

JTC Freight Investment Study

Fourth Stakeholder Group Meeting

presented to

Freight Financing Study Stakeholder Committee

presented by

Rob Leachman, University of California, Berkeley

Paul Sorenson, BST Associates, Inc.

Christopher Wornum, Cambridge Systematics, Inc.

Michael Fischer, Cambridge Systematics, Inc.

Gill Hicks, Gill Hicks Associates, Inc.

January 23, 2008

Transportation leadership you can trust.

Diversion Analysis Stakeholder Meeting on January 23rd

- **Prior to Stakeholder Meeting on January 23rd**
 - **Draft results of analysis provided to BST Associates, legislative staff and consultant team**
 - **Leachman analysis, BST review, & consultant review provided to stakeholders**
- **At Stakeholder Meeting on January 23rd**
 - **Presentation by Rob Leachman of his analysis**
 - **Presentation by Paul Sorenson of his review**
 - **Discussion of results by stakeholders**
- **Subsequent to meeting Cambridge Systematics will prepare a synopsis**

Agenda

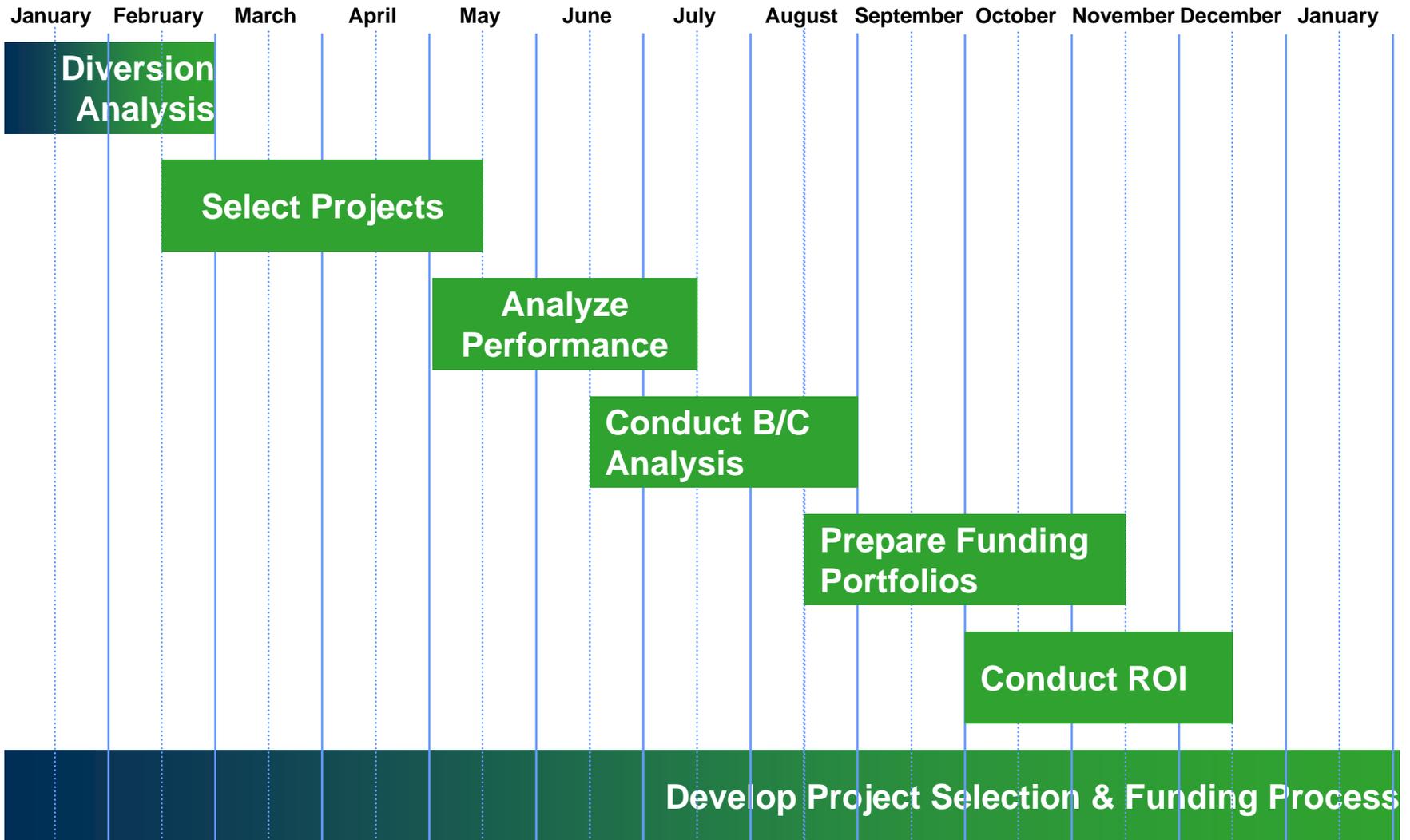
- **Welcome and Opening Remarks**
- **Self-Introductions**
- **Presentation by Rob Leachman of his findings regarding port and modal elasticity for the Ports of Seattle and Tacoma**
- **Presentation by Paul Sorensen, BST & Associates, of his review of Rob Leachman's work**
- **BREAK—10 minutes**
- **Summary by Cambridge Systematics of comments received from stakeholders**
- **Stakeholder discussion of Findings, Review and Comments**
- **Discussions of effect of freight infrastructure investment on fee sensitivity**
- **Next Steps**
- **Discussion of future of Stakeholder Meetings**
- **Adjournment**

Overview of the Study

Review of Study Tasks

- 1. Evaluate Existing & Potential Funding Incentives
- 2. Analyze Current Industry Taxes & Fees
- 3. National & International Comparison of Freight Funding
- 4. Assess Non-Freight Funding Sources
- 5. Measure Economic Impact of Funding
- 6. Assess Diversion of Marine Cargo
- 7. Measure ROI of Freight Infrastructure Completed
- 8. Examine Other Potential Project Specific Fees Underway
- 9. Recommend a Project Recommendation Body
- 10. Supplemental Work Tasks
- 11. Stakeholder/Legislator Groups

Revised Schedule Proposed Worksteps



Revised Outreach Schedule

Schedule of Stakeholder & Policy Group Meetings

November December January February March April May June July August September October November

Stakeholder

23rd
4th

TBD
5th

TBD
6th

TBD
7th

Policy

TBD
Update

TBD
3rd

TBD
4th

JTC & Legislature

28th
JTC

10th
JTC

TBD
JTC

New Container Fees at LA & Long Beach Ports

Clean Truck Conversion

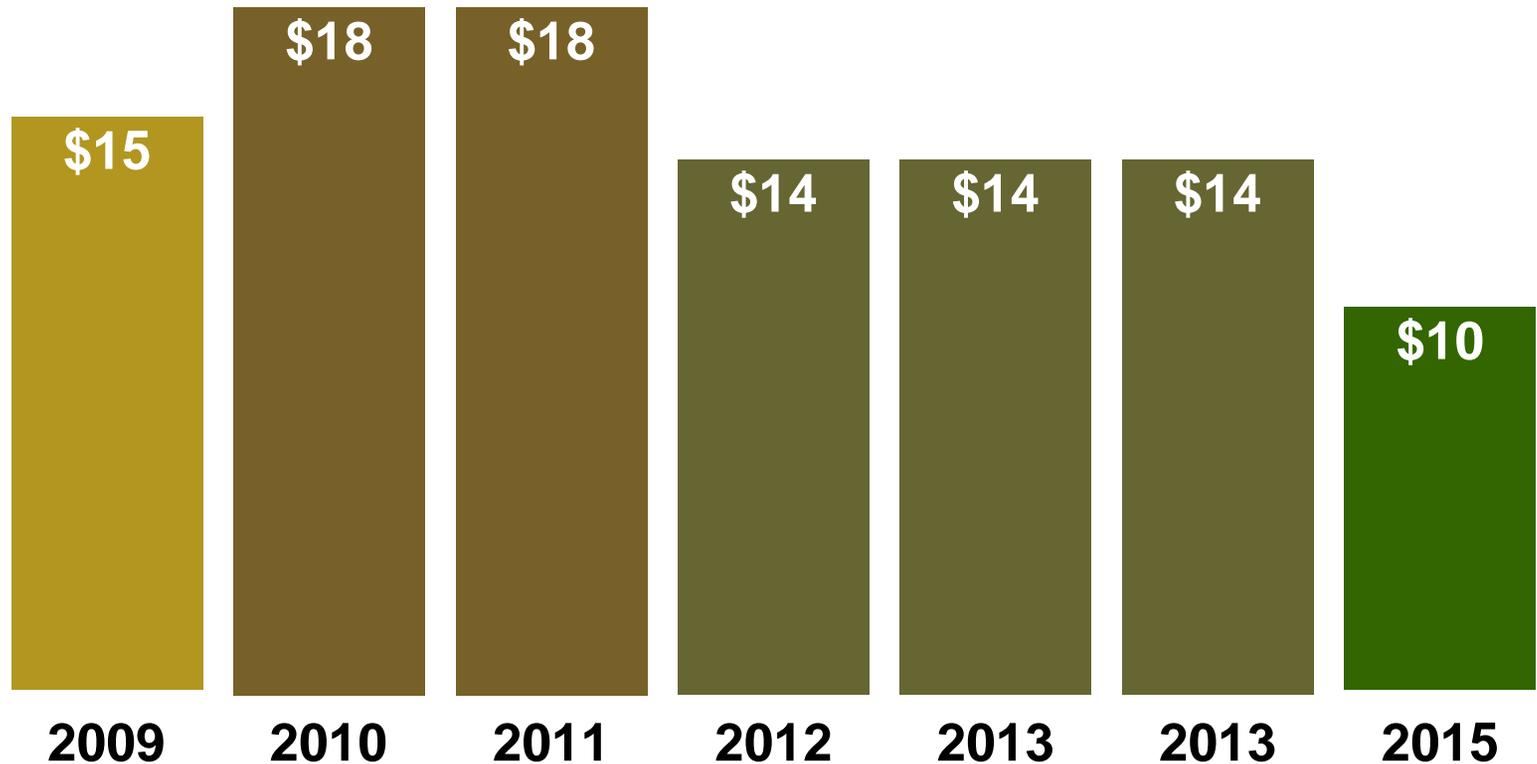
- **Adopted December 2007, fee begins June, 2008**
- **\$35 per loaded TEU for imports and exports**
- **On-dock rail containers (ship to rail) are exempt**
- **Expected to generate around \$1.6 billion annually**
- **Replace or upgrade nearly 17,000 older-model trucks with cleaner-burning ones**
 - **All trucks meet 2007 diesel truck emission standards by 2012**

Container Fees at LA & Long Beach Ports

Local Freight Infrastructure

- **Fee per loaded import and export containers**
 - Proposed \$15/teu starting fee
 - Ranges from \$10 to \$18 over 7 years
 - Fee assessed to cargo owners
- **Fees tied to specific projects, then sunset**
 - Highway and railroad projects
 - Generates \$1.4 billion
 - Projects total \$2.9 billion
- **All projects are located within the harbor area but outside the terminals**

Container Fees at LA & Long Beach Ports-- Local Freight Infrastructure (Continued)



Fee amounts calibrated to fund specific projects and then sunset