

AAPA Chairman's Remarks
Geraldine Knatz
Thursday, October 29, 2009

SEÑORAS Y SEÑORES,
MESDAMES ET MESSIEURS

LADIES AND GENTLEMEN, IT HAS BEEN MY HONOR TO SERVE AS YOUR CHAIR FOR THE PAST YEAR.

UNDOUBTEDLY, THIS HAS BEEN A YEAR LIKE NO OTHER IN MARITIME HISTORY! WE HAVE ENDURED A YEAR IN WHICH ALL OF OUR MEMBER PORTS HAVE STRUGGLED WITH THE TERRIBLE ECONOMIC CRISIS WITH NO IMMEDIATE RELIEF IN SIGHT.

AS WE MOVED JOINTLY AND INDEPENDENTLY TO MEET THESE CHALLENGES, THE AAPA LEADERSHIP ENCOURAGED UNPRECEDENTED COLLABORATIONS, AND LOBBIED THE US CONGRESS FOR RELIEF AND HELP. WE REACHED OUT TO THE NEW US ADMINISTRATION AND NEW CONGRESS, STARTING WITH THE TRANSITION TEAM AND MORE RECENTLY WITH THE SECRETARY OF TRANSPORTATION, COUNCIL ON ENVIRONMENTAL QUALITY, DEPARTMENT OF HOMELAND SECURITY AND SENIOR OFFICIALS OF THE US ARMY CORPS OF ENGINEERS. IN FACT, EARLY IN MY TERM, WE MET WITH THE CHIEF OF ENGINEERS ABOUT THE FRUSTRATIONS ADVANCING FEASIBILITY STUDIES TO CHIEF'S REPORTS AT EAST COAST PORTS. I LOOKED AROUND THE ROOM.--- THERE WERE ONLY WEST COAST PORT DIRECTORS THERE PUSHING THE CORPS TO FINISH STUDIES FOR FOR EAST COAST PORTS- NOW THAT'S COLLABORATION!

US PORTS HAVE RECEIVED SIGNIFICANT FUNDING IN THE STIMULUS BILL, INCLUDING INFRASTRUCTURE, DREDGING, DIESEL EMISSIONS AND PORT SECURITY GRANTS. ON TOP OF THAT, CONTINUED FUNDING HAS

BEEN SECURED FOR THE 2010 PORT SECURITY GRANTS, WITHOUT COST SHARE REQUIREMENTS.

FOR THE FIRST TIME EVER, THE STIMULUS INCLUDED A \$1.5 BILLION DISCRETIONARY MULTIMODAL FUND THAT WOULD LOOK AT NATIONAL PRIORITY GOODS MOVEMENT PROJECTS- A NATIONAL FUND TO ADDRESS LARGE, OFTEN MULTI-JURISDICTIONAL PROJECTS THAT TYPICALLY DO NOT FARE WELL WHEN TRANSPORTATION FUNDING TRICKLES DOWN THRU STATE AND LOCAL MPO'S. IN OTHER ACTIONS, AAPA PLAYED A CENTRAL ROLE, LAYING THE GROUNDWORK FOR PORTS TO HAVE A SIGNIFICANT ROLL IN THE NEGOTIATIONS ON THE REAUTHORIZATION LEGISLATION. AAPA STAFF WORKED TIRELESSLY ON DEVELOPING A POSITION PAPER THAT ALL OUR FREIGHT STAKEHOLDER PARTNERS COULD ENDORSE. AND THE FREIGHT PROVISIONS ADVOCATED BY AAPA WERE ULTIMATELY INCLUDED IN THE HOUSE SURFACE TRANSPORTATION LEGISLATION.

ON THE ENVIRONMENTAL FRONT, THIS YEAR SAW DEVELOPMENT OF NEW AAPA POSITIONS ON COASTAL ZONE MANAGEMENT AND GREEN HOUSE GAS EMISSIONS. THE US DELEGATION WAS ALSO AN EARLY SUPPORTER OF A US PROPOSAL TO THE IMO FOR AN EMISSIONS CONTROL AREA (ECA), A PROPOSAL WE FURTHER REFINED DURING THIS MEETING. WE LOOK FORWARD TO OUR CANADIAN PORTS JOINING WITH US.

WE MET WITH THE COUNCIL ON ENVIRONMENTAL QUALITY IMMEDIATELY AFTER THEY WERE ASSIGNED TO DEVELOP AN OCEAN POLICY. BY DILIGENT FOLLOWUP WITH THE OBAMA'S TASK FORCE ON OCEAN POLICY, AAPA'S POINTS ...ONE: ON THE NEED TO PROTECT AND ENHANCE THE MARITIME INDUSTRY AND TWO: ITS CONTRIBUTIONS TO THE ECONOMY AND GLOBAL TRADE WERE INCLUDED IN THE INTERIM REPORT. THE ADMINISTRATION IS USING A NEW TERM: "MARINE

SPATIAL PLANNING.” GET TO KNOW IT! TO US, IT MEANS PROTECTING LAND FOR TRADITIONAL PORT USES, ----TO OTHERS IT MEANS SOMETHING ELSE!.

SO WE END THE YEAR, PLEASED THAT THE AAPA HAS ACCOMPLISHED MUCH IN GOVERNMENTAL RELATIONS.

THE AAPA'S AGGRESSIVE PURSUIT OF THE STRATEGIC AWARENESS INITIATIVE WAS A CONSISTENT GOAL THROUGHOUT OUR YEAR. THE UNPRECEDENTED MOMENTUM OF THAT IMPERATIVE – SEAPORTS DELIVER PROSPERITY – HAS BROUGHT ADDED RECOGNITION TO OUR MEMBER PORTS. I BEGAN MY YEAR OFF WITH A SALON WITH OPINION LEADERS ORGANIZED BY EDELMAN THAT GAVE US A CHANCE TO SEND OUR MESSAGE – THAT SALON DELIVERED RESULTS IN THE FORM OF OPINION PIECES. IN ADDITION KURT AND I BOTH STARTED BLOGGING ON THE NATIONAL JOURNAL TRANSPORTATION BLOG- IF YOU ARE NOT THERE ALREADY- SOCIAL MEDIA NETWORKS ARE IN YOUR FUTURE. IN FACT, IT MIGHT BE A GOOD SUBJECT FOR THE NEXT EXECUTIVE DIRECTOR'S SEMINAR....SO WE DON'T HAVE TO ASK OUR KIDS –WHAT'S IT ALL ABOUT!.

PORTS ALSO JOINED FORCES IN CREATIVE WAYS TO SECURE NEW FUNDING. A COALITION OF SIX AMERICAN WEST COAST PORTS APPLIED FOR \$42.46 MILLION IN DEPARTMENT OF ENERGY FUNDING FOR MARINE SHORE-SIDE ELECTRICAL POWER. THOUGH THE DEPARTMENT OF ENERGY DID NOT FUND ANY PORTS TO DATE WITH ITS ELECTRIFICATION MONEY, THIS EFFORT SIGNALS A WIDESPREAD ACCEPTANCE OF THIS TECHNOLOGY AND FACILITATES THE INDUSTRY'S FUTURE INVOLVEMENT IN LOW EMISSION TECHNOLOGIES.

THE MOMENTUM OF OUR COLLABORATION CONTINUED AS PORTS RECEIVED 16% OF THE EPA DIESEL EMISSION REDUCTION GRANTS UNDER THE RECOVERY ACT.

REALIZING THAT INTERNATIONAL ENVIRONMENTAL PARTNERSHIPS ARE CRITICAL TO OUR FUTURE SUCCESS, AAPA SENT REPRESENTATIVES BEYOND OUR SHORES TO BUILD A RELATIONSHIP WITH THE EUROPEAN SEAPORT ASSOCIATION, ESPO. IN BRUSSELS, ESPO SIGNED A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE AAPA TO ENCOURAGE AND FACILITATE THE EXCHANGE OF INFORMATION, EXPERIENCE AND BEST PRACTICES. WE SUBSEQUENTLY SIGNED THE DOCUMENT AT THE SPRING CONFERENCE. ONE OF MY GOALS AS CHAIR WAS TO MAKE SURE THE MOU WAS NOT JUST A PIECE OF PAPER BUT SOMETHING THAT BROUGHT ABOUT SOME REAL INTERACTION. WE BEGAN BY TAKING THE TWO ORGANIZATION COMMITTEE STRUCTURES AND MATCHING UP OUR COMMON COMMITTEES. OUR AAPA COMMITTEE CHAIRS WERE PROVIDED WITH THE CONTACT INFORMATION OF THEIR COUNTERPART IN ESPO AND ENCOURAGED TO REACH OUT. ESPO AND AAPA FACE COMMON POLICY ISSUES- THAT WE HOPE TO EXPLORE IN A JOINT MEETING IN 2010. IN FURTHERANCE OF THIS GOAL, WE WILL HAVE A REPRESENTATIVE PARTICIPATE IN A ESPO LEASING COMMITTEE MEETING IN NOVEMBER IN BRUSSELS. THE EUROPEANS ARE CONSIDERING SOME INTERESTING LEASE LANGUAGE-LIKE SPECIFYING MODAL SPLITS. I WOULD ENCOURAGE THE LEADERSHIP THAT FOLLOWS ME TO CONTINUE TO SEEK WAYS TO COLLABORATE WITH ESPO AND I WANT TO THANK THE COMMITTEE CHAIRS WHO MADE THE EFFORT TO REACH OUT TO THEIR COUNTERPART CHAIR.

OUR HEMISPHERIC REACH WAS ENHANCED THROUGH THE APPOINTMENT OF RAFAEL DIAZ-BALART, OUR NEW LATIN PORT

COORDINATOR. WE ARE SO PLEASED TO HAVE HIM WITH US. HE LED A SUCCESSFUL LATIN AMERICAN CONGRESS IN JULY AND THEN RAFAEL, KURT AND I TOOK A TRIP TO BRAZIL TO PROMOTE MEMBERSHIP IN AAPA. WE WERE WARMLY RECEIVED AND WE BELIEVE THERE IS SIGNIFICANT POTENTIAL FOR INCREASED MEMBERSHIP AMONG THE BRAZILIAN PORTS AND ITS ASSOCIATIONS. A LATIN AMERICAN DELEGATION MEETING IN BRAZIL WOULD DO MUCH TO SOLIDIFY THAT RELATIONSHIP.

ONE OF THE THINGS I AM MOST EXCITED ABOUT THIS YEAR IS THE EFFORTS BY THE CURRICULUM AND PROJECTS AND PUBLICATIONS COMMITTEES TO REVISE THE PROFESSIONAL PORT MANAGER PROGRAM. THIS CONFERENCE WE ARE ROLLING OUT A REVISED PPM® PROGRAM – ONE THAT MOVES FROM AN INDIVIDUALLY-BASED PROGRAM TO AN INTERACTIVE “CLASS” PROGRAM – THAT MEANS- A GROUP OF APPLICANTS GO THROUGH PPM® TOGETHER IN A FOUR-YEAR PERIOD, AFFORDING THE OPPORTUNITY FOR THOSE INDIVIDUALS TO BUILD RELATIONSHIPS THAT WILL LAST THEM THEIR ENTIRE CAREER. TAKING A LEAD FROM THE EXCELLENT WORK DONE BY OUR LATIN AMERICAN PARTNERS, WE ARE MAKING THE ENGLISH PROGRAM MORE RIGOROUS AND ENSURING THROUGH THE USE OF RETIRED PORT DIRECTOR FACILITATORS THAT SEMINAR PARTICIPANTS COME TOGETHER AT THE END OF EACH CONFERENCE TO REVIEW WHAT THEY HAD LEARNED. THERE ARE MORE OPTIONS FOR THE “END OF THE PROGRAM” PROJECT INCLUDING GROUP PROJECTS, WORKING UP SOLUTIONS TO ASSIST A PORT IN NEED OR A SHORT RESIDENCY AT ANOTHER PORT OR AAPA HEADQUARTERS.

AS A PORT DIRECTOR OR COMMISSIONER, I KNOW THAT YOU ALL HAVE TO STRETCH YOUR DOLLARS AND IT’S A COMMITMENT TO ENROLL A INDIVIDUAL FOR A 4 YEAR PROGRAM. THAT’S WHY ENROLLEES IN THE

PROGRAM WILL HAVE REDUCED REGISTRATION FEES AT THE CONFERENCES AND TRAINING THEY ATTEND. LESS MONEY, MORE RIGOROUS TRAINING – WHAT A DEAL! WE ARE NOW OPENING THE ENROLLMENT PERIOD FOR THE CLASS OF 2014. THE CUT OFF TO APPLY IS MARCH 1ST 2010 SO THE CURRICULUM COMMITTEE CAN REVIEW THE APPLICATIONS AND NOTIFY THOSE ACCEPTED IN TIME FOR EVERYONE TO START TOGETHER BY TAKING THE EXECUTIVE MANAGEMENT PROGRAM IN MAY.

I URGE ALL EXECUTIVE DIRECTORS AND COMMISSIONERS HERE TO CONSIDER MAKING AN INVESTMENT IN ONE OF YOUR MANAGEMENT EMPLOYEES. SEND US YOUR SHINING STARS AND LET THE PPM PROGRAM GIVE THEM THAT FINAL POLISH.

SOMETHING NEW THE EXECUTIVE COMMITTEE DISCUSSED THIS YEAR WAS CREATION OF AN AAPA FOUNDATION AND I AM PLEASED TO REPORT THAT THE AAPA EXECUTIVE COMMITTEE SUPPORTS THIS. WE HAVE ASKED STAFF TO START WITH SOMETHING SIMPLE AND NARROWLY DEFINED –OUR RELIEF FUND- A FOUNDATION MEANS DONATIONS MADE TO THE AAPA RELIEF FUND BY INDIVIDUALS WILL BE TAX DEDUCTIBLE- SOMETHING THAT COULD SPUR CONTRIBUTIONS AT ANY TIME, NOT JUST WHEN THERE IS A DISASTER. AND WHO KNOWS, A PORT DIRECTOR MIGHT LEAVE US MILLIONS IN HIS WILL! A SPECIAL THANK YOU TO ROSS AND ARMANDO FOR SUPPORTING THIS.

ON A MORE PERSONAL NOTE, IT WAS MY PLEASURE TO REACH OUT AND WELCOME NEW AAPA PORT DIRECTORS INTO OUR ORGANIZATION AND, FOR SOME, TO INTRODUCE THEM TO OUR ORGANIZATION AS SOME WERE FROM OUTSIDE THE PORT INDUSTRY . THIS IS SOMETHING THAT I THINK SHOULD GO PERMANENTLY ONTO THE LIST OF DUTIES FOR THE CHAIRMAN. I ALSO WANT TO THANK ALL CORPORATE

MEMBERS FOR PRIORITIZING YOUR AAPA DUES- WHEN TIMES ARE TOUGH, IT'S EASY TO CUT ASSOCIATION MEMBERSHIP AND THE EXECUTIVE COMMITTEE WAS CONCERNED LAST YEAR ABOUT WHETHER WE WOULD SEE A FALL OFF IN DUES- AAPA STAFF UNDER KURT'S LEADERSHIP TOOK ACTION TO TRIM EXPENSES IN ANTICIPATION OF LESS REVENUE. AND YES, THERE WAS LESS REVENUE THIS YEAR BUT CORPORATE MEMBERS STEPPED UP WITH THEIR DUES PAYMENTS ON TIME. THANK YOU ALL FOR THAT.

BEFORE I CLOSE, I DO ALSO WANT TO THANK MY FELLOW DELEGATION CHAIRMEN FOR THEIR SUPPORT AND GUIDANCE: ORLANDO FORBES, CHAIR OF THE CARRIBEAN DELEGATION, ARMANDO DUARTE OF SANTA MARTA COLOMBIA, CHAIR OF THE LATIN DELEGATION. I AM SORRY I NEVER GOT TO SEE YOUR ORCHIDS ROSS GAUDREULT OF QUEBEC, CHAIR OF THE CANADIAN DELEGATION I'LL BE HAPPY TO BRING YOU U.S. FOOD AND RECIPES ANYTIME.....

IN ADDITION, THE SUCCESS OF THIS ASSOCIATION IS NOT THE RESULT ON ONE PERSON'S EFFORTS. I'D ALSO LIKE TO THANK THE TIRELESS WORK OF THE ENTIRE AAPA BOARD OF DIRECTORS AND PRESIDENT KURT NAGLE AND HIS EXCEPTIONAL AAPA STAFF. THANKS TO MY OWN PORT STAFF, SOME WHO ARE HERE WHO HAVE SUPPORTED MY EFFORTS ON BEHALF OF THE AAPA WHILE THEY DID ALL OUR PORT WORK.

AND FINALLY, THANK YOU TO OUR HOST, STEVE CERNAK AND THE PORT OF GALVESTON, FOR OUR WEEK OF EDUCATION, COMRADERIE, EATING, NETWORKING, DANCING AND MORE EATING! THE YEAR WENT VERY FAST. I AM ONLY DISAPPOINTED ABOUT ONE THINGS- THAT I LEARNED AT THE END OF MY TERM THAT I AM ALLOWED

TO SING WITH THE AAPA BAND.....OR MAYBE THAT WAS
INTENTIONAL....
THANK YOU ALL!