

1. Trade and Logistics Issues

Key Questions

- How can the SIS prepare for anticipated growth in global trade over the next few decades?
- Should there be proactive efforts to develop inland ports and distribution networks? How should this opportunity be addressed in the SIS Strategic Plan?
- What policy changes should be considered as part of the 2010 SIS Strategic Plan update?
 - Changes to goals and objectives
 - Changes to designation criteria
 - Changes to planning and prioritization processes
 - Other
- How can partner coordination be enhanced to address these issues?

Comments from Initial Leadership Committee Discussions

Global Trade Trends

- Developing a clear recognition of the value of seaports to Florida's economy. International trade is Florida's leading economic sector at \$130 Billion in 2008
- Creating an integrated transportation system designed to effectively service Florida's market and beyond. Recognize the seaports can only control one piece of the international trade system; they must work with the state, local governments, railroads, and other owners and operators to manage trade flows.
- Increasing Florida's market share in international trade through efficient transportation systems.
- Analyze trade flows, document markets served and define future demands and associated transportation infrastructure requirements to serve Florida's growing population and economy
- Refine SIS investment strategies to be more heavily influenced by changing trade patterns and global market conditions.



- Panama Canal Widening: the implications are major impacts on trainloads and truck traffic. The SIS needs to consider the potential impacts to highway and rail infrastructure. We need to plan for this change in freight flows
- It would be very helpful if we had input from a company able to do a trade flow analysis based on what our future will look like with our trading partners and how trade patterns will influence the type of transportation infrastructure This goes to keeping the SIS strategic and where to put our focus.
- Get a presentation on the widening of the Panama Canal and the opening of Cuba to help inform where our focus should be, including where an inland port should be located. We need to gather this information
- The plan should create a set of regional goals and objectives that will address the statewide multimodal infrastructure requirements need to position Florida competitively in the global environment.

Supply Chain

- Competition from other states. Manufacturing activity is growing in Georgia and Alabama. How can we position Florida businesses to be part of the supply chain?
- We need to consider agriculture and its importance in terms of Florida being in a position to supply its own food needs.

Inland Ports

- The inland port idea is a desirable alternative. Also with farm to market roads, inland ports can reshape where freight and distribution activity takes place and relieve some of the congestion in urban areas. We also should explore where it is possible to reverse the flow of traffic at peak hours to make the system we have last a little longer. One other benefit of the inland port concept is how better inland distribution could help make Florida able to continue to produce our own food.
- The interest in inland ports points to the need to understand the changing global trade patterns, and to identify areas where a new logistics and distribution system is warranted. There's probably no one perfect spot for an inland port and the best option may be a system of inland ports. Locating the best site should be based on study and analysis of trade flows and the transportation system. There needs to be more study on trade flows
- Develop criteria for inland ports – what about locational criteria?
- Let's stay strategic and not drill down too much. We should set policy for inland ports and strategic goals. Financiers and others will determine locations.



Seaports

- The state should develop consensus-based statewide policy guidance for seaport investments based on the economic importance of seaports, ensuring their competitiveness in the global economy
- Amend the SIS project funding eligibility criteria to provide funding for projects allowing seaports to remain competitive in global trade.

Waterway Issues

- Channel maintenance – keeping the waterways at passable depth
- Invest in waterways. Inland waterways and shipping were the first way to move goods
- Plan for waterways as an alternative for the future. Just as railroads have had a renaissance, so will waterways
- Consider waterways to relieve congestion on the SIS. Freight can be moved by barge rather than by truck down I-95
- Don't limit capacity on waterways through obstructions or incompatible land uses. Facility conversion whereby landside dockage is converted into residential or commercial development. These conversions pose a problem to movement of cargo. Bridge crossings are obstructions to waterways
- Coordinate with marine highways program and with MARAD to look at inland waterway movement. Address national policies constraining waterborne commerce, such as the Jones Act

Rail Issues

- SIS should focus on shifting freight off trucks and onto rail, where possible
- Government Re-regulation: Federal preemption, taxes, constrained hours of operation, south Florida mining restrictions, routing restriction with certain loads
- Energy: Some 44% of railroad tonnage and 21% of revenue comes from coal. We need to always consider coal – it comes from U.S. sources, it is controlled environmentally and it provides many jobs. A rapid shift away from coal would undermine the financial stability of railroads.

Commercial Space Transportation

- We need to keep ahead of the competition posed by states like Virginia. Florida's role in providing access to orbit is under pressure.



- For the standard rocket business, road limitations cause circuitous routes to get to Cape Canaveral.
- Reusable launch vehicles are the latest technology and will be launched from multiple locations around the country to support space tourism and, in the future, rapid package delivery. Cecil Field is a potential Florida site.
- Add rapid package delivery, with reusable launch vehicles. This is possible 20 years down the road
- Think of spaceports as hubs, like airports – with connections to multiple modes. Improved Interstate and local road connections to the spaceport. Explore opportunities for rocket boosters to arrive by sea.

