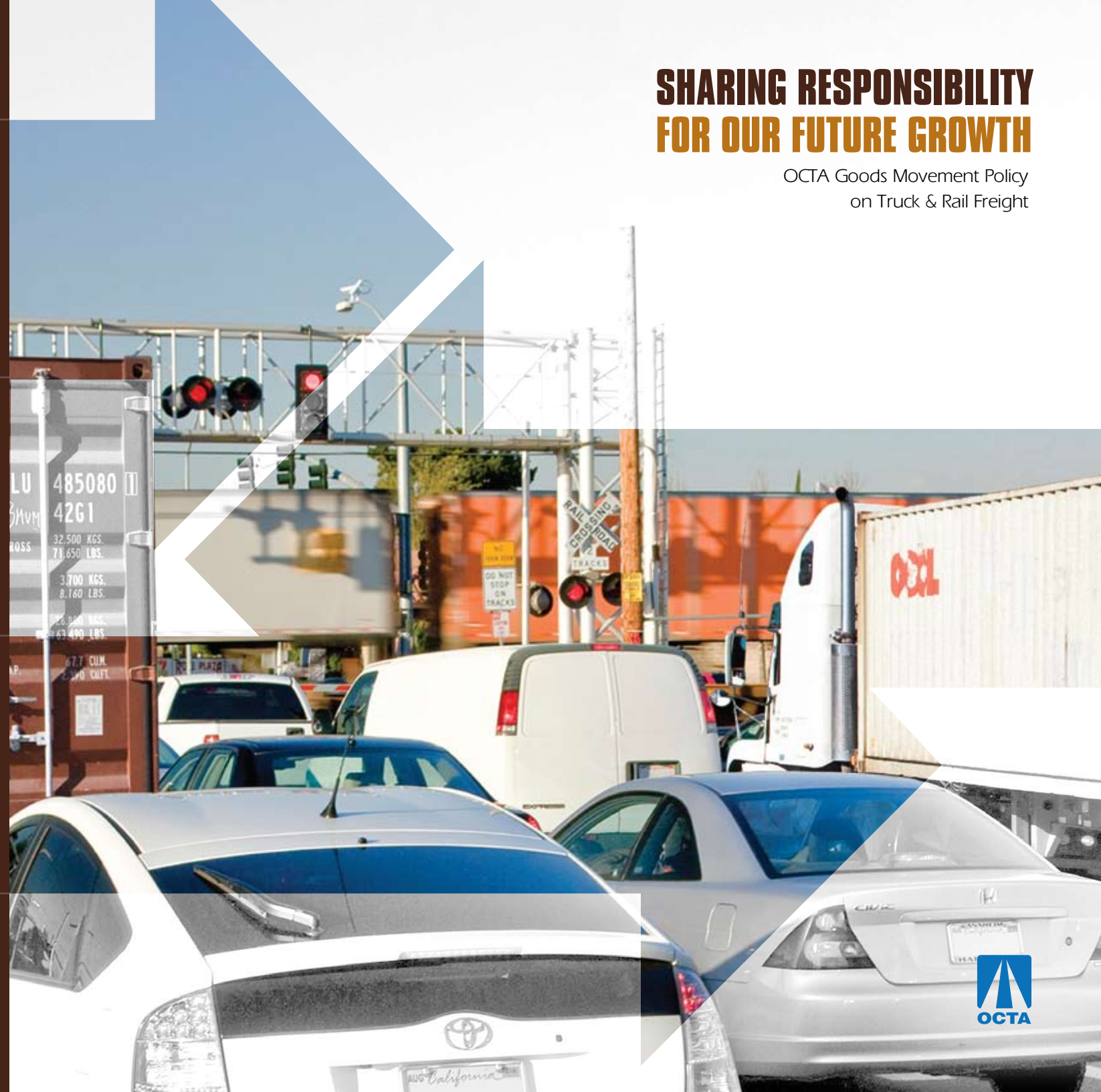


SHARING RESPONSIBILITY FOR OUR FUTURE GROWTH

OCTA Goods Movement Policy
on Truck & Rail Freight



FOR MORE INFORMATION ON GOODS MOVEMENT,
go to <http://www.octa.net/goodsmovement> or contact
Barry Engelberg, OCTA Manager of Regional Initiatives, at (714) 560-5362





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

THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) KNOWS THAT THE GLOBAL ECONOMY HAS LED TO AN INCREASE IN INTERNATIONAL TRADE. WITH THIS UNPRECEDENTED GROWTH, “GOODS MOVEMENT,” THE INDUSTRY DEDICATED TO TRANSPORTING GOODS AND PRODUCTS FROM “SHIPS TO STORE SHELVES,” WILL EXPAND SIGNIFICANTLY OVER THE NEXT TWENTY (20) YEARS.

For some counties, goods movement has meant revenues and good-paying jobs. For Orange County, it primarily means a flood of cargo trucks that saturate, stagnate and steadily deteriorate local roads and freeways on a daily basis. It also means seemingly endless freight trains that cause delays for local commuters and disturbances for communities at all hours of the day and night. And, of course, this freight traffic increases safety risks, air and noise pollution and other negative impacts as it “passes through” Orange County to destinations across the country.

International trade and goods movement have reached record levels, and the growth in freight containers, trucks and trains is expected to increase. For example, in 2007, 16 million containers moved through the Ports of Los Angeles and Long Beach. In 20 years, that number of containers is expected to increase to 48 million, an increase of 200 percent. As a result, a greater number will “pass through” Orange County.

This increase in traffic is straining Orange County’s roads and freeways. It also is having a negative impact on our communities. OCTA believes the federal

government must commit to limiting the negative impacts local communities must endure as a result of international trade it has sanctioned. It must also assist in investing in upgrading and maintenance of the transportation infrastructure on which goods movement so heavily depends. OCTA also believes that shippers and retailers who benefit from the region’s transportation infrastructure system must also participate and contribute to improvements to the system.

OCTA believes local, regional and state officials must join efforts with residents as well as civic, environmental and business organizations to develop, finance and implement solutions that protect our quality of life while growing our economy.

OCTA has, among other things, pursued its fair share of voter-approved Proposition 1B funding of goods movement projects. It is the first of many steps we need to take.

We hope you’ll join us to keep Orange County moving in the right direction!

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Daily truck traffic to/from
Los Angeles/Long Beach Ports
will grow dramatically
in the next three decades.



Source: Gill V. Hicks Associates

ORANGE COUNTY A BRIDGE TO THE NATION

Orange County is a major contributor to the success of goods movement. Located between the Ports of Los Angeles and Long Beach and the Inland Empire, Orange County is a vital bridge for trucks and trains which transport billions of dollars in goods and products efficiently and cost-effectively from our region to other parts of the state and nation. Orange County's role should not be underestimated. If the Ports of Los Angeles and Long Beach are "America's Loading Dock," then Orange County is the "Bridge to the Nation."

In spite of its role, however, Orange County enjoys few benefits, unlike Los Angeles and the Inland Empire, that both benefit from the lion's share of revenues and jobs. Comparatively, Orange County receives far less revenue and fewer jobs, yet must absorb similar negative impacts and costs.

Most everyone has been stuck behind a slow-moving truck, or has been delayed by a seemingly endless freight train. Projections indicate that both truck and train traffic will accelerate year after year for decades to come. For example, the Southern California Association of Governments estimates that the BNSF Railway line, which runs through Fullerton, Placentia, Anaheim, and Yorba Linda, now causes 31.9 minutes of delay per day. In 2010, BNSF Railway is projected to cause over 200 minutes of delay per day. This impacts commuters, consumers and businesses. Unless steps are taken to improve our highways, railroad crossings and streets, these conditions will only worsen.





“Most everyone has been stuck behind a slow-moving truck, or has been delayed by a seemingly endless freight train.”

LIMITING NEGATIVE IMPACTS OF GOODS MOVEMENT



ORANGE COUNTY IS BUSINESS-FRIENDLY. ALWAYS HAS BEEN. ALWAYS WILL BE.

However, Orange County taxpayers, communities and leaders also place a premium on our high quality of life. For the OCTA Board of Directors, protecting this quality of life by limiting traffic, air pollution and safety impacts produced by goods movement is paramount.

The OCTA Board of Directors believes there are several solutions that are necessary. And all are within reach – if taxpayers, communities and stakeholders work together to make them a reality. Some mitigation solutions are regional. Others, project specific. Some are long-term, while others are short-term.

At sea and within the ports, ships must switch to cleaner burning fuels. On highways and railways, trucks and locomotives must become newer and/or greener. Regionally, agencies must coordinate to capture the funding necessary to solve shared problems. And locally, cities, the county and OCTA must work together to reduce unnecessary train horns, strengthen traffic management and build railroad overpasses along goods movement corridors.

OCTA believes investing in our transportation systems and mitigating the negative impacts of goods movement is in everyone’s interest. Doing so makes for a stronger economy and healthier communities.

POLLUTION IMPACTS SURROUNDING AREAS

TYPES OF POLLUTANTS

- Elemental Carbon
- Nitrogen Dioxide
- Ultrafine Particles

Source: Environmental Defense, NY, NY
Report: All Choked Up: Heavy Traffic, Dirty Air and the Risk to New Yorkers



Current Daily Truck Traffic to/from Ports of
Los Angeles and Long Beach (Gill V. Hicks Associates)

34,000

Funds required for improvements to goods movement
corridor in the Southern California region
(Multi-County Goods Movement Action Plan 2008)

\$48 BILLION

33%

Percentage of NOx emissions generated by
freight trucks in the South Coast Air Basin
(California Air Resources Board)

Lost work days due to air pollution exposure
(California Air Resources Board)

900,000

Number around the earth If you lined up all the
containers traveling through Orange County each year.
(Based on POLA/POLB, 13.2 million containers
came through in 2005)

2.4 TIMES

Percentage of nation's containers that pass through the Ports
of Los Angeles and Long Beach
(Port of Los Angeles and Port of Long Beach)

43%



GOODS MOVEMENT POLICY: PROTECTING THE QUALITY OF LIFE

PROPELLING ECONOMIC GROWTH

Balancing
Orange County's
historical commitment.

The OCTA “Goods Movement Policy” reflects Orange County’s historical commitment to economic growth and quality of life. The policy sets forth legislative, fiscal and project management strategies designed to link improvements to goods movement corridors with quality of life protections.

On the legislative front, the policy seeks to secure the federal government’s commitment to share the costs of international trade and goods movement mitigation. Fiscally, it seeks to work with local, regional and state partners to create sources of funding exclusively dedicated to goods movement corridors. Similarly, the policy seeks to enlist the support of those private stakeholders, such as shippers and retailers, that benefit economically from goods movement to make these options a reality.

RAILROAD & HIGHWAY IMPROVEMENTS

IMPROVING MOBILITY AND REDUCING TRAFFIC DELAYS

OCTA is working hard to fund a slate of critical projects. In 2008, the OCTA Board of Directors approved nine (9) projects to compete for Proposition 1B funding. Together, these projects call for improvements to highways and rail crossings at key Orange County locations.

As envisioned, the projects will deliver much needed relief. Most importantly, they'll also help to increase safety and efficiency at rail crossings, and along our highways, while reducing air emissions.

When completed, moving goods and people through the corridor will be safer and more efficient. And the quality of life will also be significantly improved.

PROJECT #1

SR-91 WB (5-57)

PROJECT #2

**State College Grade
Separation Project**

PROJECT #3

**Placentia Grade
Separation Project**

PROJECT #4

**Orangethorpe Grade
Separation Project**

PROJECT #5

**Kraemer Grade
Separation Project**

PROJECT #6

**Raymond Grade
Separation Project**

PROJECT #7

**Lakeview Grade
Separation Project**

PROJECT #8

**Tustin Rose Grade
Separation Project**

PROJECT #9

**SR-57 Truck
Climbing Lane**

GOODS MOVEMENT IS A CHALLENGE

Keeping freight moving through Southern California and the rest of the nation has always been a challenge, but this is a particularly difficult time. Freight volumes are expected to at least double and maybe triple in the next two decades. As a result, our region's transportation infrastructure is showing signs of great strain.

While county transportation and elected officials see the need to expand our trade infrastructure and to efficiently move freight/goods through our county's transportation network as critical to the mobility and economic vitality of our county and region, our communities continue to see the negative impacts of the steady increase in trucks and freight trains carrying freight handled by the San Pedro Bay ports.

The challenges of congestion, noise, visual and air pollution brought on by these goods movement-related activities cannot be met by the effort of an individual county. The stakes are too high, the problems, too interconnected. As a result, OCTA, other Southern California transportation agencies and private sector goods movement stakeholders have forged an unprecedented coalition whose goal is to address goods movement-related issues whereby any enhancements to the region's goods movement system must be accompanied by mitigation measures, which will help maintain the quality of life we in Orange County have come to know and enjoy. In order to accomplish this, OCTA, working with the coalition, will continue to fight for our region's "fair share" of state and federal funding for goods movement projects.

The challenges reflected by goods movement affect all of us. Goods movement affects the air we breathe and the economic climate we foster. These challenges will not be resolved in the short term, but will continue to be a major point of discussion for transportation policy makers for years to come.

THAT AFFECTS EVERYONE