

**Next stop: shaping our goods movement system together.**

**LOS ANGELES COUNTY GOODS MOVEMENT STRATEGIC PLAN**

**Los Angeles County  
Metro Goods Movement Strategic Plan  
Freight Working Group**

**Meeting #2 Meeting Report and Appendices  
July 16, 2019**

Prepared by Arellano Associates



# FWG Meeting #2

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**Location** Metro Headquarters, 15th Floor, Mulholland Room  
**Date** Tuesday, July 16, 2019 1:00 PM -- 4:00 PM

**ATTENDEES:**

**PUBLIC SECTOR**

- Annie Nam, SCAG
- Connie Rivera, Alameda Corridor Transportation Authority
- Dan Kopulsky, Caltrans
- David Leger, South Bay Cities Council of Governments
- David Libatique, Port of Los Angeles
- Edel Vizcarra, County of Los Angeles
- Erick Martell, Port of Los Angeles
- James Shankel, Caltrans
- Kyle Gradinger, CalSTA
- Matt Miyasato, SCAQMD
- Max Reyes, City of Los Angeles
- Mike Murphy, North County Transportation Coalition
- Norman Emerson, Gateway Cities Council of Governments
- Paul Hubler, San Gabriel Valley Council of Governments
- Paul Marquez, Caltrans
- Phillip Fine, SCAQMD
- Roderick Diaz, Metrolink
- Tina Backstrom, Los Angeles World Airports
- Todd McIntyre, Metrolink
- Tom Carranza, LADOT
- Tom O'Brien, CSULB CTTI/METRANS

**PRIVATE SECTOR**

- Andrew Papson, Southern California Edison
- Damon Hannaman, Southern California Edison
- Elizabeth Moss, Los Angeles Cleantech Incubator
- Fran Inman, Majestic Realty, Inc.
- Gisele Fong, The California Endowment
- Jerard Wright, Bizfed



Jessica Alvarenga, Pacific Merchant Shipping Association  
Judy Kruger, LA Economic Development Corporation  
Kendal Asuncion, LA Area Chamber of Commerce  
Kevin Maggay, SoCal Gas  
LaDonna DiCamillo, BNSF  
Mario Archaga, UPS  
Matthew Means, Watson Land Company  
Peter Herzog, NAIOP

**METRO STAFF**

Akiko Yamagami, Metro  
Anna Lee, Metro  
Brian Balderrama, Metro  
Mike Cano, Metro  
My La, Metro  
Steve Gota, Metro  
Steven Lee, Metro  
Wells Lawson, Metro  
Wil Ridder, Metro  
Zoe Unruh, Metro

**CONSULTANTS**

Jim Brogan, Cambridge Systematics  
Elaine McKenzie, Cambridge Systematics  
Lila Singer Burke, Cambridge Systematics  
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Yarely Ortiz, Arellano Associates  
Danielle Rodriguez, Arellano Associates



## Introduction

The Los Angeles Metro has initiated a Goods Movement Strategic Plan (Plan) for Los Angeles County to address the issues facing goods movement throughout the region. The Plan will focus on improving the region’s multimodal freight system, a critical element of LA County’s overall surface transportation system.

To help guide the planning process, Metro has established the Goods Movement Freight Working Group (FWG), a broad collection of key stakeholders to solicit feedback as the strategic plan develops. The FWG is comprised of public and private sector stakeholders who will meet periodically during the development of the Plan to provide policy and technical direction, as well as strategic recommendations.

The purpose of the second FWG meeting was to close the loop on the vision and goals, introduce the concept and individual elements of “competitiveness”, discuss key challenges within each of these five areas, and describe the roles of Metro and regional partners in addressing these challenges.

## Freight Working Group Meeting #2

The second FWG meeting was held at Metro headquarters on July 16, 2019. The meeting was attended by 35 participants from a range of public and private sector organizations.

This FWG meeting was organized into two parts: opening remarks and panel discussion, and a roundtable discussion session. The introductions and opening remarks were presented by Michael Cano, Deputy Executive Officer, Goods Movement and State Policy and Programming (Metro). The panel topic was Sustainable Freight Competitiveness. Fran Inman (Majestic Realty, Inc.) served as the panel leader which included Judy Kruger (LAEDC), Tom O’Brien (CSULB CiTTI/METRANS), and Gisele Fong (The California Endowment). Participants also received an overview of the agenda, discussion topics, a statement on the importance of the Plan, and how the Plan fits within Metro’s Long Range Transportation Plan and Vision 2028.

After a short break, the project team opened the roundtable discussion session. Each roundtable was led by a facilitator who asked the participants questions related to mission, vision, and goals of the goods movement. At the conclusion of roundtable discussions, each facilitator presented the main ideas from their groups to the FWG. The participants were thanked at the end of the roundtable discussion and dismissed.



## Agenda Items

### A. Welcome & Introductions (Michael Cano, Metro)

Michael Cano (Metro) opened the meeting and reviewed the agenda that included an overview of what was to be presented and his expectations for the roundtable discussions.

### B. Opening Remarks (Michael Cano, Metro)

Mr. Cano announced to the FWG members that the key goals and themes are still being identified from the previous FWG meeting. These themes are being translated into tangible policy recommendations, action items and early pilot projects to be presented to the Board to advance the progress of Metro's Goods Movement Plan. The goal is to have the Plan finalized and brought to the Board by early next year. The draft vision statement and the Long-Range Transportation Plan objective has been updated. Mr. Cano also introduced James de la Loza, who has returned to Metro in the role of the Chief Planning Officer.

Mr. Cano went through the major themes for the vision statement, which included competitiveness, sustainability, equity, and economic growth. He noted the importance of Metro's knowledge of the critical challenges that LA County faces, so solutions can be created to resolve these challenges. This knowledge will give the Board tangible steps to create policies that improve equity and access to opportunity for the county. He highlighted the importance of collaboration with partner agencies

After his opening remarks, Mr. Cano highlighted the group discussion questions. He stated that the goal of the discussion portion of the FWG is discuss Metro's role is in the process and where they can be effective. His remarks were focused on how our work on the Goods Movement Strategic Plan will integrate with and be mainstreamed into the many different activities ongoing at Metro, including the upcoming LRTP and Vision 2028. He stated that it is important to find where the goods movement fits within the LRTP.



## B. What is Sustainable Freight Competitiveness?

### Role of the Freight Working Group (Jim Brogan, Cambridge Systematics)

Jim Brogan took the podium to elaborate on the meaning of sustainable freight competitiveness, which has become an important element of the goods movement. When defining sustainable freight competitiveness, the team took specific guiding principles into consideration while remaining consistent with plans at the state level, including the State Rail Plan and the Sustainable Freight Action Plan. Mr. Brogan also highlighted that there are many stakeholders in the industry who have many different interests and challenges. It is crucial to establish priorities to guide investment decisions. Investments, policies and shared collective goals are all shaped by sustainability and equity principles.

Mr. Brogan briefly highlighted the several elements that make the Los Angeles Gateway competitive: efficient multimodal systems, resilient supply chain, strong labor force, a culture of investment and innovation. All of these elements are underpinned by shared and collective goals of equity and sustainability. After discussing the elements of competitiveness, Mr. Brogan reintroduced Mr. Cano to introduce the panel.

## C. Panel Discussion

After the presentation, Mr. Cano introduced the panelists and gave a brief introduction for each of the panelists, which included Fran Inman as the panel leader, and Judy Kruger, Tom O'Brien, and Gisele Fong as panelists. They each spoke on their different areas of expertise and how each of their varying backgrounds relate to the topic of freight competitiveness. Fran Inman opened the panel discussion:

**Fran Inman:** We need to plan early and act early. Our topic revolves around competitiveness and with the Freight Action Plan it is seen as just one leg of a three-legged stool.

**Judy Kruger:** At LAEDC, we look at what's going on in the industry in the region. Through an asset map, we have seen how unique Southern California is because of a growing cluster of electric vehicle companies popping up and how the zero-emission industry is expanding here, unlike anywhere else in the United States.



**Tom O'Brien:** Logistics and freight is a growing sector. Coming from an educational standpoint, occupations are still projected to grow. Regionally, the transportation/distribution/management sector that consists of higher-skilled jobs is expected to grow 15% (34,000 jobs in the southwest region) by 2022. The lower-level jobs are also expected to grow by 34%.

If we look at the sustainable freight sector and where that is headed, it is harder to put numbers and statistics to that growth because many of those jobs don't exist yet. The challenge for the educational sector is: are training for the right opportunities, anticipating for future needs, preparing for a global job market, and providing access for the workforce. Looking at commute times and what the difference is for those that drive compared to transit riders becomes a research challenge. We do not have good data on employee retention vs transit access.

There are a lot of opportunities to address these workforce development issues: new training programs, apprenticeships, and automation. That is the big elephant in the room, how we manage automation as we transition into new technologies? Frankly, automation will be with us for a long time to come as it relates to freight. It should be addressed separately. There are resources currently in place and being intergraded into community colleges, but we also face regulations that limit pilot programs in California.

**Gisele Fong:** I would like to start by defining Health Equity as, "achieving the highest level of health for all people by improving the systems and conditions for groups, especially those who have faced racial or social economic disadvantages or historical injustice." In this sense, health equity is a fight for social justice. I know that Michael mentioned it as part of the mission statement, but we are really aiming for health for *everyone* and looking at those who have been most marginalized and affected.

Regarding cleaning up the Goods Movement system, how do we think about energy and health disparities? We must invite more voices to the table and listen to those that have faced the impacts of this industry in their communities.

How do transportation and economic development investment align with equity, health, environmental, and quality of life policies/regulations? Historically, it has not been aligned and that is the reason for such huge health disparities. Health is really determined by where you live; your environment has a huge impact on life expectancy.



**Fran:** We will now be taking questions from the group. Judy, I am interested with what you talked about with your asset map and wanted to know if there is an asset map out there that shows all our partners in this industry?

**Judy:** LAEDC released the Goods Movement Economic Study less than two years ago; it is not a map but rather a list of the top 25 companies here in LA in all the sectors related with the management of goods movement.

**Fran:** Maybe we could identify good data from different key players to create a visual representation of what we are really talking about and where our partners are. Tom was talking about access to jobs and that could be visualized as well. Health equity can also be factored into this. This could be a strong starting point for talking about competitiveness. I also want to expand on what Tom was referring to in the freight educational programs and exploring more of what that means for the future competitiveness.

**Tom:** We have been in the business for 22 years and have focused on global logistics and maritime management. There has been a better understanding of how technology stands from a logistics standpoint and we have tried to evolve to better prepare the workforce. Our certifications and degrees have electives that will offer Human Resources, GIS, and other areas that allow for cross-training and other opportunities for exposure. We have also been targeting students in the K-12 age range to tour the Ports and warehouses and explore the possibilities for future careers.

We really must reimagine the relationship with the students. The lifetime of a new technology skills used in the workforce gets replaced every 3 years. That means that students will return consistently back, so it would be useful to not only focus on the workforce development but also professional development in this sector. Agency members (Caltrans, CARB, SCAG, Metro) should investigate how to build-in knowledge sets on freight and logistics and competitiveness. Fran Inman has been an instructor at CSULB and shared her expertise in one of our programs in partnership with Caltrans.

**Fran:** Yes, it has been very rewarding to be able to add to that program and teach those that are eager to learn. Given the world that we are in, it is a wonderful opportunity to challenge ourselves to what might be everchanging and will take a lot of creativity from us. What best practices come to mind for long-term planning?



**Judy:** We are always trying to advance this ecosystem; it is advanced manufacturing and design/digital programming. We strategically try to match businesses in the electric and freight industry and focus on small disadvantaged businesses to grow production.

**Gisele:** It is important to understand that this is an ecosystem. There is an interesting challenge but also an opportunity. Thinking about regulation and how to still create innovation but also have it be a guardrail for this industry.

**Questions & Answers** – Fran asked if there were any questions from the audience:

**Jerard Wright (BizFed):** With the rise of Uber and Lyft, where do you see that expansion in this conversation? Will this be helpful or deteriorating of the environmental objectives if it ever translates into the freight world?

**Fran:** I have been waiting to see what can come from an Uber freight system and I imagine it being inevitable. Our system of systems inherently has inefficiencies and there needs to be some sort of match.com for containers. Information and what we can do to advance technology will be leading the path for new systems.

**Andrew Papson (SCE):** Gisele, you said something interesting about how the future of ports is electric; at SCE we agree. Part of my job is finding solutions and expanding the workforce. How do we develop the workforce both on the manager and technician side so that everyone is conversant on electric freight?

**Tom:** Some things have started already, and we have learned from the trial and errors of public transportation systems going electric. One interesting thing from research is understanding voltage and being able to communicate with the Public Utility Commission. The Electric Vehicle Infrastructure Training Program (EVITP) has successfully managed to work inside and outside the trades and with the technicians to operate.

**Gisele:** I would also like to add that from a conversation with the Workforce Development Director at Long Beach City College, that they are always looking at programs to fit the ecosystem and clear lines of communication.

**Paul Marquez (Caltrans):** Any word on fuel cells and that type of technology?



**Matthew Means (Watson Land Company):** You’ve probably heard that Michelin Trucks based in Arizona has been working on that and will plan to have trucks on the road by 2023. We are hopeful, but it will be a couple more years before they commercialize.

The Panel was then wrapped up by Mr. Cano and he thanked each of the speakers for participating and leading the discussion.

D. Break

After the panel’s remarks, the group adjourned and left the room so that the room could be set up for the roundtable discussion.

E. Roundtable Discussion Introduction (Susan DeSantis, Arellano Associates)

After the break, Susan DeSantis welcomed the group back into the room and asked them to sit at their designated tables for the roundtable discussions. She stated that the purpose of these discussions is to solicit feedback on the vision, mission, and goals of Metro on the following questions:

1. What are the challenges facing LA County in this area?
2. What strategies could address these?
3. Are there immediate steps that can be taken (“early wins”) to address these issues?
4. What should Metro do to pursue these strategies?
5. What should Metro not do?

Susan then called on the roundtable groups to begin their discussions.

F. Roundtable Discussions

The tables were allotted forty-five minutes to engage in a discussion led by a facilitator. Each roundtable was assigned a different theme in relation to the mission, vision, and goals of the project. The groups answered questions and brainstormed on ideas about goods movement that related back to their point of view. The ideas were written down by the facilitator and a notetaker to be later shared with the FWG. Please see **Attachment A** for a detailed summary of roundtable discussions.



J. Adjournment

Mr. Cano thanked FWG members for their attendance. He dismissed the participants at 4:00 PM.

*Please see **Attachment A** for a summary of findings from FWG meeting and a detailed summary of roundtable discussions.*