



RIVER OF TRADE CORRIDOR COALITION

ROTCC NATIONAL QUARTERLY MEETING MINUTES

MARCH 2, 2007

The Port of Los Angeles' Board Room, 9 A.M. – 12:30 P.M. (P.S.T.)

March 2, 2007 ROTCC National Quarterly Meeting Minutes

I. Welcome and ROTCC Administrative Update –

- ROTCC Chair and, Dallas City Councilmember Bill Blaydes

Councilmember Bill Blaydes welcomed the group to the San Pedro area and thanked the Port of Los Angeles for allowing the meeting attendees to use the Port of Los Angeles board room. Councilmember Blaydes thanked all of those who contributed to the three day event including the City of Riverside, the Port of Los Angeles, the Port of Long Beach, Maersk Inc., San Pedro Chamber of Commerce, Plaza Mexico and the Port of Los Angeles High School.

A. Approval of the minutes from the ROTCC Quarterly Meeting, Friday, December 1, 2006

The minutes from the ROTCC Quarterly Meeting, Friday, December 1, 2007 were unanimously approved.

B. New Member Update- Mayor Pro Tem Greg Hirsch, Addison, Texas

Mayor Pro Tem expressed an ever-expanding ROTCC membership. Mayor Pro Tem was excited to announce the new addition of two new legislative caucus members that joined ROTCC the night before at the dinner and reception. The two newest legislative caucus members are California Assemblymember Betty Karnette from the 54th district and California State Senator Alan Lowenthal. In addition to California State Senator Denise Ducheny, the California sector of ROTCC's legislative caucus is continuing to increase. ROTCC has also increased with two new cities as members including the City of Riverside represented by Councilmember Steve Adams and the City of Dayton, Ohio represented by Dayton City Manager, Rashad M. Young. Mayor Pro Tem Hirsch proceeded to welcome all of the new members that have joined since the ROTCC Quarterly Meeting in the Memphis region that was held from November 30 thru December 1, 2006 both from the public and private sectors. New members from the public sector include:

New Members from the Public Sector:

Judge Melton Holt, Crittenden County, Arkansas

Dallas Independent School District Deputy Superintendent, Ronald Peace

Councilmember William Flaute, Riverside, Ohio

Dr. Herlinda Martinez Glasscock, President of North Lake College, DCCCD

Dan Callahan, DeSoto County Planning Commission

Dr. H. Charles Baker, Professor, Southern Methodist University
Felix A. Zamora, President of Mountain View College, DCCCD
Councilmember Alfonso, Gutierrez, Socorro, Texas
Councilmember Alan Wapner, Ontario, California
Councilmember Mary E. Perez, Socorro, TX
Councilmember Phil Z. Stratton, Wilcox, AZ
Councilmember Suja Lowenthal, Long Beach
Carol Brown, President, Eastfield College, DCCCD

New members from the Private Sector Include:

Charles Barrague, Prosecure, Inc.
James Kincaide, Cry-Leike Real Estate
John Ward, Dallas Transfer and Terminal Warehouse Company
B. Lee Mallory, Mallory Alexander
Brad McCaleb, Texarkana Metropolitan Planning Organization
Darrell E. Jordan, Godwin Pappas, Attorney at Law
Stan McClure, CB Richard Ellis
Dr. Yen T. Huang, Technical Club of Dallas
Ben King, Lone Star Capital, LLC

With the inclusion of the above new members into the River of Trade Corridor Coalition, our membership is nearly 300.

C. Introduction of Meeting attendees- Councilmember Bill Blaydes

Councilmember Bill Blaydes asked each meeting attendee to introduce themselves and state what part of the country they were from.

II. Overview of Los Angeles and Long Beach Transportation Assets-

A. Gill V. Hicks, Port of Long Beach Representative

Gill V. Hicks, President of Gill V. Hicks and Associates. Inc. and Chairman of CALMITSAC, regional affiliate of the national MTS advisory council established by Secretary Mineta. CALMITSAC's mission is to foster development of a marine transportation system in California that is safe, secure, efficient, environmentally sound and capable of expanding to meet the demands of a global economy.

Proposition 1B holds \$19.925 billion dollars with \$2 billion for trade corridors infrastructure, and \$ 1 billion for trade-related emissions reductions. With this bond comes a greater urgency to negotiate funds for projects.

The unfunded trade mandate is a result of U.S. policy to reduce barriers to trade while not providing sufficient funds for international gateways to cope with the surge in cargo through its ports, airports, roads and railways. All sectors including private and public must financially contribute.

B. Herman Madden, UP Representative

Herman Madden, UP representative discussed the major issues and concerns in the rail industry. UP rail covers 52, 667 miles in 23 states, with 1,000 employees and an annual payroll of 4.4 billion dollars. UP has 2/3 of their container volume in the Western portion of the United States. Mr. Madden stressed the importance of the UP Intermodal Initiative. The following locations outline the new terminals and expansion a result of such initiative; expansion in the Los Angeles and Memphis terminals, and new terminals in Oakland, Salt Lake, El Paso, Dallas, San Antonio, and Houston.

Under the UP Intermodal Growth strategy the L.A.- Texas/ Southeast section is labeled as having a route advantage, import growth, and the fastest growing markets. Mr. Madden discussed the Sunset Route expansion which is from Los Angeles to El Paso and then extends East in three directions, to Chicago, Memphis (via Dallas) and New Orleans (via San Antonio). The section from West Colton to El Paso is estimated to be double tracked the year end.

C. Gene Pentimonti, Maersk Inc.

Gene Pentimonti, Maersk Inc. covered the shipping concerns and issues being faced today. Maersk Inc. has over 100,000 customers (18,000 are in North America) and 35,000 employees. Maersk Inc. also has more than 500 vessels, a container fleet of more than 1.4 million container units and more than 40 terminals across the world.

Mr. Pentomonti explained that the U.S. plays in 3 of the top 5 world container markets. The global container trade growth is expected to average 8.7% in the next 10 years (10.4% in 2006, and 9.3% in 2007) Due to the increase in trade and the U.S.' shift from being a major manufacturer to becoming primarily import country a significant trade imbalance has occurred. The trade imbalance in the U.S. for 24 million containers is 2 to 1 (Pacific Trade is 2.6 to 1). Port infrastructure is not equipped to handle the increased trade and port and inland bottlenecks are increasing.

Maersk Inc. is also greatly considered with the environment, running the cleanest terminal operations in the U.S. (including in-dock rail), performed 2 years of research on vessels, volunteered to vessel reductions in particulate matter, SOX and NOX, and continued research on electron scrubbing, SCR's and particulate filters for vessels.

D. George Cummings, Port of Los Angeles Representative

George Cummings, Port of Los Angeles representative, discussed the importance of homeland security and its role in a Port with an ever-expanding flow of cargo. The CSI, Customs Service Initiative, purpose is to improve customs and its infrastructure in other countries. The main goal of the CSI is to equip other nations with the ability to detect problems with cargo before it is ever shipped to the United States.

III. International Update:

A. Mexico- Representative from the U.S. - Mexico Chamber of Commerce, Marlen Gati, U.S.-Mexico Chamber of Commerce

Marlen Gati, Executive Director of the U.S. Mexico Chamber of Commerce spoke on trade and relations between the U.S. and Mexico. With so much trade coming from Mexico is it vital that both members from the private and public sector understand the global market to which we live and how important our neighbor to the South truly is to our economy.

B. Eastern Asia- Dr. Feng, University of Texas, Dallas

Dr. Feng, University of Texas, Dallas, spoke about Eastern Asian trade and China's role in the global economy. Dr. Feng showed an increase in trade from China and how companies continue to revolutionize. For example, two major products from China are textiles (low end) and electronics (high end), in each case with textiles or Guangyu, and electronics, Huawei production has increased since 1985. A greater understanding of the importance of trade from China and its significant in the U.S. economy is needed.

IV. 2007 ROTCC National Quarterly and Annual Meeting Calendar:

A. Upcoming ROTCC National Quarterly Meeting, tentatively scheduled for June 13-15, 2007 in Windsor Ontario, hosted by Mayor Eddie Francis

Councilmember Blaydes reminded Meeting attendees of the upcoming ROTCC International Quarterly meeting which will be held in Windsor, Ontario from June 13-15, 2007.

B. Missions to Washington, D.C.,

Councilmember Blaydes informed the meeting attendees of the missions by ROTCC to Washington, D.C. which are listed below;

1. March 5-7, 2007 National Association of Counties, (NACo)
2. March 12-14, 2007 National League of Cities (NLC)
3. March 5, 2007 County Executives of America Board of Directors Meeting and Policy Session, Judge Buddy Villines, Pulaski County, Arkansas

- C. 2007 Annual ROTCC Meeting in conjunction with the 10th Anniversary Transportation Summit, August 7-10, 2007, Irving, Texas

Councilmember Rick Stopfer encouraged meeting attendees to attend the 10th Anniversary Transportation Summit in Irving, Texas from August 7-10, 2007.

V. Old Business

VI. New Business

- A. Resolution Commending March 2007 ROTCC National Quarterly Meeting Sponsors

Councilmember Bill Blaydes introduced the resolution commending the March 2007 ROTCC National Meeting Sponsors, motion was raised by Mayor Pat Hays, the motion was seconded by Mayor David Green. The resolution was passed unanimously.

- B. Resolution for ROTCC to join the West Coast Collaborative

Councilmember Bill Blaydes introduced the resolution for ROTCC to join the West Coast Collaborative. The motion was raised by Mayor Pat Hays, the motion was seconded by Mayor David Green. The resolution was passed unanimously.

- C. Resolution for ROTCC to support the Clean Air Action Plan

Councilmember Bill Blaydes introduced the resolution for ROTCC to support the San Pedro Bay Area Ports Clean Air Action Plan, the motion was raised by Councilmember Rita Joy Burks, the motion was seconded by Mayor David Green. The resolution was passed unanimously.

VII. Adjourn