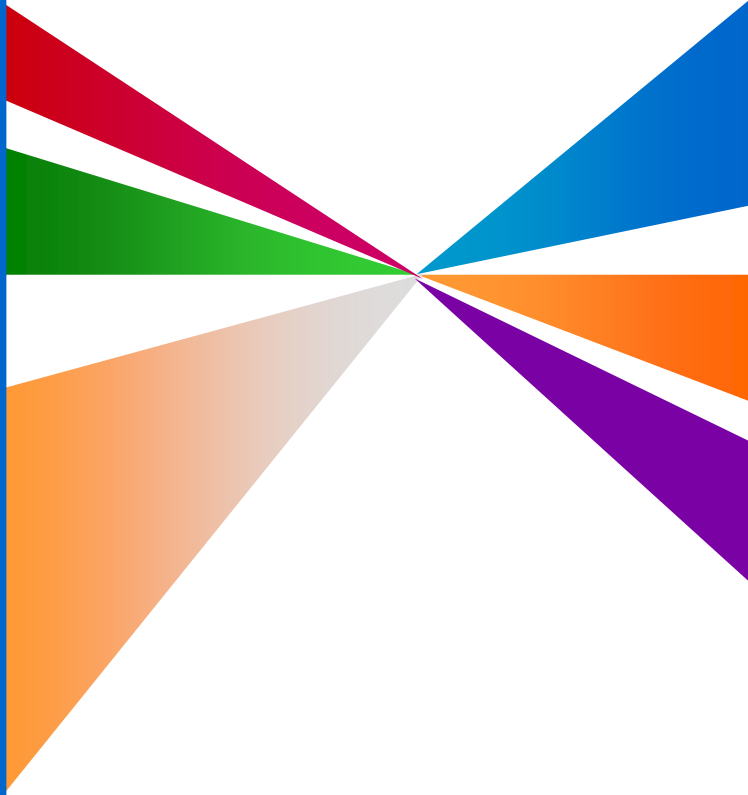


SOUTHERN CALIFORNIA



**ASSOCIATION of
GOVERNMENTS**

Resolving

Regional

Challenges

*OCTA Board Goods
Movement Workshop
January 22, 2007*

www.scag.ca.gov

SCAG Represents



- 6 Counties
- 187 Cities
- 38,000 square miles
- 18 million people
- 15th largest economy in the world

SCAG Deals With

Regional Issues



Transportation

Goods
Movement

Housing

Air Quality

Waste
Management

Growth
Forecasting

and More...

SCAG is Responsible for



Regional Transportation Plan



AQMP - Land Use /Transportation Control Strategies

- Long-Range Plan of Policies and Projects that:
 - addresses mobility and congestion
 - meets air quality conformity

A Regional Council Makes All The Decisions



- Elected Officials from 65 Districts
- 7 County Representatives
- 2 County Transportation Commission Representatives
- Mayor of Los Angeles
- Receive Advice From Policy Committees

Policy Committees

Administration Committee



- Communications/ Membership
- Strategic Plan

Community, Economic & Human Development



- Forecasting
- RHNA
- Benchmarks
- Growth Visioning
- Modeling

Energy & Environment Committee



- Water Policy
- Solid Waste

Transportation & Communications Committee



- Goods Movement
- Aviation
- Regional Transit
- Regional TDM
- MagLev
- RTP TAC
- Highway/Trans. Finance
- 4 Corners
- Southwest Compact
- CETAP
- RSTIS

Committees Composed of Local Elected Officials Including Subregional Representatives.

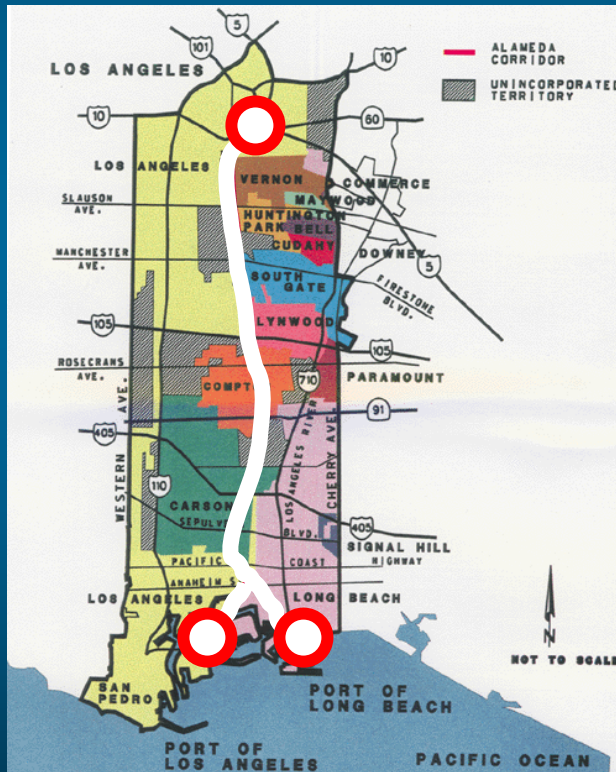
They are Supported by 20 Task Forces and Subcommittees.

Goods Movement Task Force

- Originally formed as the Ports Advisory Committee over 25 years ago
- Forum for goods movement info. exchange
- Advisory to SCAG's Transportation and Communications Committee
- Represented by transportation agencies, cities, ports, railroads, airports, businesses, real estate developers, environmental and community groups
- Chaired by Hon. Art Brown
- Meets 3rd Wednesday, bi-monthly at SCAG

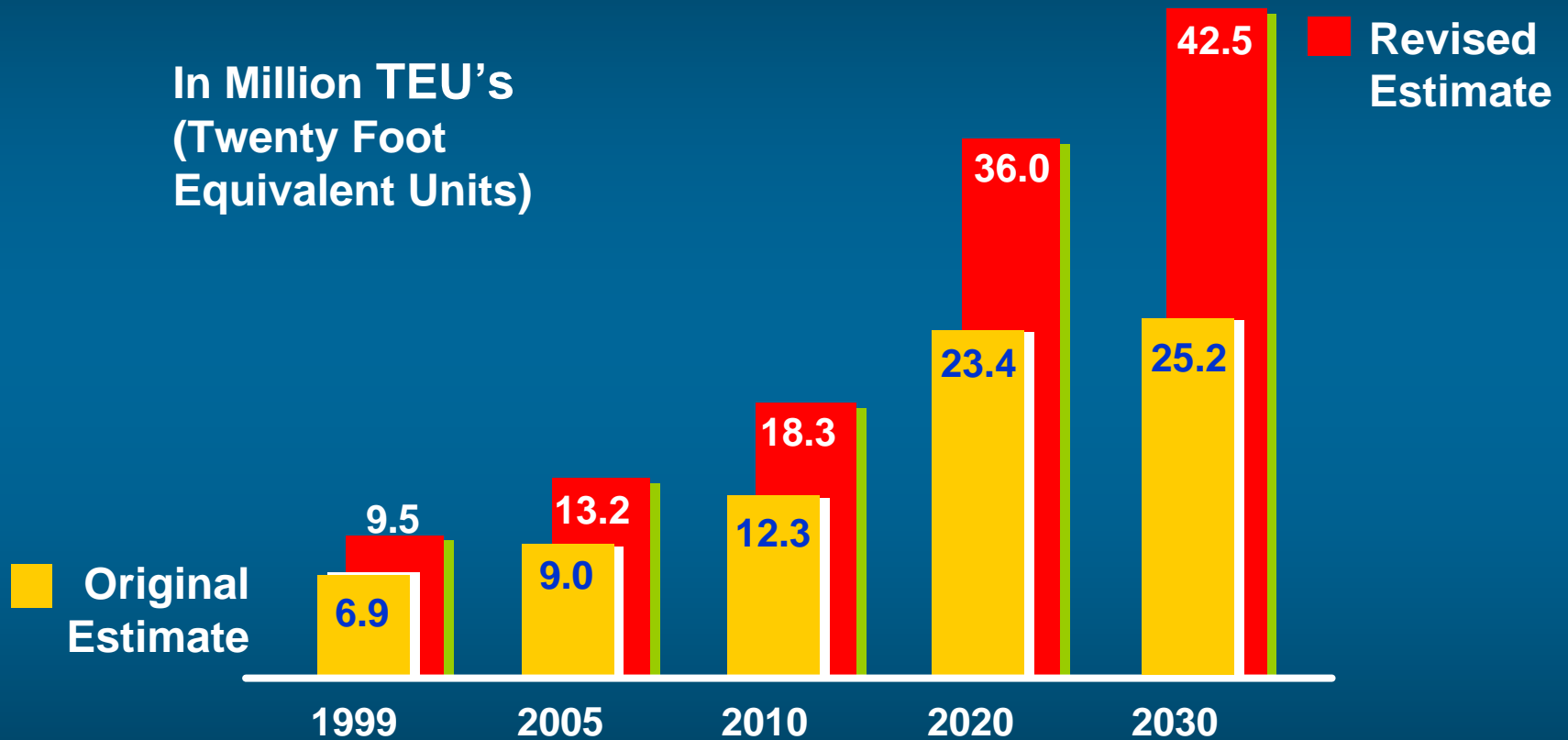
Key Accomplishment

Originated Alameda Corridor Concept



High-speed, high capacity goods movement corridor completed in 2002

Total LA/Long Beach Container Growth Projected to Triple in 25 Years



Source: POLA, POLB



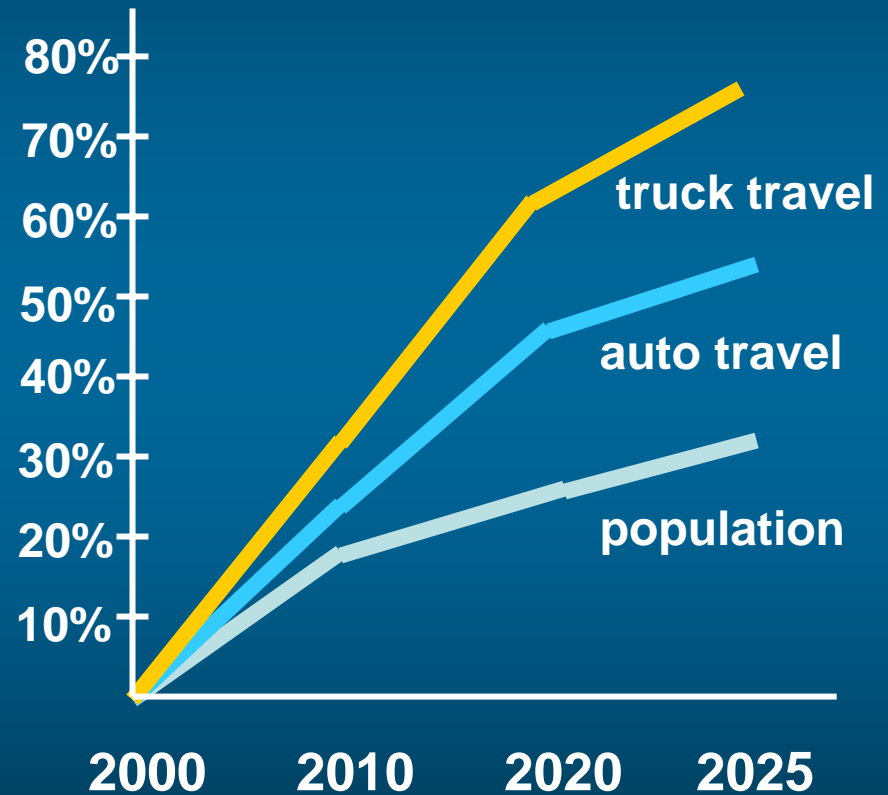
Over 70% of imports through Ports of LA/LB are destined for points outside of southern California

In 2003 Ports of LA/LB handled one third of all container traffic in U.S. and 54% of U.S.-Asian containerized trade

Highway Congestion



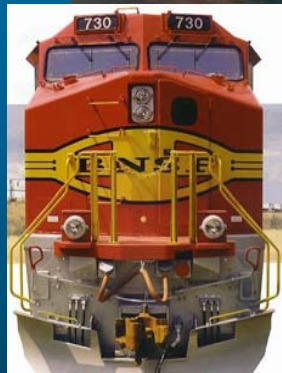
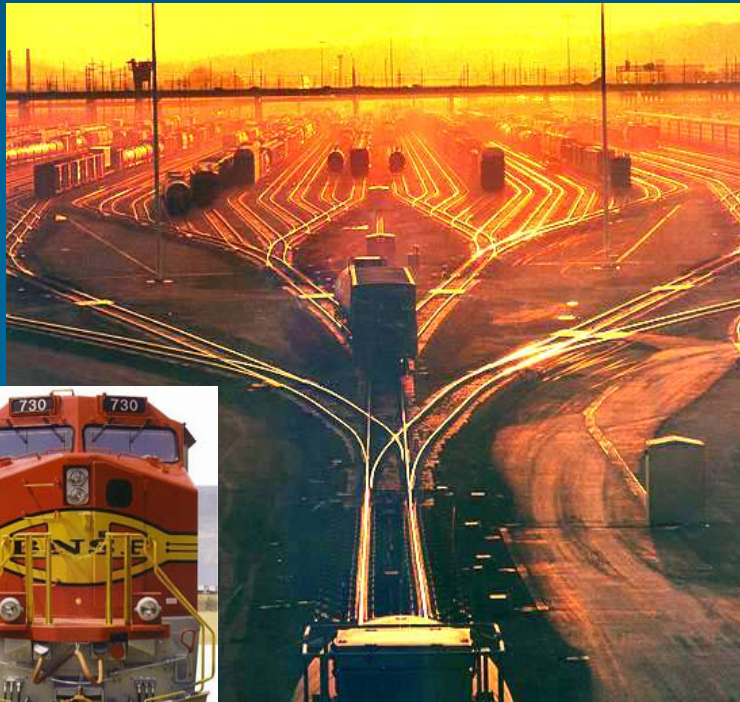
Projected Growth



Worst in nation since 1982

Rail Congestion

On Mainline Rail network between downtown Los Angeles east to the Inland Empire



<u>Year</u>	<u>Freight Trains per Day</u>	<u>Passenger Trains per Day</u>
2000	112	58
2010	165	100
2025	250	140

123% Increase

Source: SCAG Inland Empire Railroad Mainline Study, June 2005

Early SCAG Studies

SR-60 Truck Lane Feasibility Study (2001)

- Concluded that dedicated truck lanes between I-710 and I-15 was feasible

Goods Movement White Paper (2002)

- Survey of regional initiatives & discussed program objectives

Truck Count Study (2002)

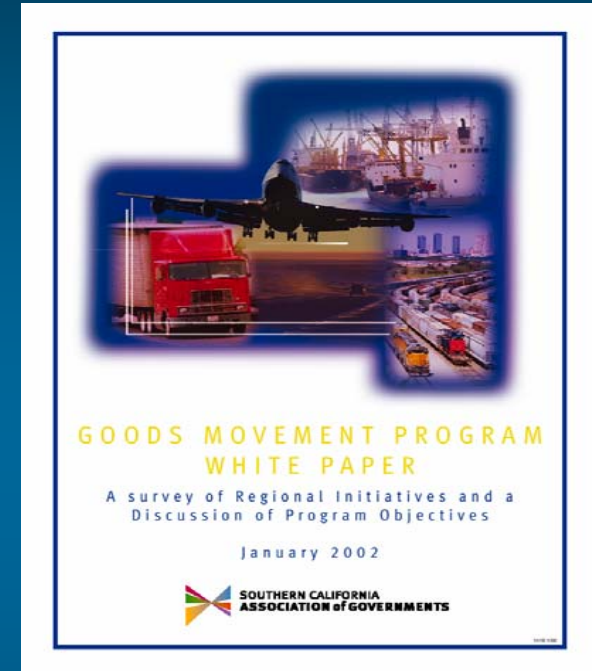
- Conducted 24-hour, observed counts at over 150 highway locations throughout the region

Los Angeles-Inland Empire Railroad Mainline Advance Planning Study (2002)

- Forecasted year 2025 rail capacity needs

Empty Container Study (2002)

- 5-10% of empty containers can be reloaded for export



Early SCAG Studies

Logistics and Distribution: An Answer to Regional Upward Social Mobility (2004)

- Logistics industry accounts for 1 in 7 (550,000) jobs in the region. Replaces lost manufacturing jobs and at a higher pay level

Inland Empire Mainline Study (2005)

- Identified rail infrastructure needs from Colton east to Indio and north to Barstow

Port and Modal Elasticity Study (2005)

- Measured impact of user fees on cargo volumes at the LA/LB Ports
- Concluded that container charges **RESULTING IN CONGESTION RELIEF** would reduce volume by only 4.3%

Adopted 2004 RTP

(in 2001 \$)

- \$16.5 Billion Truckway Improvement Program
- \$3.4 Billion (in 2001 \$) Rail Capacity Improvement Program
 - \$1.2 B mainline rail capacity
 - \$2.2 B grade separations
- Further study of inland ports



An Enhanced Regional Strategy

- Prepared at the request of former Secretary McPeak
- Nov. 04 - Feb. 05: Consensus Plan
 - \$26 billion in projects
 - Key principles:
 - Environmental mitigation is integral
 - Find new funding sources
 - Act quickly to realize regional benefits
- Short Term Operating Improvements
- Long Term Transportation System Improvements
- Immediate Action Steps



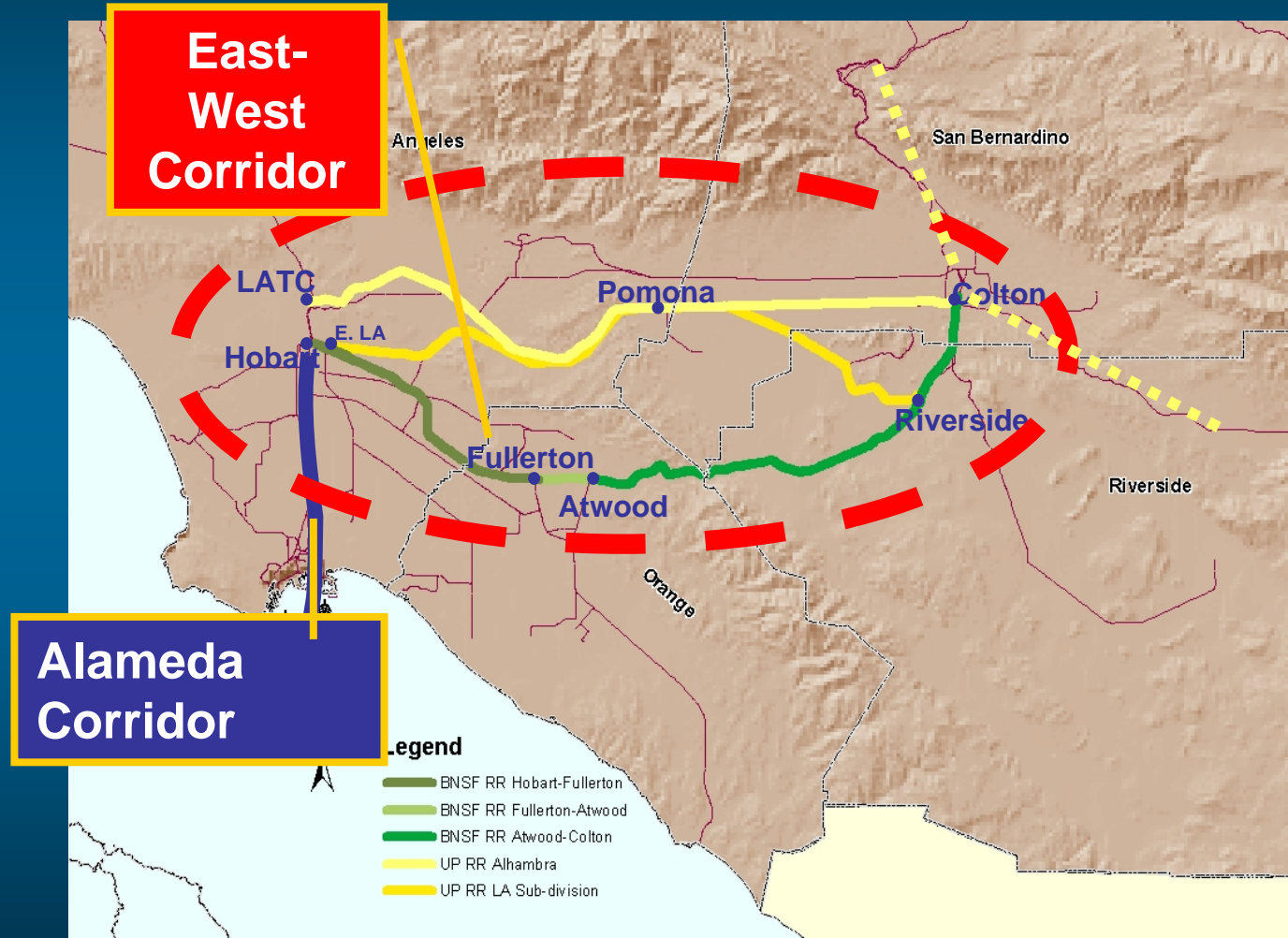
Dedicated Regional Truckway System

- \$16.5 billion investment
- System envisioned to contain 2 dedicated truck lanes in each direction
- East-West Corridor to be refined as part of MCGMAP



Rail Infrastructure and Grade Separation Investments

Program consists of additional rail track, Alameda Corridor East grade separations, and the Colton rail-rail grade separation



The Cost

(In Billions)

	Lanes/Tracks Only	Other Operational Improvements	TOTAL
Dedicated Truck Lanes	\$16.5	\$3.5	\$20.0
Additional Rail Tracks	\$2.6	\$3.4	\$6.0
		TOTAL	\$26.0
TOTAL with \$10B Environmental Mitigation			\$36.0

Potential Funding Sources

- Federal and State Fuel Taxes
- State Bonds
- Sales Taxes
- Tax Exempt Bonds
- Tax Credits
- TIFIA Loans
- Tolls
- User Fees or Container Fees



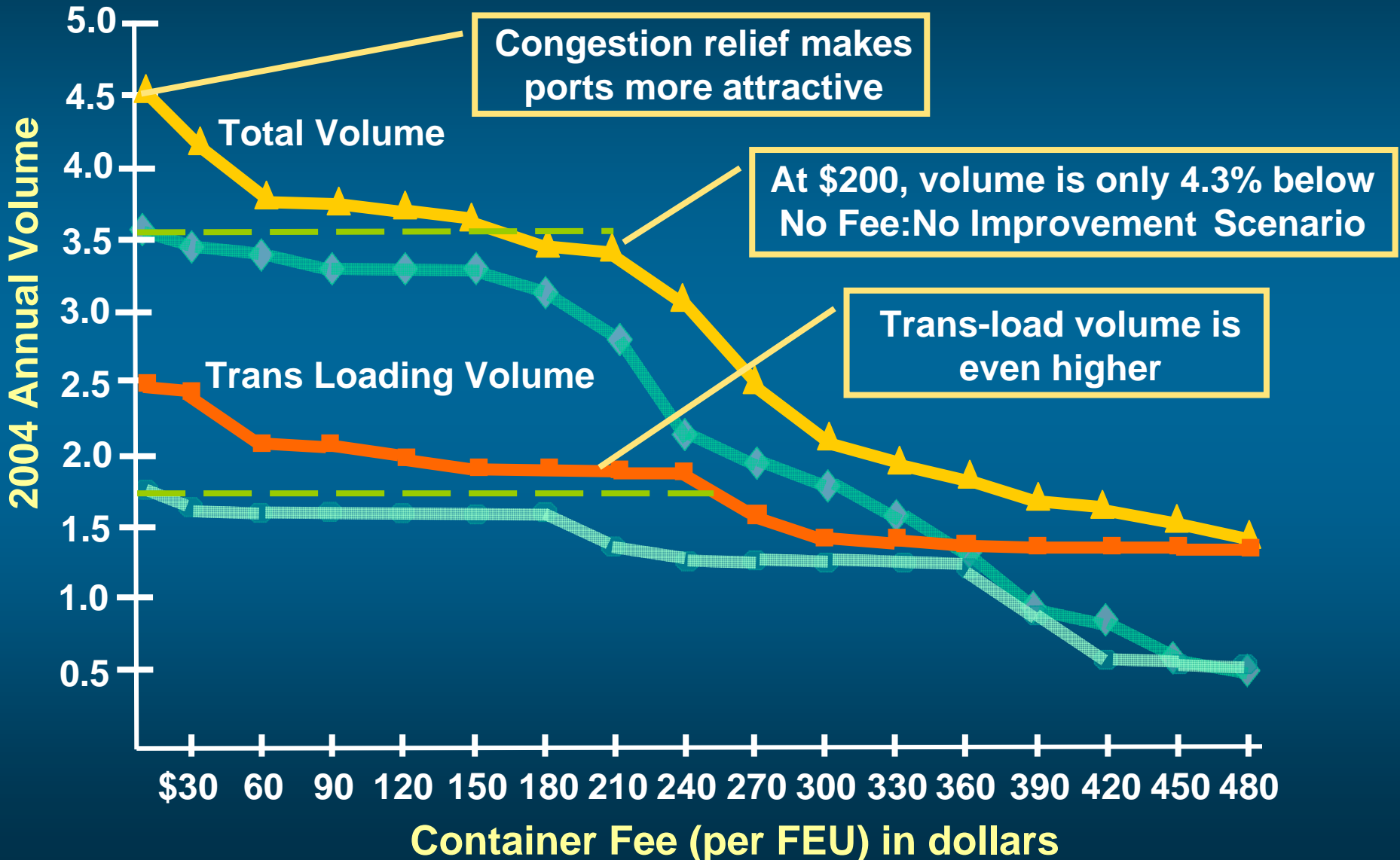
If Fees on 40-foot Containers Were Applied....

**At what price point
would using the
LA/Long Beach ports
stop making sense?**

Port and Modal Elasticity Study, Leachman and Associates LLC for SCAG - Sept. 2005

Private Sector Investment in Congestion Relief

FEUs in millions



Estimated Private Sector Level of Investment

Dedicated Truck Lanes	\$60 - \$70 per FEU plus \$0.86 per mile	Investment Levels Fall Within Study Parameters for Acceptable Rate of Return*
Additional Rail Tracks	\$15 - \$30 per FEU	
Total Highway & Rail System	\$120 - \$130 per FEU plus \$0.86 per mile	
Total with Environmental Mitigation (\$10B)	\$160 - \$170 per FEU plus \$0.86 per mile	

* SCAG Port and Modal Elasticity Study, September 2005

Other Efforts Underway

Multi-County and State Goods Movement Action Plans

- Regionwide and statewide strategies and solution sets

Inland Port Feasibility Study

- Feasibility of shifting the storage and sorting of containers inland

Port & Modal Elasticity Study Phase II

- Measuring freight diversion in the short-run

Env. Mitigation for Goods Movement

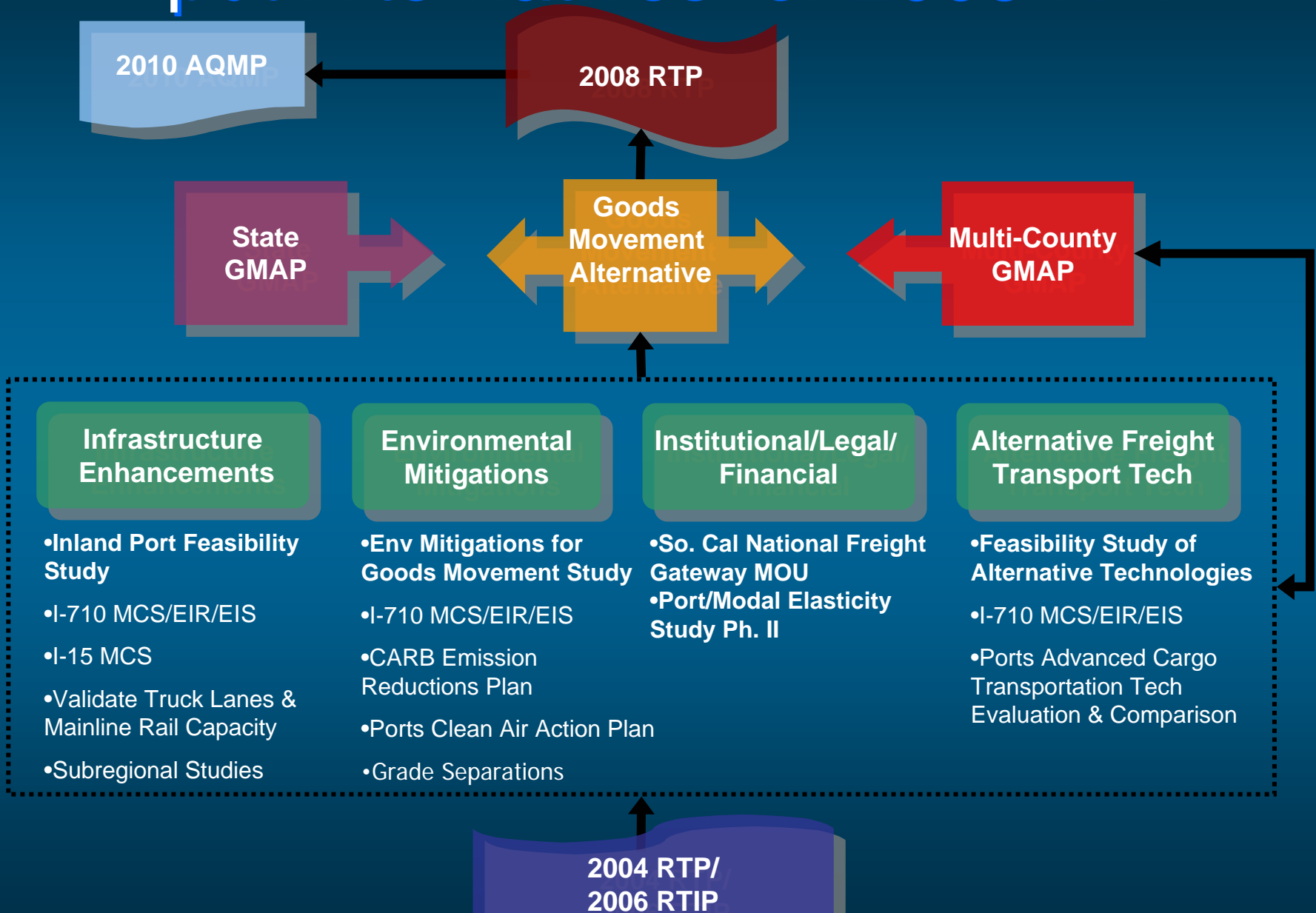
- Most cost-effective air quality mitigation strategies

Alternative Technologies

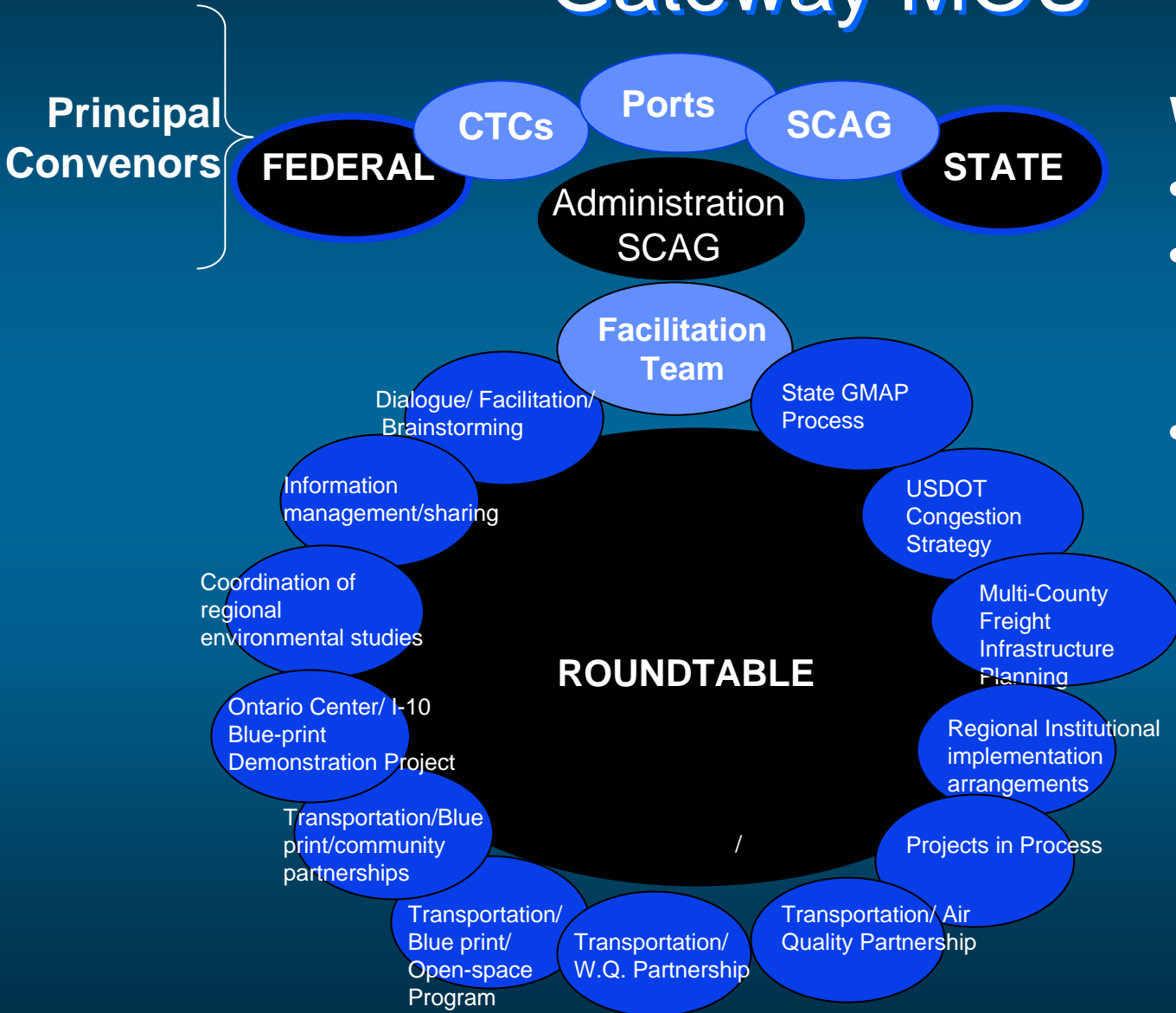
- Feasibility of alternative cargo conveyance systems



Input Alternatives for 2008 RTP



Southern California National Freight Gateway MOU



Way of Working:

- Scoping
- Respectfully stitching together the quilt
- Promoting cooperation & collaboration regarding initiatives

SOUTHERN CALIFORNIA

**Thank
You**

**ASSOCIATION of
GOVERNMENTS**