

**The Miami-Dade MPO  
Freight Transportation Advisory Committee**



**MEETING INFORMATION**

FCFBA Seminar Room  
8181 NW 14<sup>th</sup> Street Suite 300  
Doral, FL 33126  
Wednesday – June 17, 2009  
2:00 PM

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**AGENDA**

- **Self Introductions**
- **Status of Major Freight Projects**
  - 25<sup>th</sup> Street Viaduct
  - Port of Miami Tunnel
- **FDOT'S Strategic Intermodal System Plan (SIS)**
  - FDOT
- **Roundtable Discussion: State of the Freight Industry in South Florida**
- **Set Next Meeting Date**

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**FREIGHT TRANSPORTATION ADVISORY COMMITTEE  
MEETING NOTES  
Wednesday June 17, 2009**

The June meeting of FTAC was held at 2:00 pm in the FCBF Seminar Room at 8181 NW 14<sup>th</sup> Suite 300.

**The following individuals were in attendance:**

FTAC Members

Sylvia Bernstein	FTAC Chair
Felip Munoz	South Motors
Zac Gruber	Cargo Ventures
Bill Arata	Biscayne Bay Pilots
Mariella Marrero	Sun Belle
Kornelia Tiede	Tiede, Valdez and Co
Rafael Puga	FFTA
Doug Tannehill	CH Robinson
Barbara Pimentel	FCBF

Guests

Wayne Blalock	FEC Railroad
Eric Carpenter	City of Doral
John Ballestero	POMTOC
Alissa Escobar	Port of Miami
Pat Santangelo	FHP
Cari Cossio	FCBF
Saddys Garcia	Flagler Development Group
Chris Mangos	MIA-Marketing
Ken Jeffries	FDOT Dist 06

Staff

Larry Foutz	Miami-Dade MPO
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Consultants

Michael Plagens	RS&H
Stewart Robertson	Kimley-Horn
Oscar Gonzalez	MRG

The chair asked all of the attendees to introduce themselves then she moved on to the first item on the agenda.

Larry updated the Committee on the status of the 25<sup>th</sup> Street Viaduct. He reminded the Committee that at the last meeting FDOT had explained that the Viaduct project was dropped from the stimulus projects because they felt that the stimulus monies could be maximized by putting all of the stimulus funds on the reconstruction of the SR 836/826. Larry explained that at the next MPO Board Meeting the Board had strongly emphasized that they had made it clear that the completion of the viaduct was their number 1 priority. Mario Diaz-Ballart is on the appropriation committee working on the next transportation legislation due to be voted on in September. He asked for earmark project to be funded

directly in the legislation. The MPO prepared an application for the Viaduct project, with the help of the Airport staff. The application was submitted by Chairman Moss. The City of Doral also submitted the viaduct project for the earmark. This is our next best hope for early funding of the second phase of the viaduct.

Larry distributed a news release from FDOT about the status of the Port of Miami Tunnel. The news release stated that the County and FDOT looked “forward to a successful financial close in October.” A financial close means that the parties have agreed to pursue financing to design, build, finance, operate and maintain the tunnel project. This means that a final decision to move forward will be made by October 1.

The Chair then turned the meeting over to Ken Jeffries, who stated that FDOT was going to all of the MPO committees in preparation to a regional SIS workshop on September 10. He then turned it over to his consultant. Mike had a short power point presentation. He said that the Strategic Intermodal System (SIS) was an effort by the State to connect economics and growth management to transportation. The current SIS lays out a system of hubs, corridors and connectors, which are the links between the corridors and the hubs. The SIS update is a policy update and the policy they are considering is to add projects that are hub to hub such as connecting MIA to the MIC. The SIS update has a 30 man statewide policy committee. Javier Rodriguez and Joe Guiletti represent South Florida on the committee. The current update will culminate in the September workshop. They are looking for an adoption by 2010. He said that the SIS represented a switch from highways to multi-modalism. The Committee was urged to go the SIS website: [www.sisupdate.org](http://www.sisupdate.org)

The Committee asked why did the SIS have so many projects when there wasn't any money. The consultant explained that the planning effort starts with a needs plan then narrows it down to the cost feasible projects. The committee asked where the money came from for the SIS. Ken explained that it was a blended pot of money that included growth management money and documentary stamps. As people remember from the old SIS funding of the Viaduct the decline in document stamp revenue caused in big drop in money available for SIS.

The Committee had asked about the rail plan that had been mentioned at an earlier meeting. Ken said he would find out and send the link to the committee. The committee asked when were we going to the Board with the 6<sup>th</sup> Street Slip Ramp. Larry reminded the Committee that they had passed a resolution asking the MPO Board to reconsider the item, but he had withdrawn the item from consideration because the Committee members need to brief their MPO Board members who had appointed them. He then said we should not continue to discuss the Slip Ramp as it was not agendaized. He agreed to put the item on the July agenda.

The chair moved the meeting to the roundtable discussion of the status of the freight industry in South Florida. Larry started by going through a list that he culled from the June 2009 Florida Trend magazine. It showed the revenue comparison between December 2007 and December 2009 – showing the first 4 months of the recession. The

article followed the top 350 firms in Florida. The revenues were way down for financial, insurance, contractors, car dealers, building supplies and real estate. It was not too bad for companies directly involved in distribution. It was pointed out that it took a while for the recession to trickle down to freight movement. The top companies did not reflect the independent truckers that were instantly hit by contractions in purchasing and construction.

Larry moved on to two articles about the Miami lime rock industry. The first one indicated that June 22 was the close of comments on the Corps of Engineers Final EIS for expansion of the Lake Belt opening up more areas for mining. The second article was about the superior court ruling in favor of rock mining ordering the lower court to reconsider its ban on excavation. Miami-Dade and Lee Counties that were impacted by the injunction have the highest quality lime rock for construction in the world and represented a huge portion of the local economy.

The discussion moved to the FEC, who stated that rock was their number 1 customer. They are down from 6 trains per day to 1 train per day. They have laid off 25% of their employees. 75% of their business is now intermodal. The auto transport business is almost dead. Honda is doing best and Ford is hanging on. They are looking at a new business niche and are going after long-distance trucking conversion to rail. They are focusing on the green aspect of their business in that 1 car is equal to 10 trucks off the highway (?). Their business with retail grocers is holding even. To survive the rail industry must seek efficiencies in the way they do business by going high tech to increase turn arounds. It was suggested that they need to advertise their ability to save shippers money. Partnering among companies is one way to increase efficiencies especially sea cargo-rail partnerships. Consolidation of functions is a big area of improvement. The rails are learning that they have to compete with Just-in-time shipping across the country. Trains are now able to compete with trucks because of improvements made in Jacksonville. Savannah is beating the pants off Miami for China trade. There was a discussion about Savannah's choice position in the center of the market. However, a large part of the Miami imports come into Savannah and are shipped back to Miami.

In air cargo there has been an unprecedented 24% decline in 4 months. Operations are 12.6% down. Landed weight (which is important to Airport Revenue) is down 17%.

With our trading partners come the following statistics:

- Latin America/Caribbean down 19%
- Mexico down 16%
- Asia down 36%
- Taiwan down 56%
- Europe down 7%
- Italy down 77%

There is an assumption that Hi-Tech goods will pick up again soonest. They found that perishables are not resilient. There was always the feeling that perishables were recession proof. However one of the committee members indicated that fruit shipments were up 30%.

There is a change in shipping operations-no longer stock piling. Now they are hot building the product until it is sold then shipping it. Miami is a major transshipment airport for Asia to South America. The value of this has dropped from \$960 million per month to \$850 million per month.

Air Cargo is suffering because of the post TSA/911 era that killed the airlines. It is just now hitting the air cargo area. The regulations continue to stiffen and are forcing a shift from Air to water because the airlines were unable to support the freight industry. The inspectors tend to be focusing on Miami because of pre-supposed concerns about Miami's image which really hurts our business. Finally fuel prices are starting to spike again which will further suppress air cargo.

The Seaport indicated that there had been relatively no change in TEU's (containers ) but they had suffered a 9.5% decline in tonnage last year and a 10% decline in tonnage this year.

POMTOC indicated that they were losing shipping to Savannah. The cruise industry was hardly affected at all. The far east is down 30% and Europe is down 20%. The Port of Miami used to be a heavy transshipment port, now it is less than 1% of the business. Transshipment has all moved to Jamaica and the Bahamas. There is no reason to believe that dredging to 50 feet will change that. Customs and USDA are killing the industry. Florida had the toughest security and inspection laws in the Country because of one person in Tallahassee (who is no longer there) Savannah handles 15% of the Cargo destined to Miami. It now sails past Miami to Savannah then is shipped back here. Container ships will not stop twice. It is cheaper for them to unload everything in Savannah than it is to stop in Miami and unload here then go on to Savannah.

There is a huge shift locally where the freight forwarding/warehousing business has moved to Opa-locka, Hialeah, and Medley. The shift has occurred because of cheaper rents than Doral. The shift in truck traffic has been observable says the FHP. Traffic congestion in and around Hialeah has not been a deterrent to the shift.

The Free Trade Zone has seen a shift in small businesses consolidating warehouse space. No one any longer needs big stockpiles because of the change in philosophy about not shipping until its sold rather than buying in bulk and hold until it is sold.

All of the above is affecting the truckers and the freight forwarders. The FCFB is busy lobbying for changes and will be happy for FTAC's help.

Larry suggested that FTAC begin to brief the MPO board on the issues confronting the freight industry and seeking political help where it was needed. He suggested that the Committee have a follow up meeting to discuss where the freight industry can go and what needs to happen to help weather this economic crisis

The next meeting date was set for July 22, 2009.

The meeting adjourned at 4:10 PM.

