

Building Bridges

Center for International Trade & Transportation, California State University, Long Beach

Dear Readers:

It is hard to believe where our economic focus has turned since our last issue. When gasoline prices soared earlier in the year, it seemed as if that would be the most shocking story of 2008.

But the recent crisis in the financial sector has impacted every industry.

Goods movement is feeling almost unprecedented pain. Unless some unexpected change of fortune occurs, everyone on the waterfront will be tightening his or her belt.

At the same time, the launch of the Clean Trucks Program is an unexpected bright light on the horizon for everyone who desires cleaner air. Many issues still remain – and we will be watching along with the rest of the stakeholders.

Now more than ever, cooperation and collaboration are necessary to resolve the problems we face as an industry and as a nation.

Marianne Venieris
Executive Director

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Contested Clean Trucks Program Cleans Air Around Ports

The long awaited Clean Trucks Program was launched October 1, banning pre-1988 trucks in the ports of Long Beach and Los Angeles. Meanwhile, a legal tug-of-war continues over program jurisdiction. At the same time, a slowing economy challenges everyone working on bringing all parties together.

Many Participate. In the first phase, each port has mandated that only approved concessionaires may move cargo.



The first old truck is scrapped under the Clean Trucks Program.

Photo courtesy of Port of Los Angeles

That coincides with a ban on the oldest, dirtiest trucks. Judging by early numbers, the Clean Trucks Program launched successfully, despite remaining concerns over future phases of the program.

By mid-October, the Port of Los Angeles had granted more than 750 concessions, covering just over 31,000 trucks. The Long Beach numbers are approximately 600 concessions and over 10,000 trucks.

Terminal operators saw a flurry of activity preceding the deadline, as firms prepared for expected problems.

Despite early fears, all went smoothly, according to Frank Capo, Vice President of Total Terminals International (TTI) which operates a Hanjin mega-terminal in the Port of Long Beach. “At this time, TTI has seen little to no negative impact from the interim sticker program. The flow of trucks in and out of the facility has been normal, with only a very small percentage being turned away as noncompliant.”



Edwin Chavarria shows off his brand new clean diesel truck at the opening of the Clean Trucks Center.

Photo courtesy of Port of Long Beach

anticipated fees. Two new Clean Trucks Centers assist

By January 2010 all pre-1993 trucks either will be banned or must be retro-fitted to control emissions.

Automation, Fees Next.

By mid-November, drivers must clear an electronic check at each gate, and cargo owners will be assessed a fee based on the type and age of truck. Fees will help alleviate the costs of cleaner trucks. “We need this electronic system to match up the type of trucks they use,” said Art Wong, spokesman for the Port of Long Beach.

By January 2010 all pre-1993 trucks either will be banned or must be retro-fitted to control emissions. Old trucks are being scrapped.

New Rigs, Alternate Fuels.

New trucks now ply port gateways, subsidized by Proposition 1B funding and

truckers buying new, cleaner trucks. California Cartage has helped their many independent owner-operators to qualify.

“The paperwork is enormous,” said Bob Curry, President. “Right now, we have 40 clean diesels in operation and four LNG-fueled trucks. It’s not something you can snap your fingers at and remove thousands of tractors. Others are doing the same thing we are doing. If that continues for 2-3 years, the public should see a real improvement in the air.”

Legal Challenges. Prior to October 1, the main concerns were implementation of the program and delays at the gates. “When the time came and we

Q&A

With Chris Viramontes, Secretary-Treasurer, ILWU, Local 13



Chris Viramontes

Secretary-Treasurer, Local 13,
International Longshore and
Warehouse Union

Chris Viramontes is Secretary-Treasurer of Local 13, the largest ILWU local on the West Coast, representing nearly 20,000 full-time and part-time workers.

Viramontes has been in the union since 1984, when he joined as a part-time casual. In 1997, he became a Class A (full-time) longshoreman and ILWU member.

He has performed a wide range of longshore jobs, from lashing cargo on ships to truck driving, dispatching, and driving a crane.

Prior to joining the ILWU, Viramontes worked ten years for Southern California Edison in field services, meter reading, and customer service.

Viramontes received his Bachelor's degree in Management from California State University, Dominguez Hills. He has two children, ages thirteen and seven.

Q. Now that the new West Coast ILWU contract with the Pacific Maritime Association has been ratified, which of the locals are affected by it?

A. We all work under one master contract, from San Diego to Washington, but there are a few little tweaks for each different local, based on the type of work they do, such as logging, etc.

Q. What are the major changes in the newest contract?

A. The contract is basically the same as before, but with some medical benefit changes. This is the biggest issue we have, because we have such great benefits. We got increases in vision care and chiropractic care, so we will be saving money there.

On local work rules, we had previously lost one "swing man" (a person who works under the crane). We were down to three (workers) and in the 2008 contract, we got that fourth person, so we got an increase for Local 13. In the San Francisco local, they got another man, too—a dock signal (worker). It's more of a safety thing. That person keeps an eye on the container, so nobody gets hurt.

Each port is a little different. There was some manning increase; but the general contract didn't have a lot of change in it.

There is a small increase in wages, a total of \$5 per hour over six years. That is 50 cents the first year, increasing to a total of \$5 in the sixth year.

There is also an increase to our pension, which was modest. I believe it is \$30 per month over six years.

Q. How has the decrease in local cargo affected your membership?

A. Good question because we're experiencing things we haven't seen since the early 1980's. Back in 2004-05, we had a huge increase in hiring because we had a huge increase in cargo, so we needed the workers. Now the economy has gone bad.

The Class A member (full-time worker) is a fully registered member who pays a higher amount of dues and is able to be dispatched

sooner. The B member (part-time) is considered a limited member and gets dispatched after the Class A. Now the Class B members don't get anywhere near a 40-hour work week. It has affected everybody, the employers and the labor. There is not enough work to give every member a job every day like they're used to working.

From our perspective, as a union we're very worried about it, because if the economy doesn't improve, our members will be hurting. Now the exports are helping keep us busy. If the exports don't increase, it could be serious.

We have not seen this [decrease] in a long time, and we don't know how to react. The industry analysts are seeing a dim 2009 too.

Q. How is the Transportation Worker Identification Credential (TWIC) being received by the union members?

A. I am responsible for it (for the Union). The membership is divided on it. A lot of our membership is older and have seen strikes. They tend to view it as the government controlling us and trying to take us over.

Many members have filed for their TWIC card, but the real problem is not our members filing; it is the government process. It is terrible! Many filed as early as January and they still don't have it. By April 15, 2009 (the new deadline), in my opinion, they may still have the same problems. A lot of people will wait till the end to file, and the government cannot process the ones who have filed already.

In our union, at the most, 30% actually have received their TWIC card. That's being very conservative.

Q. How has the Clean Trucks Program affected your work?

A. The trucking program comes from the outside. From the standpoint of our side, it is positive since we have to work in those fumes. The less emissions and toxic fumes, the better. At this point, we have not seen anything different. It's for the truckers, so when they're cleaner, it keeps our area cleaner.

CITT Awarded \$900K by Federal Highway Administration



To help remedy the shortage of transportation skills in the public sector, the Federal Highway Administration has awarded CITT \$900,000 over a three-year period starting in 2008. The grant is part of the National Transportation Education Development Pilot Program.

Like many industries, transportation is threatened by the looming retirement of the baby boom generation. "Also, there is a real mismatch between skills available and transportation industry needs," said Tom O'Brien, CITT's Director of Research. The net result is a massive shortage of people with transportation expertise.

Three Ways to Help. CITT will focus on three main areas, continued O'Brien:

1. **Career outreach, to get youngsters interested in transportation careers;**
2. **Career preparation, to train college students who want to enter the profession;**
3. **Professional development, to provide cutting-edge training to those already working in transportation.**

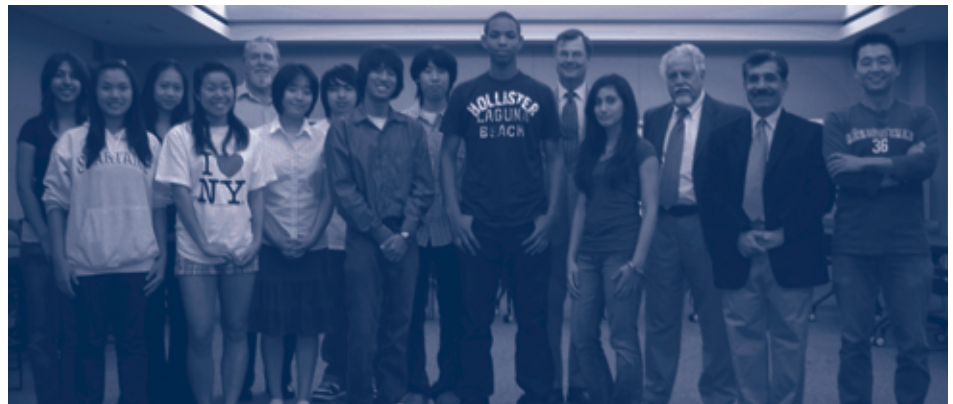
Three-Year Program. In the first year, noted O'Brien, CITT will conduct research. "We want to find effective collaborative programs to identify existing educational approaches that can help local and regional transportation agencies develop their workforce," he said. "Our perception is that the needs are different at different levels. The state and federal levels are largely planning organizations; and at the local levels, they are both planning and operational. Thus their needs are different," continued O'Brien.

Building on the research, in the second and third years CITT will use Southern

California as a regional laboratory for education. "First," he said, "we will design a 'recipe book' of general collaborative models. Then we will determine how curriculum might be developed along with different learning methods. These include both online and classroom learning."

In the final year, CITT will implement the actual training, including testing the results of the various methods.

Only eight FHWA competitive grants were funded nationwide.



Workforce development models include CSULB Engineering Professor Hamid Rahai's CEERS High School Summer Research Fellowship Program.

Enhanced MAGL Program Launches New Class

The seventh class has embarked on their graduate studies in the Master of Arts in Global Logistics (MAGL) program at CSULB this Fall.

The MAGL uses a cohort model, meaning students take all classes together, and thus they will graduate at the same time.

According to Angeli Logan, CITT's Director of Trade and Transportation Programs, the program includes a new course this year. "Forecasting" will be taught by Guy Yamashiro, Associate Professor of Economics at CSULB. He is an expert in international finance and monetary issues.

New Advisory Board. "As part of our continued effort to improve the program, we have created an Advisory Board of professionals to help us address the needs of industry and identify gaps in the curriculum," said Logan.

The new Advisory Board includes the following:

- **Thane Callendar**, Damco (a global freight forwarder);
- **Scott Huntress**, AllTrade Tools;
- **Joe L. Kossler**, The Boeing Company;
- **Kevin Notrica**, Quiksilver Americas; and
- **Dr. Mike Walter**, Long Beach Harbor Commissioner.

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News Briefs

Final Local TWIC Compliance Date to be April 15, 2009.

The Coast Guard announced that owners and operators of facilities located within Southern California port zones must implement access control procedures using the Transportation Worker Identification Credential no later than April 14, 2009. This includes the ports of Los Angeles, Long Beach, Santa Barbara, Ventura, Port Hueneme, Santa Monica, and Newport Bay Harbor.

Long Beach and Carson Act to Affect Trucking Firms.

The Long Beach City Council recently approved a one-year moratorium on truck transfer and truck terminal facilities in certain general industrial zoned areas, so that staff can study how better to regulate such uses. In Carson, the City Council has moved toward establishing a warehouse tax. Another Council vote is required to place the measure on the March 2009 ballot.

CBP Announces C-TPAT Progress to Date.

At its recent Trade Symposium, Customs and Border Protection announced considerable progress in its Customs-Trade Partnership Program Against Terrorism. Nearly 9,000 partners have been certified, including 4,082 importers and 2,311 carriers. Meanwhile, 411 participants, mostly highway carriers, have been suspended.

Container Ship Kills Whale in Local Waters.

A fin whale was no match for a massive container ship, which recently struck and killed the animal in a shipping channel off Long Beach. The dead whale was draped across the bow for several days until it had been examined by wildlife officials, finally being towed out to sea.

Clean Trucks Program, cont.

could see it would work operationally, we knew the next challenge would be in court," said Arley Baker, Senior Director of Communications and Legislative Affairs for the Port of Los Angeles.

The American Trucking Associations (ATA) requested an injunction to stop the program. At issue is jurisdiction. How far can the ports legitimately regulate interstate motor carriers, who are subject to both state and federal rules? That question is now before the Ninth Circuit Court of Appeals.

In a surprising legal move, the U.S. Department of Justice filed an amicus brief stating that the ports have essentially reached beyond their authority.

According to Curtis Whalen, Executive Director of the Intermodal Motor Carriers Conference of the ATA, if the

Court of Appeals denies the injunction request, "the case then goes back to the District Court for trial/consideration on the merits." A trial is expected in the summer of 2009, he said.

Meanwhile, the Federal Maritime Commission is investigating whether the program violates the federal Shipping Act of 1984.

Separately, State Attorney General Jerry Brown has filed suit against several trucking firms for labor violations.

New Clean Trucks Program.

The Port of Oakland may launch its own clean trucks program. The Bay Area Air Quality Management District recently advised the port to follow the example of Southern California ports.

