MCC, SG2 ~ Initial Meeting

Competitiveness Issues, Spitball Session

Transportation

- Ports export/import (Competitors: Toledo, Cleveland, Chicago)
- Tie our ports to foreign trade zones and inland ports, warehouse/distribution of inventory
- Ballast Water, Michigan only
- Cost per unit versus competitive transportation options (rail or truck)
- State and federal money
- Crossings for train/bus subsidies to road fund

Immigration/H. Santana created proposal

MCC, SG2 ~ Initial Meeting

Competitiveness Issues, Spitball Session

Brown Fields; Urban redevelopment; Statewide application

Bottlenecks

- Blue Water Bridge (Auto/Truck)
  - Re-assigned funding issue relating to access/egress from bridge?
- Detroit Area Crossings
  - Ambassador Bridge (Auto/Truck)
  - Tunnel Partnership
  - NITC

Talent Creation/Retention

- STEM
- Primary trade schools/Manufacturing arts, building/mechanical trades, technicians

MCC, SG2 ~ Initial Meeting

Competitiveness Issues, Spitball Session

Rail Roads

- Railroad Productivity Issues (Land bottlenecks)
- Rail Tunnel Port Huron area, state of the art double stack capable
- Rail Tunnel Detroit area, functional (obsolete), single stack capable

MCC, SG2 ~ Push Forward Meeting

In the March meeting we discussed the results of the initial meeting, as the discussion evolved it migrated toward issues associated with moving trade through the state. Through the discussion it became apparent that each sub-group member had an area of concern the coincided with a particular form of transport.

The areas identified by the sub-group are:

Roads	Trucking (Long and short haul)
Rail	Capacity rationing and International crossings
Water	Cost Competitive
Air	Freight and passenger
Intermodal	Transfer between modes of transportation, e.g. truck to rail; Capacity reductions e.g. rails to trails; value added processing; land bridge ports/containerization, roll on/roll off rail

MCC, SG2 ~ Push Forward Meeting

Each representative has an area and will attempt to find problems, these problems will be discussed and we will determine if any legislation can address the problems.

- Representative Ken Goike/Roads
- Representative Harvey Santana/Rail
- Representative Dan Lauwers/Water
- Representative Paul Clemente/Air
- Representative Kevin Cotter/Intermodal

Other areas were tabled

MCC, SG2 ~ Push Forward Afterglow

This phone list begins to identify interested parties by area.

Roads

Company/Advocate		
Contact	Email	Phone
Michigan Trucking Association		
_____	mitrucking.org	517-321-1951
American Council of Engineering Companies of Michigan		
Ronald Brenke, Executive Director	rbrenke@acecmi.org	517-332-2066
Michigan Concrete Paving Association		
Daniel DeGraaf, Exec. Director & CEO	ddegraaf@miconcpave.com	517-347-7720
Michigan Infrastructure & Transportation Association		
Michael A Nystrom, Exec. Vice President	mikenystrom@mi-ita.com	517-347-8336
Keith Ledbetter, Dir. of Legislative Affairs	keithledbetter@mi-ita.com	

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Rail

Company/Advocate		
Contact	Email	Phone
Michigan Railroad Association		
Robert Chaprnka	mra@michiganrailroadassociation.com	517-482-9413

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Water

Company/Advocate

Contact	Email	Phone
Lake Carriers Association		
_____	lcaships.com	___-___-____

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Air

Company/Advocate		
Contact	Email	Phone
Delta Airlines		
Dana Debel	dana.debel@delta.com	734-247-2272
Muchmore, Harrington, Representation		
Bret Marr	bmarr@mhsa.com	517-484-8800
Michigan Business Aviation Association		
_____	mibaa.org	___-___-____
Mich. Assoc. of Airport Executives		
Kindsvatter & Associates, Representation		
Brad Comment	brad@kindsvatterassociates.com	517-485-7711

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Intermodal

Company/Advocate

Contact	Email	Phone
Port Detroit		
_____	_____	___-___-____
Port of Port Huron		
_____	_____	___-___-____

MCC, SG2 ~ Preliminary Initiatives

Representative Paul Clemente

- Thanks to the Sub-Group for keeping an open mind.
- Sub-groups vs. sub-committees.
- Facilitation of the Competitiveness Committee (attachment 1)

Representative Ken Goike

Representative Dan Lauwers (attachment 2)

Move Forward/Discussion

MCC, SG2 ~ attachment 1

30,000 Foot Summary

- Michigan Competitiveness Commission is created within the Michigan Strategic Fund (MSF) and will carry out administrative duties under the supervision of the president of the MSF.
- Members include members (20): 1 Governor, 1 Senate Majority, 1 Senate Minority, 1 House Majority, 1 House Minority,1 MSF, 1 Michigan Economic Development Corporation (MEDC), 1 Michigan Department of Transportation, 1 Michigan Housing Department, 1 Public Companies, 1 Private Companies, 1 Cultural Institutions, 1 Basic Research University, 1 Applied Research University, 1 Teaching University, 1 Business Lending, 1 Venture Capital, 1 Foundations, 1 Professional Organization, 1Regional Economic Development.
- Service without compensation
- Focus is Michigan +5 years, +10 years and +25 years

MEMO

To: Michigan Competitiveness Committee
From: Representative Dan Lauwers
Re: Impact of Shipping Industry on the Economy of the State of Michigan

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Goal: Make Michigan an International Hub for Imports and Exports.

Problem:

- Since the passage of the 2005 Ballast Water Discharge Legislation P.A. 32 and P.A. 33, Michigan has seen a decline in imports and exports
- The purpose of the 2005 Ballast Water Discharge Legislation was to limit the number of Aquatic Nuisance Species that is discharged from ballast water into the Great Lakes starting on January 1, 2007
    - It requires oceangoing vessels engaging in port operations to obtain a permit from DEQ and pay a permit fee
    - It requires a permit applicant to demonstrate that the vessel will not discharge ANS, or, if the vessel will discharge ballast water that the vessel operator will use environmentally sound technology
- Michigan was the only state that required such stringent laws, in hopes that the other states that are part of the Great Lakes Compact would enact the same requirements. Unfortunately, they did not follow suit

Economic Impact of Ports in Michigan:

- Four Types of Economic Impact
    - Business Revenue
    - Employment
    - Personal Earnings
    - Tax
- Four Distinct sectors are impacted as a result of activity at marine terminals
    - Surface Transportation Sector
        - Rail and Trucking Industries
    - Maritime Service Sector
        - Terminal Operations, Dockworkers, Tug Assist, Agents, Marine Services, Freight Forwarders, Government, Ship Repair, Laker Operators & Barge Operators
    - Shippers/Consignees Sector
        - Firms that ship or receive cargo via specific ports
        - Shippers that could use competing ports
    - Port Authorities/ Seaway Authorities

APPENDIX A

MDOT data on shipping tonnage from 2000-2010

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
MI Total Tons	94,311,000	92,717,000	88,955,000	79,217,000	94,245,000	88,507,000	83,472,000	79,967,000	75,629,000	58,559,000	66,876,000
Direct Overseas:											
MI ∑ Imports	1,363,000	493,000	930,000	573,000	766,000	514,000	880,000	790,000	230,000	67,000	25,000
MI ∑ Exports	56,000	21,000	73,000	96,000	68,000	50,000	41,000	24,000	68,000	41,000	29,000
MI ∑ Overseas	1,419,000	514,000	1,003,000	669,000	834,000	564,000	921,000	814,000	298,000	108,000	54,000
% of MI Total Tons	1.50%	0.55%	1.13%	0.84%	0.88%	0.64%	1.10%	1.02%	0.39%	0.18%	0.08%
Detroit											
∑ Imports	1,125,000	445,000	621,000	311,000	622,000	386,000	689,000	655,000	213,000	48,000	7,000
∑ Exports	38,000	1,000	58,000	76,000	31,000	31,000	41,000	18,000	44,000	41,000	29,000
∑ Overseas	1,163,000	446,000	679,000	387,000	653,000	417,000	730,000	673,000	257,000	89,000	36,000
Ludington											
∑ Imports	7,000	45,000	26,000	38,000	-	-	-	-	-	-	-
∑ Exports	4,000	20,000	15,000	-	-	-	-	-	9,000	-	-
∑ Overseas	11,000	65,000	41,000	38,000	-	-	-	-	9,000	-	-
Menominee											
∑ Imports	-	N/A	283,000	201,000	135,000	125,000	185,000	135,000	17,000	-	18,000
∑ Exports	-	N/A	-	20,000	37,000	19,000	-	-	-	-	-
∑ Overseas	-	N/A	283,000	221,000	172,000	144,000	185,000	135,000	17,000	-	18,000
Muskegon											
∑ Imports	62,000	3,000	-	-	7,000	-	-	-	-	18,000	-
∑ Exports	12,000	-	-	-	-	-	-	-	-	-	-
∑ Overseas	74,000	3,000	-	-	7,000	-	-	-	-	18,000	-
Alpena											
∑ imports	-	-	-	-	-	-	-	6,000	-	-	-
∑ Exports	-	-	-	-	-	-	-	6,000	-	-	-
∑ Overseas	-	-	-	-	-	-	-	-	-	-	-
Charlevoix											
∑ Imports	-	-	-	-	-	-	-	-	15,000	-	-
∑ Exports	-	-	-	-	-	-	-	-	15,000	-	-
∑ Overseas	-	-	-	-	-	-	-	-	-	-	-

APPENDIX A

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Port Huron											
∑ Imports	-	-	-	-	-	-	-	-	-	-	-
∑ Exports	2,000	-	-	-	-	-	-	-	-	-	-
∑ Overseas	2,000	-	-	-	-	-	-	-	-	-	-
Saginaw River											
∑ Imports	16,000	-	-	-	-	-	6,000	-	-	1,000	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	16,000	-	-	-	-	-	6,000	-	-	1,000	-
Marine City											
∑ Imports	18,000	-	-	-	-	-	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	18,000	-	-	-	-	-	-	-	-	-	-
Marysville											
∑ Imports	64,000	-	-	-	-	-	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	64,000	-	-	-	-	-	-	-	-	-	-
Monroe											
∑ Imports	70,000	-	-	-	2,000	3,000	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	70,000	-	-	-	2,000	3,000	-	-	-	-	-
Calcite											
∑ Imports	1,000	-	-	-	-	-	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	1,000	-	-	-	-	-	-	-	-	-	-
Manistee											
∑ Imports	-	-	-	6,000	-	-	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	-	-	-	6,000	-	-	-	-	-	-	-
Grand Haven											
∑ Imports	-	-	-	17,000	-	-	-	-	-	-	-
∑ Exports	-	-	-	-	-	-	-	-	-	-	-
∑ Overseas	-	-	-	17,000	-	-	-	-	-	-	-