiently.

The principles below establish the overarching guidance we will consider as we operate an efficient port now and into the future. They acknowledge the environmental challenges facing the Port, and the ethic and culture we will promote in order to ensure that we conduct our business lines in a manner that contributes to the long-term economic, environmental, and social health of the region in which we live and operate.

As part of the Port decision-making process, **we will:**

- **Apply our Environmental Policy;** use our Environmental Management System to understand the environmental impacts of our work; and seek out least-impact approaches that balance nature and commerce when developing and managing aviation and marine facilities and industrial parks.
- **Promote continuous improvement** when it comes to enhancing and sustaining native vegetation, fish and wildlife; conserving and protecting water resources; minimizing air pollution; conserving energy while promoting use of renewable sources; and reducing waste streams.
- **Foster a Port-wide culture** where efficiency is actively encouraged and waste is continuously reduced.

- **Exhibit leadership** within the port industry by implementing innovative approaches based on sound science and informed decision-making.
- **Pursue pre-emptive measures** to reduce the Port's contributions to global climate change and develop proactive mitigation and adaptation strategies.
- **Encourage partnerships** to achieve integration of the above concepts within the Port and with other stakeholders.

4. DEFINITIONS

Continuous Improvement – systematic approach designed to bring gradual, but continual improvement to a process through constant and regular review.

Environment - physical surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, humans, and their interrelation.

Environmental Management System - the part of the overall management system that includes the organizational structure, planning activities, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining the environmental policy.

Environmental Performance - measurable results of the environmental management system, related to an organization's control of its environmental aspects, based on its environmental policy, objectives and targets.

Environmental Policy – a statement by the organization of its intentions and principles in relation to its overall environmental performance that provides a framework for action and for the setting of its environmental objectives and targets.

Additional and expanded definitions are available in the Port's *EMS Manual*, Appendix B.

5. RELATED POLICIES, PROCEDURES, AND GUIDELINES

- Port Environmental Policy
- Environmental Management System (EMS) Manual

Policy No. 7.4.19: Sustainable Natural Resources	
Date	Description of Modification
01/12/2010	New Policy

PORT OF PORTLAND COMMISSION POLICY

ENVIRONMENTAL POLICY

POLICY NO. 6.1.11

Approved Commission Meeting of February 9, 2000

The Port of Portland will achieve its mission through responsible environmental stewardship and the implementation of proactive environmental programs. The Port will integrate environmental considerations into all aspects of its strategic planning and business decision-making.

The Port will actively seek resolutions to environmental issues by endeavoring to achieve the following goals:

Compliance:	Comply fully and promptly with all applicable environmental laws, regulations, and Port policies.
Planning:	Integrate environmental costs, risks, impacts, and public concerns into operating decisions and facility development planning processes.
Natural Resources:	Minimize impacts and seek opportunities to enhance natural resources while carrying out Port projects.
Pollution Prevention:	Minimize pollution and waste through source reduction, reuse, or recycling.
Management Commitment:	Communicate this policy and its requirements and deliver the training, tools, and resources required to implement this policy.
Government Relations:	Develop cooperative working relationships with agencies and promote development of sound environmental legislation and regulation.
Community Relations:	Provide community outreach and leadership on environmental issues and respond in a timely fashion to inquiries or expressions of concern regarding environmental issues related to Port and tenant activities.
Performance:	Improve the Port's environmental performance through regular monitoring and evaluations.
Quality:	Achieve superior environmental performance and work product.
Continuous Improvement:	Continuously improve the effectiveness of the Port's environmental program.

Implementation of this policy is the responsibility of all employees.



 PORT OF PORTLAND

Strategic Plan

2010 - 2015

Port of Portland Vision and Mission

Charged with promoting the region’s aviation, maritime and commercial and industrial interests, the Port’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.

While the mission describes what the Port does, the vision is an aspirational statement of what the Port wants to become over the next five to 10 years. Supporting its mission, the Port’s vision is ...

... to be a prominent, innovative economic development engine while stewarding the region’s community and environmental best interests.

Table of Contents

Background on Port of Portland / About the Port	1
Intent of the Strategic Planning Process	3
Market Trends / Situation Analysis Section.....	5
Defendable Position.....	13
Areas of Strategic Focus / Portwide Goals and Metrics.....	14

The Port of Portland: Possibility. In Every Direction.

Located in Portland, Ore., the Port of Portland is the bridge that connects Oregon and much of the rest of the Pacific Northwest to the world. The Port manages marine and airport facilities that link to intermodal transportation systems connecting relatively isolated local markets with each other, the nation and beyond. One of only a handful of consolidated ports in the U.S., owning both marine and airport terminals, the Port is also the Portland area's largest owner of industrial land.

History

The Port of Portland was created by the Oregon Legislature in 1891 to dredge a shipping channel from Portland 100 miles to the sea. Today, the Port is charged with promoting aviation, maritime, commercial and industrial interests within Clackamas, Multnomah and Washington counties (including the city of Portland). The scope of Port services extends beyond this immediate metropolitan area to include farmers and other industries from inland regions of the Northwest. The Port is directed by a nine-member commission, whose members are appointed by the governor of the state of Oregon and confirmed by the Oregon Senate.

The Port's location at the confluence of two navigable rivers, two transcontinental railroads and two interstate freeways has been a factor in the development of facilities and the commodities it ships. Portland's population size and economic history have dictated an export dominance in trade. It has also influenced the development of distribution facilities that serve markets beyond its geographic boundaries.

Facilities and Services

The Port owns four marine terminals, Oregon's primary commercial airport (Portland International Airport or PDX), two general aviation airports (Hillsboro and Troutdale), and it oversees five industrial/business parks. The Port also owns and operates the dredge Oregon to help maintain the shipping channel on the lower Columbia River.

Operating an award-winning, world-class airport allows cargo and passenger air carriers and a host of vendors to be successful in their businesses, and in turn, millions of passengers and tons of air cargo have ready access to destinations around the globe. Streamlined marine terminals and prime industrial properties offer shippers, ocean carriers and about 1,000 area businesses an opportunity to compete in international markets.

Recent Successes

While the Port's service territory is large geographically, its market is relatively small. At the same time, the Port is heavily reliant on its own business revenues to fund its operations, with 97 percent of its revenues coming from business transactions. Despite not having the market size or financial resources of some of its West Coast competitors, the Port can nonetheless celebrate several notable achievements:

- Obtaining funding for and seeing completion of the deepening of the Columbia River navigational channel to 43 feet.
- Being among the 12 U.S. cities with both nonstop trans-Pacific and trans-Atlantic air service (with a market size only half that of the 11th largest of these cities).
- Helping establish, via legislative approval, a statewide funding program for nonhighway transportation improvements and receiving funding for key projects such as a marine terminal crane purchase and lengthening of PDX's north runway.
- Developing a unique and effective disadvantaged business program that serves as a model for others across the country.
- Investing in a brand new corporate headquarters building that consolidates the Port's two primary offices into a new facility that will be at least gold level LEED-certified.
- Adopting a sustainability policy that both reflects our community's and the Port's values and meets business needs.
- Securing approximately \$125 million in funding, via competitive grant and loan programs, for the Port and others to fund Port priorities in 2009.
- Creating and implementing a customer service program for all employees at the airport that has resulted in consistently being recognized as one of the best airports in the U.S.



Intent of the Strategic Planning Process

New Strategic Planning Process Aligns Priorities and Budget

During the global economic recession of 2008-2010, the Port experienced the loss of ocean and air carriers and the subsequent declines in volumes and revenues. As resources dwindled and the economy restructured, the Port embarked on designing a new strategic planning process that would allow it to better adapt to shifts in the economy and changes in its business model. The Port understands that its customers have a choice of seaports and airports. It simply cannot pass cost increases on to customers as a way to do everything it wants to accomplish. This new strategic planning process focuses the Port's decision making and planning processes on identifying its highest priorities while managing costs.

Designed by Port staff in collaboration with a local strategic and organizational design firm, the Coraggio Group, the Port's new strategic planning structure provides:

- Consistency in strategic planning from cycle to cycle
- Linkage among strategic planning, business planning and budgeting
- Clear prioritization of activities and expenditures aligned with strategic priorities
- Management processes to track progress toward strategic goals

Organized into five phases, this new planning process directly links the development of the Port's annual budget to five-year strategic goals. The intent of the process is to have clearly articulated and defined long-term (five-year), Portwide strategies that direct the development of both a three-year and an annual business plan, which, in turn, drive annual budgeting. This strategic plan will guide the Port from fiscal year 2010-2011 through fiscal year 2014-2015.

Time Horizon	Phase	Elements
5 years	Strategic Clarity & Planning	<p>Mission/vision/values</p> <p>Market and stakeholder assessment</p> <p>Financial projections</p> <p>Defendable position</p> <p>Strategic areas of focus</p> <p>3-year planning assumptions and guidance</p>
1-3 years	3-Year Business Planning	<p>1- to 3-year initiatives for Port's business lines (marine, aviation, industrial development) and strategic areas of focus</p> <p>New business opportunities</p> <p>Risks and challenges</p> <p>Financial projections</p> <p>Cross-cutting issues/interdepartmental support</p>
1 Year	1-Year Business Planning	<p>1-year departmental business plans, including both strategic and non-discretionary activities</p> <p>Cross-cutting issues/interdepartmental support</p> <p>3-year look at nonoperating area activities</p> <p>Financial estimates of revenues and expenses associated with all 1-year items</p>
1-3 Years	Trade-off Discussions	<p>Assessment of impact of +/- 10% change in funding resources</p> <p>Allocation of resources to highest priority areas balanced against impacts on years 2 and 3</p> <p>Finalized 1-year budget</p>
1 Year	Annual Budgeting	<p>Annual budgets developed in alignment with strategic and business plans</p>

Market Trends / Situation Analysis

Part of a Larger, Global Transportation System

The Port of Portland's facilities are part of the national and global transportation system. The Port competes with other seaports, airports and regions for customers, whether they are carriers, air passengers or industrial park tenants. The lines of business are subject to market forces and changes in the economy. At the same time, the Port is accountable to its customers and stakeholders for how it manages and conducts business. Community values, customer financial requirements and public policy are incorporated in both day-to-day and long-term decision making processes.

Competing for Business on the West Coast

The Port's competitiveness is a function not only of how it adapts to changes in economic and industry trends, but also of its comparative advantages relative to other West Coast ports. The more the Port can leverage its advantages and mitigate its disadvantages, the more successful the Port will be.

Advantages:

- Consolidated port authority like some, but not all, West Coast ports
- Nearby industrial land available to accommodate Port-related activities
- Sufficient capacity at both its seaport and airport terminals to accommodate increased business volumes without expansion in the short term
- Adjacent land available for long-term expansion of facilities (assuming West Hayden Island is developable, in part, for marine facilities)
- Superior inland truck, rail and barge connections, particularly compared to Pacific Northwest ports

Disadvantages:

- Among smallest of competitor seaports and airports
- Not top-of-mind for carriers when considering service expansion
- Small local market and sparsely populated inland market area
- Lack of economies of scale
- Fewer financial resources; some competitors self-sufficient, others supported by larger tax levy (up to 15 to 20 percent of annual revenue)

Market Dynamics, Industry Trends and Key Business Drivers

The Port of Portland operates three primary portfolios of business: marine, aviation, and industrial land. Within the portfolios, there are several lines of business. Not only are each of the business lines different, the Port's position and the market dynamics vary.

Marine

Overall Market Position:

- Largest U.S. West Coast mineral bulk port
- Largest wheat export region in U.S.
- 3rd largest auto import port in U.S.
- Dropped to 4th in total tonnage on West Coast
- Smallest U.S. West Coast container port, ranked 16th in U.S.

Market Dynamics:

- Intense competition for West Coast container ports:
 - Aggressive expansion of East Coast container infrastructure.
 - Pending completion of Panama Canal expansion.
 - Viability of the new container terminal in Prince Rupert, British Columbia.
- U.S. auto sales continue to trend downward following “Cash for Clunkers” spike, though imports continue to grow market share.
- Grain exporters remain profitable, investing in capacity.
- Contracts in place for increased mineral bulk sales.

Aviation

Overall Market Position:

- Regional hub for Alaska, Horizon
- SkyTeam (Delta) now largest airline alliance at PDX; partnerships with Alaska/Horizon
- 25th largest U.S. cargo airport (2008)
- 31st largest U.S. passenger airport (2008)
- Smallest of 12 U.S. cities with both nonstop trans-Atlantic and trans-Pacific service; slightly more than half the size of #11 (Minneapolis)

Market Dynamics:

- Number of seats to begin growing by summer 2010; first growth in two years
- Fewer trips, shorter trips, leisure travel down more than business travel
- PDX transoceanic service at risk
- Cargo volumes beginning to return, but still well down from peak; dependent on U.S. economic growth
- Lack of dedicated transoceanic freighter service

Industrial Land

Overall Market Position:

- Largest owner of industrial land in the region
- Holds three key parcels of land to help meet regional demand
 - Troutdale Reynolds Industrial Park – distribution/general industrial
 - West Hayden Island – terminal expansion, distribution
 - Southwest Quadrant – airside development

Market Dynamics:

- Importers shifting from fewer national to more regional distribution centers
- Fewer greenfield sites available near ports and airports in U.S.
- Decreasing number of large parcels (50+ acres) inside the Portland urban growth boundary
- Recession temporarily dampening absorption of existing vacant space and demand for vacant parcels

Key Drivers for Port Business Lines

	Containers	Autos	Bulks	Air Passengers	Air Cargo	Industrial Land
Strength of U.S. Economy	X	X		X	X	X
Consumer Purchases	X				X	X
Agricultural Production	X		X			
Supply Chain Configuration	X				X	X
Discretionary Income Levels	X	X		X	X	X
Domestic Auto Makers' Competitiveness		X				
Trading Partners' Economic Strength	X		X		X	
Availability of Credit			X			X
Weather in Crop Growing Regions			X			
Business Travel Budgets				X		
State and Local Land Use Policy						X

Pace of Economy and Trade Influence Port's Bottom Line

After several very strong years, international trade, a cornerstone of the Port's business, sputtered in 2009. Nationally, the trade deficit shrank as declines in imports outpaced those in exports. Heavily trade-dependent, the region and the Port felt directly the severe slowdown in international trade.

- Regionally, the value of international trade dropped by \$10 billion, roughly a decrease of one-third compared to 2008.
- Trade with Japan, China and South Korea, which accounts for two-thirds of the region's trade activity, fell 34 percent in 2009.

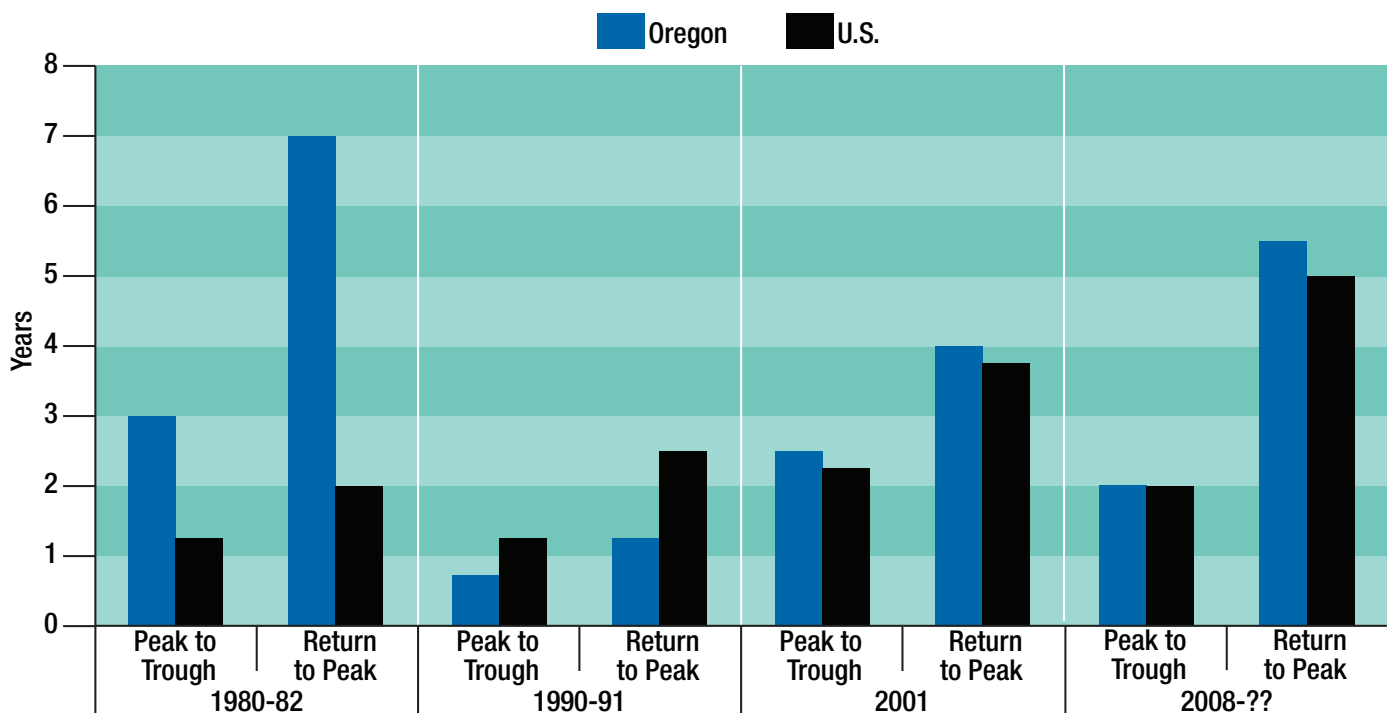
The outlook, however, is more optimistic. According to Tim Duy, director of the Oregon Economic Forum at the University of Oregon, increasing the volume of U.S. exports is one of the fundamental keys for recovery. Tom Potiowsky, state economist for the state of Oregon, forecasts that Asia will likely recover sooner and faster than the rest of the world, which, when combined with a relatively weak dollar, should result in increased export activity in Oregon and the rest of the Pacific Northwest. Most other indicators, as well, point toward an increase in trade activity over the next five years.

- Favorable exchange rates for exports
- The Obama administration's export initiative
- Importance of Oregon's trade with China increasing; Oregon's exports to China now ranking 5th among 50 states

A growth spurt for exports will bolster the export-dependent economy, but economists are calling for slow growth and long recovery. As shown in the graph below, Oregon typically takes longer than the rest of the country to return from a recession to the previous peak. Additionally, income growth, which has been lagging the nation over the last decade, may continue to show weak growth.

- Employment in Oregon will not return to 2007 levels until 2013.
- Only the Great Recession of the early 1980s had a longer recovery period in Oregon: seven years.

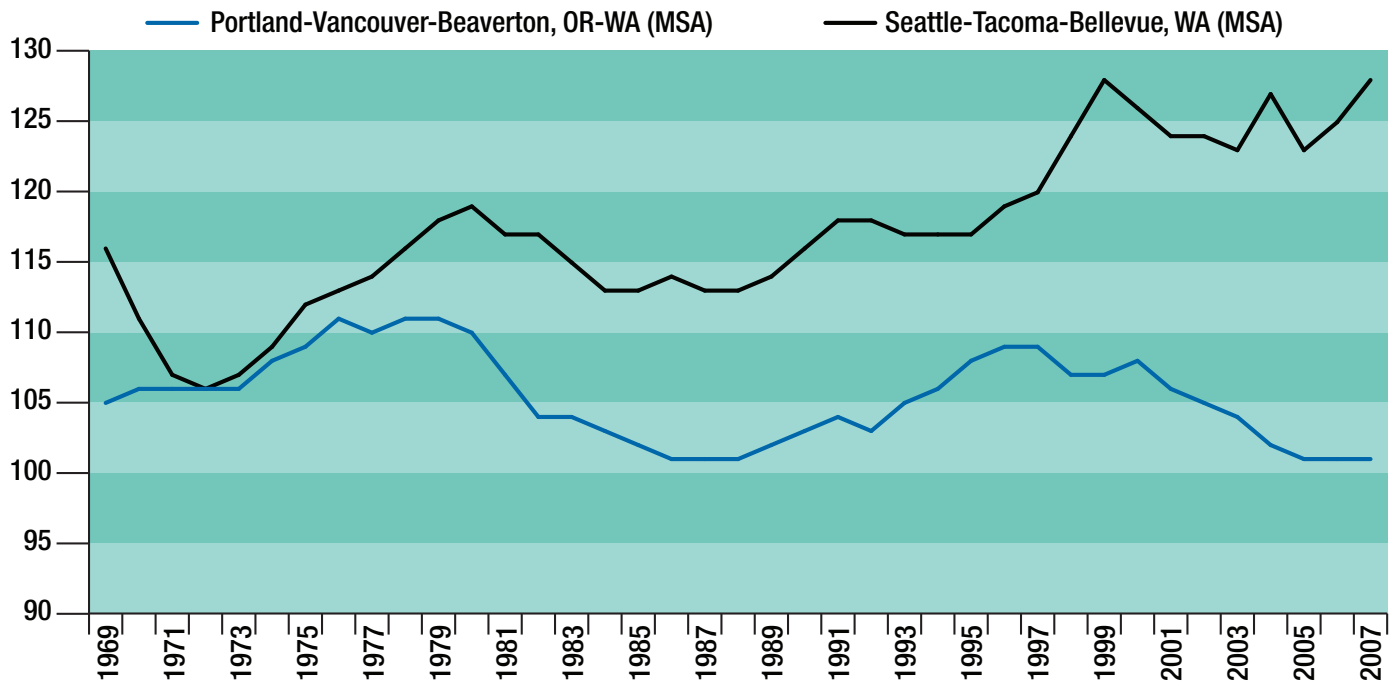
Recovery Periods, Oregon vs U.S.



Source: Oregon Office Economic Analysis

- The Portland-Vancouver metro area's per capita income was 109 percent of the U.S. per capita income in 1997, but only 101 percent by 2007.

Per Capita Income, Percent of U.S.



Source: Compiled by Oregon Economic Forum from U.S. Department of Commerce data

All of these economic issues have a direct impact on the Port's bottom line. Higher unemployment rates and lower income levels dampen demand for trade, air travel and industrial land. This, in turn, reduces the amount of revenue the Port collects and the financial resources it has at its disposal. As trade increases and the economy improves over the period of time covered by this strategic plan, Port revenues should increase.

Dynamic Industries in Challenging Times

The Port and the carriers that call its facilities operate in highly competitive and volatile industries. Freight shipments and air travel directly reflect economic activity levels and other market dynamics such as exchange rates, oil prices and income levels.

Globally, both the maritime and aviation industries are expected to report financial losses in the billions of dollars in 2010. While conditions for these industries are expected to improve over the period of time this strategic plan covers, the financial losses in these sectors and other trends specific to these industries translate into lower revenues for the Port and a need to focus on cost containment.

At the height of the recession, the volume of trade was so low that ocean carriers had idled more than 500 vessels at anchor. There simply was not enough cargo to fill the ships. Global economic stimulus and low prerecession inventory levels have led to carriers bringing many of those vessels back into service. Heading into this five-year planning cycle, other signs of improvement in maritime trade are evident.

- Improvement over 2009 volumes are expected across many sectors of the industry.
- Costs to charter a vessel in 2009 reached historic lows, but are beginning to rebound now.
- “Slow steaming” efforts to reduce fuel consumption continue as carriers look to reduce costs.
- Coming off a tough year for ocean carriers in 2009, increases in shipping rates should help carriers improve financial performance.



The very same dynamics at play in maritime trade have also affected the movement of air cargo. Volumes are beginning to increase, but the pace of growth hinges heavily on consumer spending, demands here in the U.S., and the performance of the U.S. economy.

Passenger airline operations similarly have seen capacity in the form of seats taken out of the market. Airlines have been challenged to manage their schedules and capacity during the downturn. Capacity reductions have taken the form of eliminated flights, reductions in the number of days each week flights operate, and shifting flights to regional carriers with smaller aircraft. Some of this capacity is now being pulled back into the market slowly. Carriers, having implemented both cost-cutting and revenue-enhancing programs, are beginning to see improvement in their bottom lines, though losses are still expected in the short term.

- U.S. carriers are expected to lose \$1.8 billion in 2010, outperforming the industry worldwide, which is expected to lose \$2.8 billion.
- Premium and business travel is starting to return.
- Airlines will continue to add ancillary fees.
- Leisure travelers are modifying behavior: they are waiting longer to book, taking shorter trips, spending less, and focusing on value or all-inclusive packages.

The reason that trade and travel dropped so precipitously during the recession was that goods and services were not being purchased. As industry produced fewer goods and sold even less of what it produced, the need for new or expanded facilities for manufacturing, distribution, logistics and freight handling dwindled. Industrial space vacancy rates skyrocketed, and demand for industrial land slackened. In the Portland market, the industrial market was hit particularly hard as a great deal of new space was constructed during the run-up to the prerecession peak. Most of it came on line late in 2008, just as the market began contracting. As the economy has begun to pick up, there are some signs of improvement, though demand for vacant industrial land will likely be soft in the short term. While this provides some relief from the shortage of industrial land in the region, the relief is only temporary.

- 2009 posted worst industrial market performance in 20 years.
- Portland vacancy stabilizes at 8.8 percent as economic slowdown eases.
- Q4 2009 had positive absorption for the first time in more than a year.



Public Policy

In addition to the economy, market forces and competitors, public policy decisions at the national, state, regional and local levels factor into the Port's success. Public policy influences range from project funding choices to regulatory decisions to election outcomes. Over the next five years, policy makers at all levels of government will make decisions on a variety of plans, projects, regulations and funding priorities that will impact the Port. Completion and implementation of regional plans will influence and guide Port decisions.

Policy, Legislation and Regulation

- Federal surface transportation funding reauthorization
- Federal Aviation Administration authorization
- Metro's Urban Growth Boundary decision (2010)
- Oregon transportation funding legislation (2011)
- Federal and state rail funding
- State and regional greenhouse gas emissions policies
- Federal climate change policy (likely beyond 2010)
- ODOT state rail and port plans (2011)
- Metro regional rail plan and freight strategy

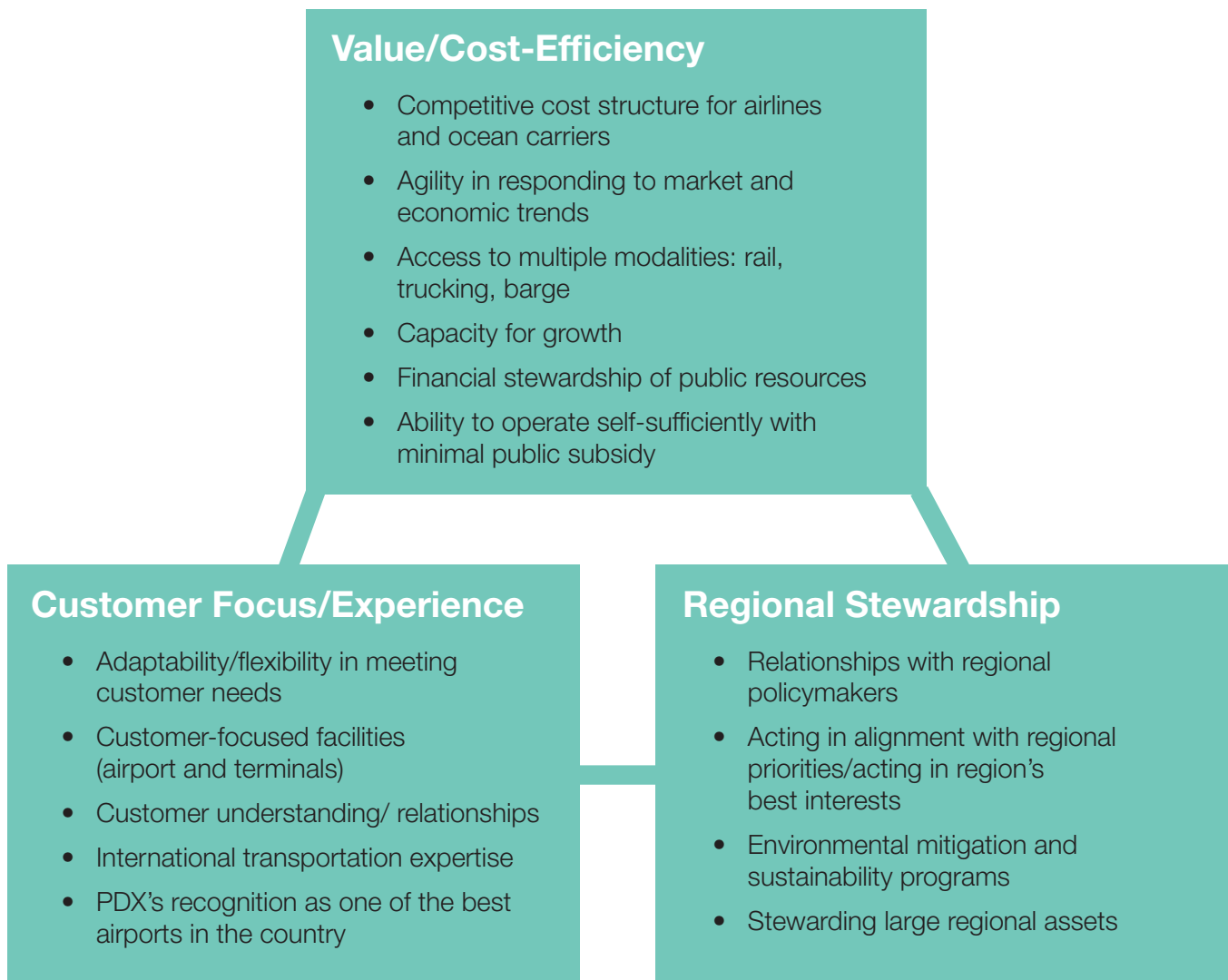
Projects and Plans

- Columbia River Crossing
- West Hayden Island annexation and zoning
- City of Portland River Plan
- Lower Willamette River Superfund
- Airport Futures
- Troutdale Reynolds Industrial Park development (including related infrastructure)
- Extended Columbia River system lock outage

Defendable Position

The Port of Portland's Leadership Position

A defendable position describes the Port's leadership position that creates enduring value to customers, stakeholders and the community-at-large. Based on the Port's mission, vision and an assessment of the Port's competitive and market positions, the Port has defined its defendable position around superior customer service, regional stewardship and cost-efficiency.



Areas of Strategic Focus

Strategic Priorities for Fiscal Years 2010-11 through 2014-15

The Port developed and ultimately selected a set of five-year strategic focus areas that would ensure that the Port can:

- Fulfill its mission.
- Achieve its vision.
- Respond to market needs and dynamics.
- Align with its market and community leadership position (defendable position).

Over the five-year period ending June 30, 2015, the Port of Portland will focus on six strategic priorities.

The areas centering on key services and industrial land focus on what the Port does. They are the primary areas of focus. The remaining four areas on financial sustainability, environmental strategy, regional transportation leadership infrastructure, and maximizing the Port's culture, address how it conduct its business. These support the two primary strategies.



Retain and Grow Key Services

- Grow revenues and support Port's mission via existing and new services and other opportunities.
- Maintain and grow service to target markets (air and marine).
- Increase utilization of existing terminal capacity (air and marine).

Be a Regional Leader in Industrial Land Acquisition and Development

- Establish stronger regional leadership around industrial land acquisition and development.
- Optimize Port's existing land/assets (strategic value and/or financial return).
- Ensure use of industrial land for intended strategic purposes.

Sustainable Financial Model

- Establish financial management policies that ensure a sustainable Port operating model (regardless of external variables).
- Manage all Port assets and investments to the highest reasonable rate of return.
- Ensure that all Port activities and investments are strategically aligned and efficiently managed.
- Analyze and implement process improvements that lead to both efficiency and organizational effectiveness.

Portwide Environmental Strategy

- Create an environmental strategy that optimizes environmental resources according to Portwide and business line priorities.
- Implement environmental activities required to comply with legal and contractual requirements and to meet strategic priorities of the business lines.

Regional Leadership in Transportation Infrastructure

- Advocate for regional transportation infrastructure that meets regional and customer needs for efficient/effective goods movement.
- Develop a plan for transportation infrastructure development that supports the Port's ability to grow and fulfill its vision/strategy.

Strengthen the Port's Culture as a Strategic Asset

- Strengthen a culture of agility, responsiveness, customer focus and continuous improvement.
- Retain talent and intellectual property necessary to implement the Port's vision and strategy.
- Improve operating effectiveness through a strong, unified Port working culture.
- Ensure alignment of people systems and management to strategic priorities and plans.



7200 NE Airport Way Portland, Oregon 97218

www.portofportland.com

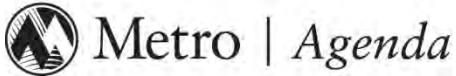
JUNE 2010

Agenda Item Number 4.0

Consideration of the Minutes for February 17, 2011

Metro Council Meeting
Thursday, Feb. 24, 2011
Metro Council Chamber

Materials following this page were distributed at the meeting.



Meeting: Metro Council
Date: Thursday, February 24, 2011
Time: 2 p.m.
Place: Metro Council Chambers

REVISED

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS
2. CITIZEN COMMUNICATIONS
3. PORT OF PORTLAND STRATEGIC PLAN & SUSTAINABILITY INITIATIVES
Bill Wyatt, Port of Portland
Marla Harrison, Port of Portland
4. CONSIDERATION OF THE MINUTES FOR FEBRUARY 17, 2011
5. RESOLUTIONS – REVISED FEBRUARY 23, 2011
 - 5.1 **Resolution No. 11-4241**, For the Purpose of Confirming the Appointment of Daniel B. Cooper as Acting Chief Operating Officer
 - 5.2 **Resolution No. 11-4242**, For the Purpose of Confirming the Appointment of Alison Kean Campbell as Acting Metro Attorney
6. CHIEF OPERATING OFFICER COMMUNICATION
7. COUNCILOR COMMUNICATION

ADJOURN

METRO COUNCIL WILL CONVENE A SPECIAL WORK SESSION IMMEDIATELY FOLLOWING THE REGULAR COUNCIL MEETING.

1. METRO COUNCIL PROJECT LEADS AND LIAISONS AND PROJECT ASSIGNMENTS
Shaw

Television schedule for February 24, 2011 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 11 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 2 p.m. Thursday, Feb. 22 (Live)	Portland Channel 11 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 <i>Date:</i> 8:30 p.m. Sunday, Feb. 27 <i>Date:</i> 2 p.m. Monday, Feb. 28
Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 <i>Date:</i> 2 p.m. Monday, Feb. 28	Washington County Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 11 p.m. Saturday, Feb. 26 <i>Date:</i> 11 p.m. Sunday, Feb. 27 <i>Date:</i> 6 a.m. Tuesday, March 1 <i>Date:</i> 4 p.m. Wednesday, March 2
Oregon City, Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.	West Linn Channel 30 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.

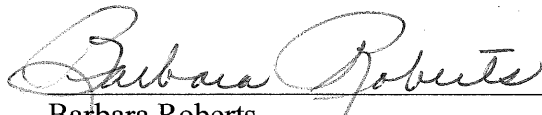
PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

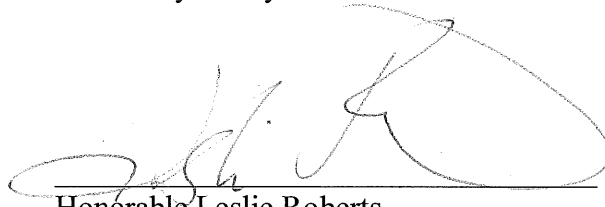
Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 503-797-1804 or 503-797-1540 (Council Office).

STATE OF OREGON
County of Multnomah

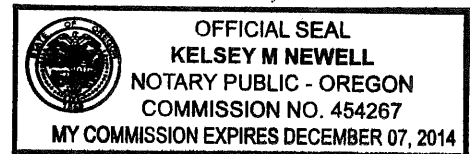
METRO
Oath of Office

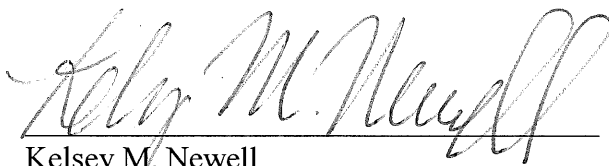
I, **Barbara Roberts**, do solemnly swear that I will faithfully perform the duties of the office of **Metro Councilor, Subdistrict 6**, and that I will support the Constitution and Laws of the United States, the Constitution and Laws of the State of Oregon, and the Charter and Laws of Metro, according to the best of my ability.


Barbara Roberts
Metro Councilor


Honorable Leslie Roberts
Multnomah County Circuit Court

Subscribed and sworn before me this
24th day of February 2011, by Barbara Roberts.




Kelsey M. Newell
Notary Public for Oregon
My commission expires: December 7, 2014

February 12, 2011

To the editor:

In July of 2008 METRO officially selected a route for Milwaukie light rail with the line ending near the Post Office, or a half mile south at Park Ave and McLoughlin Blvd. At the time the estimated cost had ballooned to 1.4 billion dollars, and it was likely that funding needed to reach Park Avenue would not be available today. With that in mind, the option of eliminating the last segment of the line was included in the Land Use Final Order signed by the METRO President.

The cost to build an obtrusive bridge over Kellogg Lake and McLoughlin Blvd, and then run the line over the top of the Trolley Trail to Park Ave is estimated at 150 million dollars. Last year the taxpayers were informed that the final estimated cost for the line had grown by the same 150 million to 1.515 billion borrowed dollars.

Although TriMet was aware in 2009 that it would receive 10% less funding than hoped for, local leaders continued to push for building the line to Park Ave. Planners eliminated many important features of the line while slashing 60 million from the cost, but are still millions short of what is needed to fund a "budget version" of the line.

Regardless of that situation, TriMet is also **required** to spend whatever is necessary to offset (mitigate) the impacts to parks and natural areas. The proposed bridge over Kellogg Lake should be designed with the fewest impacts to Kronberg Park, and the surrounding riparian habitat.

As of this date it appears that TriMet will doing little or nothing to honor that requirement at Kellogg Lake even though it is located in the Willamette Greenway Zone, and future habitat restoration will be impacted if the project continues as planned. The appearance of an overhead concrete railway at Kronberg Park will be an eyesore, much like the loss of all the fir trees that will be cut down in order to squeeze the rail line in between the highway and soon to be built trail.

With the exception of providing a place to locate parking for over 300 cars, there is little justification for spending the 150 million dollars and sacrificing our park lands in order to reach Park Ave. The idea of an extension to Park resulted from the failed attempt by some of Milwaukie's leaders to convert Kellogg Lake Park into a 5 story parking hub. Milwaukie wants light rail but without the parking headaches, and seems willing to ignore the price that the environment and citizens will pay for its goal.

Isn't it time to construct a high quality, but shorter line to Milwaukie? With the savings of 150 million dollars the cost will be reduced to the original 1.4 billion, and the long awaited construction can begin soon.

Les Poole

2. Requirements of House Bill 3478

Chapter 12 of the 1996 Oregon Laws (House Bill 3478) provides procedures for siting the South/North light rail route and associated light rail and highway facilities. In brief, it provides a set of regulations for making and for appealing land use decisions related to the South/North Project. The law includes a provision directing the Land Conservation and Development Commission to adopt criteria for land use final orders; a requirement that TriMet make application for land use final orders; requirements for how the Metro Council conducts its public hearing; and procedures for appeal.

Pursuant to House Bill 3478, upon application by TriMet and following a public hearing held on July 24, 2008, and in consideration of the whole record and based on a finding that there is substantial evidence supporting the proposed action, the Metro Council hereby adopts this 2008 South/North LUFO Amendment for the Project by Resolution No. 08-3964.

3. Establishment of Light Rail Routes, Stations, Park-and-Ride Lots, Maintenance Facilities and Highway Improvements, Including their Locations.

The Metro Council approves the light rail route, stations, lots, and maintenance facilities and highway improvements identified textually below and illustrated in the location boundary maps that follow. These light rail facilities and highway improvements and their location boundaries are identical to those for which TriMet requested Metro Council approval, and identical to those that the LUFO Steering Committee recommended to TriMet.

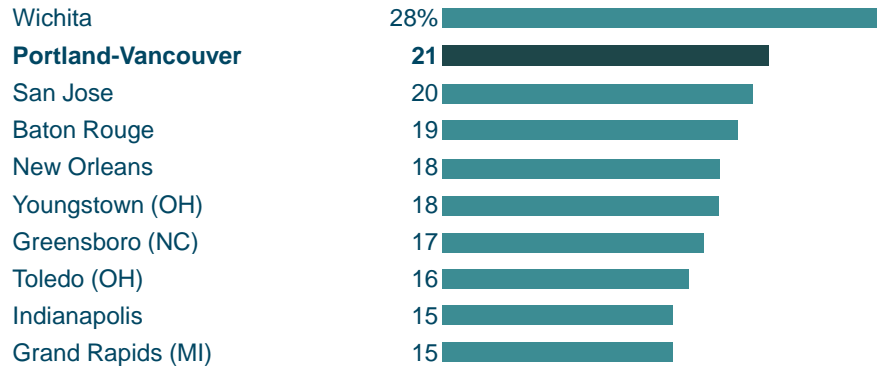
The LUFO boundary maps contained in this order are printed from a regional geographic information system database (Metro's *Regional Land Information System*, RLIS). The maps illustrate the adopted boundaries at an approximate scale of one inch equals 500 feet. The boundaries shown on these maps represent the areas within which the light rail facilities and highway improvements may be located. The maps include year 2007 aerial photographs with existing property lines added to provide orientation and illustrate project facility locations, to the extent that they have been determined.

* The final location of the light rail facilities, as constructed, may be anywhere within the boundaries found on the LUFO maps. For example, along the Portland-Milwaukie Segment, the track alignment and most of the stations and park-and-ride lots have been approved and illustrated in the Locally Preferred Alternative (LPA). However, preliminary and final engineering have not been completed. Some variations from the illustrations in the LPA may be needed when the project is built. Accordingly, the LUFO shows a larger, more generalized boundary than that actually needed for the track alignment, stations, etc. The facilities may be constructed anywhere within the locations shown on the attached maps and be consistent with this LUFO.



Portland 2nd Most Trade-dependent US Metro Area

Top 10 US Metro Areas Ranked by Value of Exports as a share of Gross Metropolitan Product, 2008

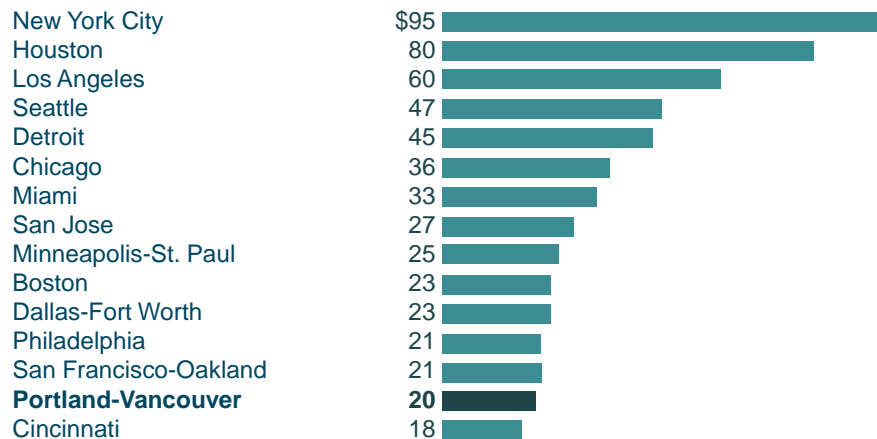


Source: The Brookings Institute, 2010



Portland Metro Area Continues to Serve as a Trade Hub

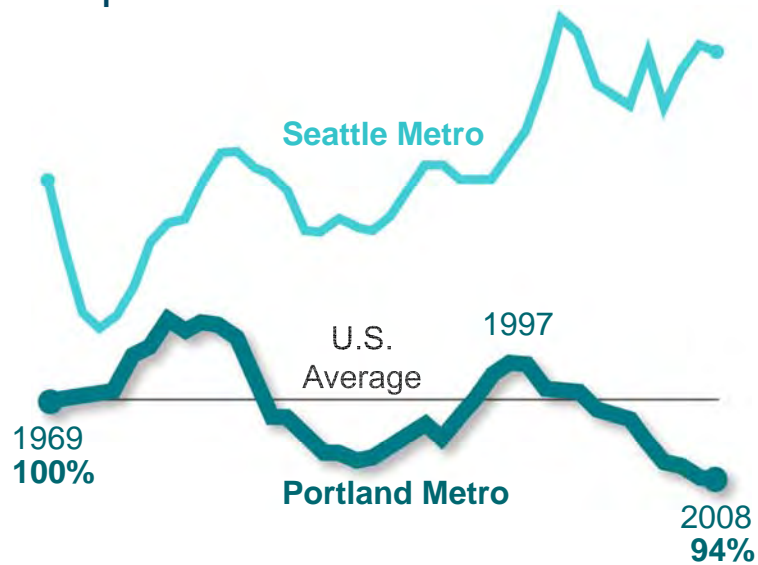
Top 15 US Metro Areas Ranked by Value of Exports, in \$millions



Source: International Trade Administration



Per Capita Income



PORT OF PORTLAND
Possibility. In every direction.™

Trade-related Policies

Transportation Infrastructure



Industrial Land Development

Global Awareness

PORT OF PORTLAND
Possibility. In every direction.™

Port of Portland Activities

- Aviation
- Marine
- Industrial Properties Development and Management

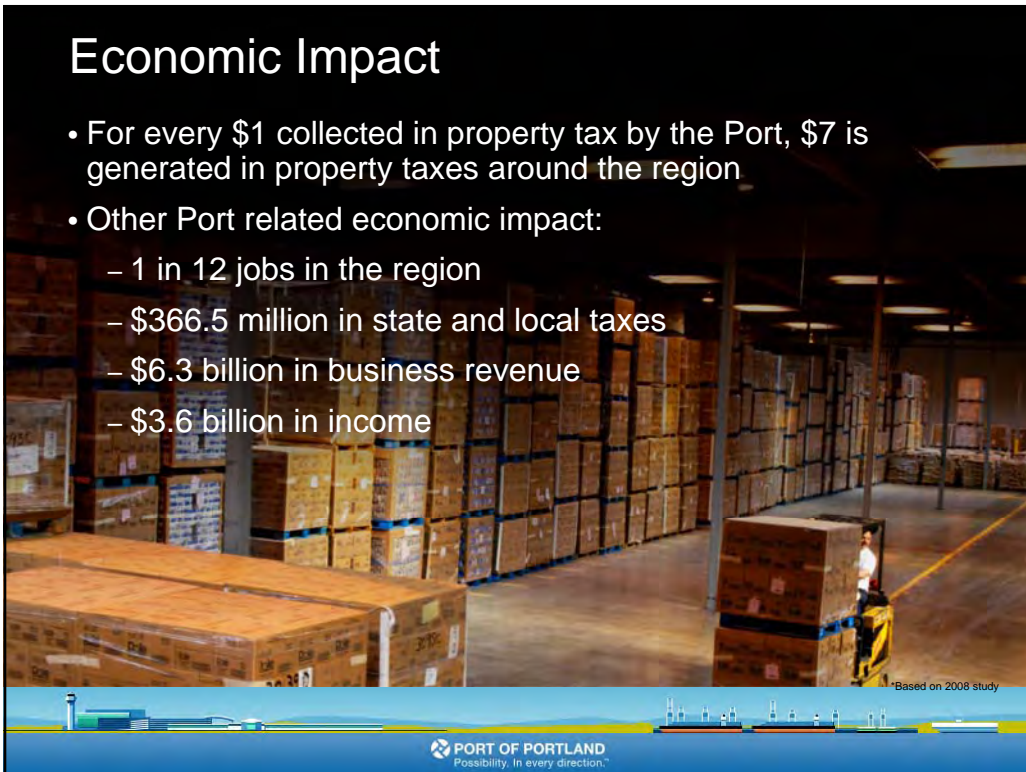


Port of Portland Footprint



Economic Impact

- For every \$1 collected in property tax by the Port, \$7 is generated in property taxes around the region
- Other Port related economic impact:
 - 1 in 12 jobs in the region
 - \$366.5 million in state and local taxes
 - \$6.3 billion in business revenue
 - \$3.6 billion in income



Port Strategic Focus

**Retain and
Grow Key
Services**

**Be a Regional Leader
in Industrial Land
Acquisition and Development**

Sustainable Financial Model

Portwide Environmental Strategy

**Regional Leadership in
Transportation Infrastructure**

**Strengthen the Port's Culture
as a Strategic Asset**



2000 Environmental Policy

The Port of Portland will achieve its mission through responsible environmental stewardship and the implementation of proactive environmental programs. The Port will integrate environmental considerations into all aspects of its strategic planning and business decision-making.

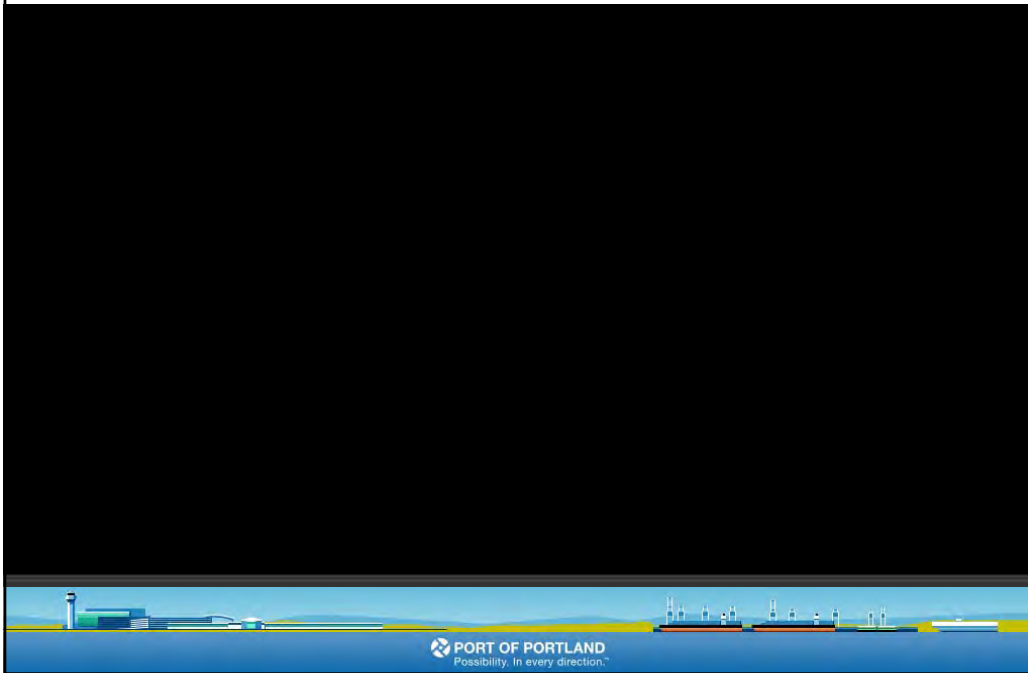


2009 Sustainability Policy

The Port recognizes that our actions today affect and influence the lives of future generations and the environment where we live and work. The Port is operating sustainably when we make business decisions that support long-term economic health, integrate community concerns into our work, and reflect a deep and broad commitment to environmental stewardship.



Headquarters Building Video



Port Environmental Programs

- Energy Management
- Water Resources Program
- Natural Resources Program
- Waste Management and Recycling
- Air Quality Program



Energy Management Program

Reduce Energy Consumption

- *Minimum goal of 500,000 kilowatt hours saved annually*

Purchase Energy From Sustainable Sources

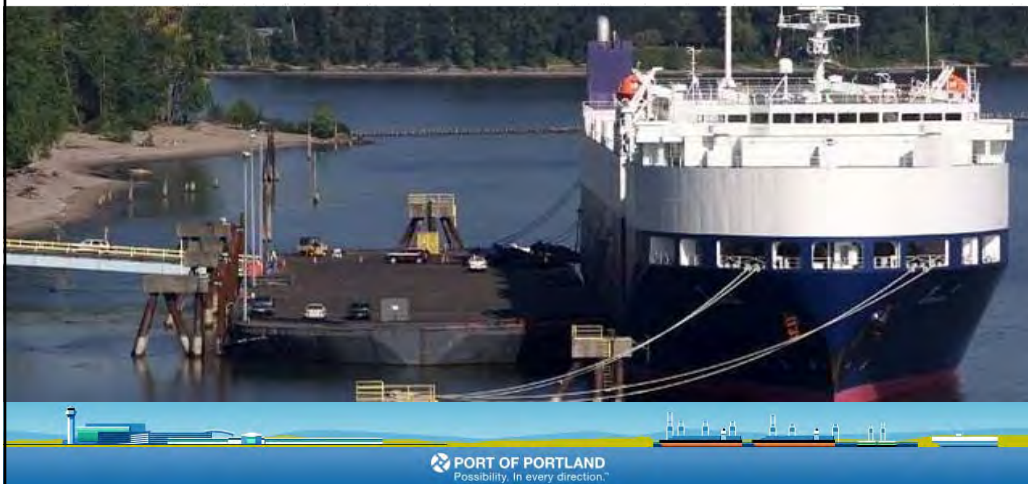
- *Purchase 100 percent certified renewable power*



Water Resources Program

Minimize Impacts To Water Resources

- *Extensive water conservation program, including on-site wastewater treatment*
- *Port-wide program to reduce impacts to local waterways*



Natural Resources Program

Minimize Impacts and Seek Opportunities to Enhance Natural Resources

- *Partners like Friends of Trees, The Xerces Society, the Oregon Invasive Species Council, Columbia Slough Watershed Council, and Metro*
- *Wildlife program focuses on non-lethal management of native species*
- *Habitat enhancement initiatives*



Waste Minimization and Recycling

Reduce waste generation and hazardous materials use

- *Food waste diversion program in partnership with airport restaurants, hotels, and flight kitchens*
- *Port-wide tenant education and outreach efforts*



Air Quality Program

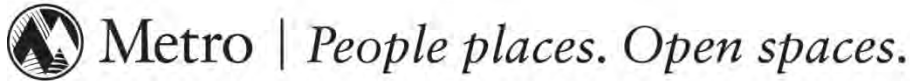
Minimize Impacts to Air Quality

- Reduce Port direct and indirect greenhouse gas emissions 15 percent below 1990 levels by 2020
- Reduce diesel particulate matter from Port-controlled operations by 25 percent from 2000 baseline levels by 2015



Visit www.portofportland.com





METRO COUNCIL MEETING

Meeting Summary

Feb. 17, 2011

Metro Council Chambers

Councilors Present: Council President Tom Hughes and Councilors Shirley Craddick, Kathryn Harrington, Carl Hosticka, Carlotta Collette and Rex Burkholder

Councilors Excused: None

Council President Tom Hughes convened the regular Council meeting at 2:02 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

Art Lewellan, 3205 SE 8th Ave., Apt 9, Portland: Mr. Lewellan addressed the Council on the Columbia River Crossing project. He discussed the proposed bridge height, bridge bike lanes, and the proposed Concept #1 regarding the Hayden Island interchange. Mr. Lewellan requested that his comments be included in the record.

Council members clarified that Mr. Lewellan's previous testimonies have been recorded in the appropriate meeting summaries and all written testimony provided has been included as attachments to the Council records.

Ken Smelser, 1324 NE Prescott, St, Portland: Mr. Smelser addressed the Council on the CRC project. He emphasized concerns with the bridge designs and locations, and concern with project team David Evans and Associates.

3. CONSIDERATION OF THE MINUTES FOR FEBRUARY 10, 2011

Motion:	Councilor Kathryn Harrington moved to adopt the Feb. 10, 2011 Council meeting minutes.
---------	--

Vote:	Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion <u>passed</u> .
-------	--

4. ORDINANCES - SECOND READING

4.1 Ordinance No. 11-1254, For the Purpose of Amending Metro Code Chapter 10.03, Regarding Conservation Easements.

Motion:	Councilor Carl Hosticka moved to adopt Ordinance No. 11-1254.
Second:	Councilor Harrington seconded the motion.

Councilor Hosticka introduced Ordinance No. 11-1254. Currently, on occasions, Metro will acquire conservation easements to acquire property use rights or the right to exclude uses on a property versus purchasing the property outright. Metro's procedure is governed by state law and is incorporated in the Metro Code. However, as state laws continue to change, Metro must continue to update their code. This resolution, if adopted would, permit Metro to acquire conservation easements in accordance with the law. Highlighted changes included that Metro code changes would not be needed each time state law changes, and public hearings would not be required each time a conservation easement is acquired.

Council President Hughes opened a public hearing on Ordinance No. 11-1254. Seeing no public comments the hearing was closed.

Vote:

Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion <u>passed</u> .
--

5. **RESOLUTIONS**

5.1 **Resolution No. 11-4231**, For the Purpose of Adopting the Recommendations of the Regional Flexible Fund Task Force.

Motion:	Councilor Carlotta Collette moved to adopt Resolution No. 11-4231.
Second:	Councilor Harrington seconded the motion.

Councilor Carlotta Collette introduced Resolution No. 11-4231. The resolution, if approved, would adopt the recommendations of the Regional Flexible Fund Task Force on the approach and criteria for allocating approximately \$60 million to transportation projects in the Portland metropolitan region for 2014-15.

A task force was charged with developing a recommendation in order to build on the policy framework approved by JPACT and the Metro Council to create a more coordinated and targeted process to meet significant outcomes with the limited dollars the region has to invest. The task force developed policy recommendations for maximizing the impact of these funds through two focus areas: Active Transportation/Complete Streets and Freight/Green Economy. Councilor Collette introduced RFF Task Force members Stephen Gomez and Steve Ganiere who provided an overview of the committee membership, policies and criteria developed and recommendations for the allocation of 2014-15 funds.

Council President Hughes opened a public hearing on Resolution No, 11-4231:

- Larry Harvey, Portland's Western Railroad: Mr. Harvey expressed his support for Resolution Nos. 11-4231 and 11-4232. He clarified comments from the JPACT meeting regarding safety, stating that the Railroad would like to safety improvements that benefit both rail and bike/pedestrians.

Seeing no further comments, Council President Hughes closed the public hearing.

Council discussion included the pros and cons of establishing an Active Transportation technical advisory committee, project review process and participants (i.e. JPACT, county coordinating committee, TriMet), and general support from the local business sector.

Vote: Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion passed.

5.2 **Resolution No. 11-4232**, For the Purpose of Endorsing procedures for the Allocation of 2014-15 Regional Flexible Funds to Individual Projects.

Motion:	Councilor Collette moved to adopt Resolution No. 11-4232.
Second:	Councilor Burkholder seconded the motion.

Councilor Collette introduced Resolution No. 11-4231, the companion resolution to Resolution No. 11-4231. The resolution, if adopted, would endorse a set of procedures for allocating RFF through a collaborative project nomination process. The procedures have been developed to implement JPACT and the Council direction and the task force recommended approach and criteria for developing projects to be nominated for funding consideration. Adoption of the resolution would provide procedures that utilize regional staff in a more proactive manner to educate local agencies about regional policies and data in the development of their project nominations. It will also utilize local agency expertise and sub-regional coordinating committees to apply though policies at the local level.

JPACT unanimously approved both Resolution Nos. 11-4231 and 11-4232.

Vote: Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion passed.

5.3 **Resolution No. 11-4237**, For the Purpose of Appointing a Replacement Councilor to Fill the Office of the Metro Councilor for Council Subdistrict No. 6

The recruitment for the vacant Metro Councilor District 6 position closed on Feb. 9, 2011. Metro received 8 applicants: Kenneth Heggem, Jonathan Levine, Walt Nichols, Alescia Reese, Bob Shiprack, Barbara Roberts, Bob Stacey, and Martha Dibblee (Mr. Stacey and Ms. Dibblee later withdrew their applications.)

Motion:	Councilor Harrington moved to commence the nominating process.
Second:	Councilor Collette seconded the motion.

Vote: Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion passed.

Mr. Tony Andersen of Metro distributed ballots to each councilor with the names of the six remaining applicants. Candidates who received two or more votes moved on to the second round. Mr. Bob Shiprack and Ms. Barbara Roberts each received more than two votes and therefore moved to the second/final round.

Mr. Andersen distributed ballots to each councilor and asked that they fill in the name of the candidate, either Mr. Shiprack or Ms. Roberts, they wish to appoint as to the vacant Council District 6 seat. The vote count was Roberts – 5 (Harrington, Hosticka, Collette, Craddick, Burkholder) and Shiprack – 1 (Hughes).

Motion:	Councilor Hosticka moved to show unanimous support for Barbara Roberts.
Second:	Councilor Harrington seconded the motion.

Vote: Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion passed.

Motion:	Councilor Harrington moved to adopt Resolution No. 4237.
Second:	Councilor Collette seconded the motion.

Vote: Council President Hughes and Councilors Harrington, Craddick, Hosticka, Collette and Burkholder voted in support of the motion. The vote was 6 aye, the motion passed.

Ms. Roberts' swearing in is scheduled for Thursday, Feb. 24 at 2 p.m. Ms. Roberts will serve as Metro Councilor for District 6 until Jan. 2013.

6. CHIEF OPERATING OFFICER COMMUNICATION

Mr. Michael Jordan of Metro provide an update on the Metro 101 meetings, the Metro Council District 6 swearing in ceremony, and newly scheduled Council work session for Feb. 24 immediately following the regularly scheduled council meeting.

7. COUNCILOR COMMUNICATION

Council discussion included availability of electronic and hard copies of Metro 101 materials, a Council tour of the 40-mile loop, and a letter to Washington County expressing support for bikeways.

7. ADJOURN

There being no further business, Council President Hughes adjourned the regular meeting at 3:05 p.m. The Metro Council will reconvene the next regular council meeting on Thursday, Feb. 14 at 2 p.m. at the Metro Council Chambers.

Prepared by,



Kelsey Newell, Regional Engagement Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF FEB. 17, 2011

Item	Topic	Doc. Date	Document Description	Doc. Number
	Agenda	2/10/11	Revised Feb. 10, 2011 Council meeting agenda	21711c-01
3.0	Minutes	2/10/11	Feb. 10, 2011 Council minutes	21711c-02
5.1	Legislation	N/A	Revised Resolution No. 11-4231, Exhibit A and Staff Report	21711c-03
5.2	Legislation	N/A	Revised Resolution No. 11-4232, Exhibit A, Staff Report and Attachment 1	21711c-04
5.3	Legislation	N/A	Resolution No. 11-4237	21711c-05
5.3	Applications	N/A	Applications for Metro Councilor, District 6	21711c-06
5.3	Map	9/2010	Map of the Metro Council Districts	21711c-07

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE)	RESOLUTION NO. 11-4241
APPOINTMENT OF DANIEL B. COOPER)	
AS ACTING CHIEF OPERATING OFFICER)	Introduced by Council President Tom Hughes

WHEREAS, Chief Operating Officer Michael Jordan has submitted his resignation effective March 15, 2011; and

WHEREAS, as a result of Mr. Jordan's resignation, there will be a vacancy in the office of Chief Operating Officer effective March 15, 2011; and

WHEREAS, the Metro Council President and Council intend to fill the vacancy on a permanent basis after conducting a competitive process to assist in the selection of a Chief Operating Officer. The Council President desires to appoint an Acting Chief Operating Officer to serve until the selection process is completed; and

WHEREAS, the duties and responsibilities of the Chief Operating Officer are described and provided for in the Metro Charter and the Metro Code; and

WHEREAS, Section 2.20.070 of the Metro Code provides that during any vacancy in the office of Chief Operating Officer, such vacancy shall be filled with all due speed and that the Council President has the authority to appoint an acting Chief Operating Officer subject to confirmation by the Metro Council by resolution; and

WHEREAS, the Metro Council President has appointed Daniel B. Cooper to serve as Acting Chief Operating Officer subject to Council confirmation; and

WHEREAS, Mr. Cooper is qualified to be the Acting Chief Operating Officer and has stated his intent to accept the position and to vacate his current position as Metro Attorney during the period of time in which he will serve as Acting Chief Operating Officer; and

WHEREAS, the Metro Code provides that the employment of a Chief Operating Officer shall be subject to the terms of an employment agreement and the Metro Council President has negotiated an employment agreement with Daniel B. Cooper, subject to approval by the Council; now therefore

BE IT RESOLVED by the Metro Council:

1. The appointment of Daniel B. Cooper as Acting Chief Operating Officer is confirmed; and
2. A vacancy in the position of Metro Attorney is hereby declared as of the date Mr. Cooper commences his duties as Acting Chief Operating Officer; and

3. The Metro Council President is authorized to execute an employment agreement with Daniel B. Cooper, substantially similar in form to Exhibit A attached herein.

ADOPTED by the Metro Council this 24th day of February 2011.

Tom Hughes, Council President

Approved as to Form:

Alison Kean Campbell, Deputy Metro Attorney

EXHIBIT A TO RESOLUTION NO. 11-4241

**AMENDMENT TO EMPLOYMENT AGREEMENT FOR DANIEL B. COOPER
AS ACTING METRO CHIEF OPERATING OFFICER**

This Amendment to Employment Agreement for Daniel B. Cooper as Acting Metro Chief Operating Officer ("Agreement") is entered into by and between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter (herein referred to as "Metro") and Daniel B. Cooper (herein referred to as "Mr. Cooper"), and amends that certain employment agreement currently existing between Metro and Mr. Cooper ("Pre-existing Agreement").

RECITALS

A. Due to a vacancy in the position of Chief Operating Officer, Metro requires the services of an Acting Chief Operating Officer.

B. Daniel B. Cooper currently serves Metro as the Metro Attorney, and he and Metro are currently parties to a written Pre-Existing Agreement setting forth the duties, obligations, salary, benefits, and other details regarding Mr. Cooper's employment as the Metro Attorney.

C. On February 24, 2011, in accordance with the Metro Charter and the Metro Code, the Metro Council confirmed via Resolution 11-4241 the Metro Council President's appointment of Daniel B. Cooper to serve as Metro's Acting Chief Operating Officer until that position is no longer vacant. The Metro Council finds that Mr. Cooper has the experience and qualifications to serve Metro as the Metro Chief Operating Officer as provided for in the Metro Charter and the Metro Code.

D. Mr. Cooper has stated his agreement to accept the position of Acting Metro Chief Operating Officer, and Mr. Cooper intends to take a temporary leave of absence from his position as Metro Attorney to accept the position as Acting Metro Chief Operating Officer. The parties intend that Mr. Cooper will return to the position of Metro Attorney after the Metro Chief Operating Officer position is no longer vacant or if this Agreement is otherwise terminated.

E. This Agreement amending Mr. Cooper's Pre-Existing Agreement shall be effective March 15, 2011 and shall be referred to as the "Acting Metro Chief Operating Employment Agreement."

NOW, THEREFORE, IN CONSIDERATION of the compensation to be paid by Metro to Mr. Cooper as specified in this Agreement, and in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

1. Engagement. Metro hereby employs and Mr. Cooper hereby accepts employment from Metro for the position and duties of Acting Metro Chief Operating Officer.
2. Term of Agreement. Mr. Cooper's employment as Acting Metro Chief Operating Officer under this Agreement shall begin on March 15, 2011, and shall continue until terminated as provided herein.
3. Services. Mr. Cooper shall faithfully, industriously and to the best of his ability provide his services as Acting Metro Chief Operating Officer, and shall have all powers and perform all duties as may be required of him by the Metro Charter, the Metro Code, and the Council.

4. Termination. The Metro Code provides that the Metro Chief Operating Officer serves at the pleasure of the Council and is subject to removal by the Council President with the concurrence of the Council by resolution. This Agreement shall terminate on the earliest of the following occurrences:
- (a) On the first regularly scheduled day of work that the position of Metro Chief Operating Officer is no longer vacant.
 - (b) 72 hours after the Metro Council concurs by resolution a written notice of termination by the Metro Council President.

Upon termination Mr. Cooper shall resume his position as Metro Attorney.

5. Compensation.

- A. Salary. As compensation for Mr. Cooper's services, Metro shall pay Mr. Cooper the sum of One Hundred Seventy Nine Thousand Five Hundred Dollars (\$179,500) per year, payable in the same frequency and manner as other Metro employees and subject to customary withholding taxes and other taxes as required with respect to compensation paid by Metro to an employee.
 - B. Benefits. Mr. Cooper's performance and salary increases and eligibility for benefits and accrual of vacation, sick and other leave shall continue as is currently provided in Mr. Cooper's Pre-Existing Agreement. Mr. Cooper's leave of absence as Metro Attorney and term of service as Acting Metro Chief Operating Officer shall not constitute a break in service for insurance or any other purposes.
6. Other Terms. All other terms and conditions in Mr. Cooper's Pre-Existing Agreement not modified herein shall remain in full force and effect.
7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

IT IS SO AGREED:

Daniel B. Cooper

Tom Hughes
Metro Council President

APPROVED AS TO FORM:

Nathan S. Sykes
Senior Metro Attorney

STAFF REPORT

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF DANIEL B. COOPER AS ACTING CHIEF OPERATING OFFICER

Date: February 24, 2011

Prepared by: Andy Shaw,
503-797-1746
Tony Andersen,
503-797-1878

BACKGROUND

Chief Operating Officer Michael Jordan has submitted his resignation effective March 15, 2011, which will result in a vacancy in the Office of the Metro Chief Operating Officer.

The Metro Council President and Council intend to permanently fill the vacancy after a competitive recruitment process for selection for the position of Chief Operating Officer. In the interim, the Council President wishes to appoint an Acting Chief Operating Officer to serve in the role until the recruitment process closes and a replacement is hired.

Metro Code Section 2.20.070 directs the Council President to appoint an Acting Chief Operating Officer “with all due speed”, which appointment is then subject to confirmation by the Metro Council by resolution...

Council President Hughes has appointed Daniel B. Cooper to serve as Acting Chief Operating Officer subject to Council confirmation by resolution as required by Metro Code. As of February 24, 2011, Mr. Cooper is the current Metro Attorney. Council President Hughes has determined that Mr. Cooper is qualified to serve as Acting Chief Operating Officer.

ANALYSIS/INFORMATION

1. **Known Opposition** None
2. **Legal Antecedents** Metro Charter Chapter V, Section 25(1) and Metro Code Chapter 2.20 govern the creation, duties, powers, and other functions of the Metro Chief Operating Officer. Section 2.20.070 of the Metro Code states that during any vacancy in the position of the Metro Chief Operating Officer, the vacancy shall be filled with all due speed and that the Council President has the authority to appoint an Acting Chief Operating Officer subject to confirmation by the Metro Council by resolution.
3. **Anticipated Effects** This appointment will fill the vacancy in the position of Chief Operating Officer on an interim basis by Daniel B. Cooper, transferring the current Metro Attorney to the position of Chief Operating Officer, thereby creating a vacancy in the position of Metro Attorney. A companion resolution (Resolution No. 11-4242) appoints Alison Kean Campbell, current Deputy Metro Attorney, as Acting Metro Attorney during the vacancy created by this action.
4. **Budget Impacts** Due to the transfer of the current Metro Attorney to the position of Acting Metro Chief Operating Officer, and the subsequent transfer of the current Deputy Metro Attorney to the position of Acting Metro Attorney, there will be no new hire required to fill the vacancy created by the resignation of the current Chief Operating Officer, thus resulting in a net budget savings to Metro during the interim period. The Metro Code requires that an employment agreement be executed setting the compensation for the Chief Operating Officer. The proposed compensation for Mr. Cooper as set forth in Exhibit A to Resolution #11-4241, “Acting Metro Chief Operating Employment Agreement,” is less than the current salary for Mr. Jordan, resulting in a further net savings to Metro.

RECOMMENDED ACTION

Council President Hughes and staff recommend adoption of Resolution No. 11-4241.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE) RESOLUTION NO. 11-4242
APPOINTMENT OF ALISON KEAN)
CAMPBELL AS ACTING METRO ATTORNEY) Introduced by Council President Tom Hughes

WHEREAS, due to the vacancy in the office Chief Operating Officer effective March 15, 2011, the Metro Council President has appointed and the Metro Council has confirmed by resolution the appointment of Daniel B. Cooper to serve as the Acting Chief Operating Officer effective March 15, 2011; and

WHEREAS, as a result of Mr. Cooper's appointment to the position of Acting Chief Operating Officer, there will be a vacancy in the office of Metro Attorney effective March 15, 2011 during Mr. Cooper's position as Acting Chief Operating Officer; and

WHEREAS, the duties and responsibilities of the Metro Attorney are described and provided for in the Metro Charter and the Metro Code; and

WHEREAS, Section 2.08.100 of the Metro Code provides that during any vacancy in the office of Metro Attorney, such vacancy shall be filled with all due speed and that the Council President has the authority to appoint an Acting Metro Attorney subject to confirmation by the Metro Council by resolution; and

WHEREAS, the Metro Council President has appointed _Alison Kean Campbell to serve as Acting Metro Attorney subject to Council confirmation; and

WHEREAS, Ms. Kean Campbell is qualified to be the Acting Metro Attorney and has stated her intent to accept the position during the period of time in which the position is vacant; and

WHEREAS, the Metro Code provides that the employment of the Metro Attorney shall be subject to the terms of an employment agreement and the Metro Council President has negotiated an employment agreement with Alison Kean Campbell, subject to approval by the Council; now therefore

BE IT RESOLVED by the Metro Council:

1. The appointment of Alison Kean Campbell as Acting Metro Attorney is confirmed; and
2. The Metro Council President is authorized to execute an employment agreement with Alison Kean Campbell substantially similar in form to Exhibit A attached herein.

ADOPTED by the Metro Council this 24th day of February 2011.

Tom Hughes, Council President

Approved as to Form:

Metro Attorney

EXHIBIT A TO RESOLUTION NO. 11-4242

**EMPLOYMENT AGREEMENT FOR ALISON KEAN CAMPBELL
AS ACTING METRO ATTORNEY**

This Employment Agreement for Alison Kean Campbell as Acting Metro Attorney ("Agreement") is entered into by and between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter (herein referred to as "Metro") and Alison Kean Campbell (herein referred to as "Ms. Campbell").

RECITALS

- A. Due to a vacancy in the position of Metro Attorney, Metro requires the services of an Acting Metro Attorney.
- B. Alison Kean Campbell currently serves Metro as the Deputy Metro Attorney and has been an attorney in the Office of Metro Attorney since 1996.
- C. On February 24, 2011, in accordance with the Metro Charter and the Metro Code, the Metro Council confirmed via Resolution 11-4242 the Metro Council President's appointment of Alison Kean Campbell to serve as Metro's Acting Metro Attorney until that position is no longer vacant. The Metro Council finds that Ms. Campbell has the legal ability and qualifications to serve Metro as the Metro Attorney as provided for in the Metro Charter and the Metro Code.
- D. Ms. Campbell has stated her agreement to accept the position of Acting Metro Attorney, and Ms. Campbell intends to take a temporary leave of absence from her position as Deputy Metro Attorney to accept the position as Acting Metro Attorney. The parties intend that Ms. Campbell will return to the position of Deputy Metro Attorney after the Metro Attorney position is no longer vacant or if this Agreement is otherwise terminated.
- E. This Agreement shall be effective March 15, 2011 and shall be referred to as the "Acting Metro Attorney Employment Agreement."

NOW, THEREFORE, IN CONSIDERATION of the compensation to be paid by Metro to Ms. Campbell as specified in this Agreement, and in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

1. Engagement. Metro hereby employs and Ms. Campbell hereby accepts employment from Metro for the position and duties of Acting Metro Attorney.
2. Term of Agreement. Ms. Campbell's employment as Acting Metro Attorney under this Agreement shall begin on March 15, 2011, and shall continue until terminated as provided herein.
3. Services. Ms. Campbell shall faithfully, industriously and to the best of her ability provide her services as Acting Metro Attorney, and shall have all powers and perform all duties as may be required of her by the Metro Charter, the Metro Code, and the Council.
4. Termination. The Metro Code provides that the Metro Attorney serves at the pleasure of the Council and is subject to removal by the Council President with the concurrence of the Council by resolution. This Agreement shall terminate on the earliest of the following occurrences:

- (a) On the first regularly scheduled day of work that the position of Metro Attorney is no longer vacant.
- (b) 72 hours after the Metro Council concurs by resolution a written notice of termination by the Metro Council President.

Upon termination Ms. Campbell shall resume her position as Deputy Metro Attorney.

5. Compensation.

- A. Salary. As compensation for Ms. Campbell's services, Metro shall pay Ms. Campbell the sum of One Hundred Sixty Two Thousand Three Hundred Fifty Five Dollars (\$162,355) per year, payable in the same frequency and manner as other Metro employees. Ms. Campbell's performance and salary shall be reviewed annually by Metro as provided below. Any salary increases shall be based on Metro's annual evaluation of Ms. Campbell's performance, availability of funding, and on Metro's assessment of inflation and a survey of annual salaries paid to comparable positions in the Metro region. The compensation paid to Ms. Campbell shall be subject to customary withholding taxes and other taxes as required with respect to compensation paid by Metro to an employee.
- B. Benefits. Ms. Campbell shall receive all normal and regular benefits accruing to Metro non-represented employees as provided in the Metro Code. Ms. Campbell's leave of absence as Deputy Metro Attorney and term of service as Acting Metro Attorney shall not constitute a break in service for insurance or any other purposes.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

IT IS SO AGREED:

Alison Kean Campbell

Tom Hughes
Metro Council President

APPROVED AS TO FORM:

Nathan S. Sykes
Senior Metro Attorney

STAFF REPORT

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF ALISON KEAN CAMPBELL AS ACTING METRO ATTORNEY

Date: February 24, 2011

Prepared by: Andy Shaw,
503-797-1746
Tony Andersen,
503-797-1878

BACKGROUND

Chief Operating Officer Michael Jordan has submitted his resignation effective March 15, 2011, which will result in a vacancy in the Office of the Metro Chief Operating Officer. The Metro Council President has appointed Daniel B. Cooper as Acting Chief Operating Officer, subject to Council confirmation by resolution in accordance with the Metro Code. If Mr. Cooper is confirmed, a vacancy will exist in the position of Metro Attorney during Mr. Cooper's service as Acting Metro Chief Operating Officer.

The Metro Council President and Council intend to permanently fill the vacancy after a competitive recruitment process for selection for the position of Chief Operating Officer, at which time Mr. Cooper would resume his duties as Metro Attorney. In the interim, the Council President wishes to appoint an Acting Metro Attorney to serve in the role until the vacancy no longer exists.

Metro Code Section 2.08.100 directs the Council President to appoint an Acting Metro Attorney "with all due speed", which appointment is then subject to confirmation by the Metro Council by resolution.

Council President Hughes has appointed Alison Kean Campbell to serve as Acting Metro Attorney subject to Council confirmation by resolution as required by Metro Code. As of February 24, 2011, Ms. Campbell is the current Deputy Metro Attorney. Council President Hughes has determined that Ms. Campbell is qualified to serve as Acting Metro Attorney.

ANALYSIS/INFORMATION

1. **Known Opposition** None
2. **Legal Antecedents** Metro Charter Chapter V, Section 25(2) and Metro Code Chapter 2.08 govern the creation, duties, powers, and other functions of the Metro Attorney. Section 2.08.100 of the Metro Code states that during any vacancy in the position of Metro Attorney, the vacancy shall be filled with all due speed and that the Council President has the authority to appoint an Acting Metro Attorney subject to confirmation by the Metro Council by resolution.
3. **Anticipated Effects** This appointment will fill the vacancy in the position of Metro Attorney by Alison Kean Campbell, the current Metro Deputy Attorney, which vacancy will be created if the current Metro Attorney is confirmed as Acting Chief Operating Officer.
4. **Budget Impacts** Due to the transfer of the current Metro Attorney to the position of Acting Metro Chief Operating Officer, and the subsequent transfer of the current Deputy Metro Attorney to the position of Acting Metro Attorney, there will be no new hire required to fill the vacancy created by the resignation of the current Chief Operating Officer, thus resulting in a net budget savings to Metro during the interim period. The Metro Code requires that an employment agreement be executed setting the compensation for the Metro Attorney. The proposed compensation for Ms. Campbell as set forth in Exhibit A to Resolution #11-4242, "Acting Metro Attorney Employment Agreement," is less than the current salary for Mr. Cooper, resulting in a further net savings to Metro.

RECOMMENDED ACTION

Council President Hughes and staff recommend adoption of Resolution No. 11-4242.