

NORTHEAST REVIEW

SPRING ISSUE...APRIL 2003

PRESIDENT'S COLUMN

A unique set of challenges has emerged as 2003 unfolds. We are faced with a nation at war, dealing with the new threat of domestic terrorism and a continued sluggish economic outlook. We each are faced with the task of managing our businesses through this period of heightened uncertainty. I remain convinced that we are a resilient, focused and determined people who will meet the challenge.

Among all the things the NEIA wants to accomplish in 2003, two objectives are in the forefront. First is to improve the overall effectiveness and impact of the association. Second is to improve the communication with the membership. Our strategy in approaching 2003 was to put together a well-developed business plan, then simply work this plan. We began by taking a strategic look at our organizational mission. We then re-evaluated our agenda and priorities for 2003 to validate that the issues and task objectives we undertake are of relative significance to the membership. We took a critical look at our committee structure and processes to ensure we could resource and execute the plan. This work effort resulted in the NEIA 2003 business plan, which the Board of Directors will be presenting at our April membership luncheon.

I am pleased to announce the launching of the NEIA on the Web. Our site can be found at WWW.KCNEIA.ORG. We intend that this will be a vehicle to extend our reach and make the association more accessible to the membership. We are excited about the potential this has for our association.

There remains much work to be done. On behalf of the NEIA Board of Directors we appreciate your support and value your input.

Sincerely,
Jim Canino
NEIA President

Robert Collins, Former KCMO City Manager Guest Speaker at Annual Meeting

By Loren Lundy

The NEIA's Annual Member Luncheon held in October 2002 featured then current KCMO City Manager as the guest speaker. Mr. Robert Collins has served the City over 24 years in various capacities. Mr. Collins said that the city is strapped for funds because of the loss in citywide employment, which affects the sales and earning taxes and may have to look at some of the services that the city is providing such as free trash pick-up. However, the city will not sacrifice good services but may be forced to either charge for such services or increase taxes.

After his talk, Mr. Collins asked for questions and Mr. Rodney LaMothe, Chairman of the Board of Directors of Mid-West Terminal Warehouse Company, reminded the audience of the help Mr. Collins had given the Northeast Area on the Enterprise Zone and thanked Mr. Collins for the many courtesies. Mr. Collins has tendered his resignation to the Mayor and City Council and will retire.

President Neal next introduced the incoming officers for 2003: President, Mr. Jim Canino; Vice President, Mr. Steve Hester, Missouri Enterprise Business Assistance Center; Treasurer, Ron Miller, Edison Credit Union and Secretary, Joe LaMothe, Mid-West Terminal Warehouse. *



NEIA President, Jim Canino, presents a Certificate of Thanks to City Manager of Kansas City, Robert Collins, at the October 15, 2002 NEIA Luncheon.

November Luncheon:
Dr. Bernard Taylor
Superintendent, Kansas City, Missouri
Public Schools

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

Dr. Taylor brought members and guests up to date regarding the educational system in Kansas City. In his brief talk, he said that he is sponsoring a closer contact of teachers with the parents of the students at the various schools in Kansas City. He said that more mandates are coming out of Washington, D.C. and Jefferson City. Also, he mentioned that the school system is meeting the needs of students who are learning the English language. He prefers schools in the neighborhood and the elimination of bussing. He is looking forward to the Federal Courts turning the control of the school back to the city.



The guest speaker at the November 2002 Luncheon, *Dr. Bernard Taylor, Superintendent of K.C. Schools,* with *NEIA President, Jim Canino.*

He particularly likes the cooperation of the many businesses, especially the grants that many industries are making to the schools. He said that he likes Kansas City and wants to make his home here.

He stated he is receiving excellent cooperation from elected officials of Kansas City who have rolled out the "Red Carpet" for him and he is pleased with the low profile with the media, saying that the news agencies can cause a panic.

After his short talk, he fielded questions readily, giving solid answers back that pleased the audience. Several NEIA members, led by Rod LaMothe, Chairman of the Board of Directors of Mid-West Terminal Warehouse Company, offered their assistance and help, if he ever needed it, which was evident as he made many friends by his forthright talk to the NEIA membership.*

December Luncheon:

Mr. Sabin Yanez, District Engineer
Missouri Department of Transportation

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

The highlight of the December Industrial Association luncheon meeting was the informative talk given by Mr. Sabin Yanez, MoDOT District Engineer, who brought members and guests up to date regarding status of highway work in the Kansas City area.

Among other things he covered was the accountability of MoDOT, stating that the Federal Highway Administration reported that MoDOT spends just 3 percent of its budget on administrative costs; the fifth lowest among the 50 state highway departments. Also, Missouri has the 7th largest state highway system with 32,000 plus miles to maintain and is the 43rd lowest revenue per mile.

Twenty-five years ago, Missouri spent 17 percent of its budget on highways and transportation. Excluding bond financing, which must be paid back in future years, highways and transportation now account for only 7.5 percent of state spending.

Missouri has more miles of roads (32,407) to take care of than all but six states, yet ranks 43rd among states in revenue spent per mile of roadway.

Director Henry Hungerbeeler, with a reputation of a strong background in executive management and security issues, was hired by MoDOT just three years ago, and was given full authority to clean house if deemed necessary. The good news is it was not necessary.

The Missouri Office of Administration records show that MoDOT has virtually the same number of employees in 2002 (6,179) as it did 10 years ago (6,196). Overall growth in other state agencies is approximately 22 percent. MoDOT cut \$14 million in salaries during FY 2002. MoDOT will save \$19 million in FY 2003 due to salary reductions and will continue to save that amount annually.

The department delivered the largest program in its history during FY 2002 while cutting costs and reducing staff. The program was delivered with near pinpoint accuracy as well, coming within 2 percent of estimate. MoDOT has



NEIA President, Jim Canino, with Sabin Yanez.

won several national awards as well as some presented as part of the Governor's Awards for Quality and Productivity for innovative, cost-saving efforts.

Mr. Yanez gave out an interesting chart that gave the distribution of the Six-Cent Fuel Tax that was collected during the Fiscal Year 2001, which was \$230.1 Million. MoDOT received \$87.3 Million or 38 percent; Cities and Counties, \$69 million or 30 percent, and other agencies \$73.8 million or 32 percent. (Included in the *other agencies* were: Highway Patrol, Conservation Department, and the Economic Department.)

NEIA President Jim Canino presented a certificate to Mr. Yanez that certified the NEIA gave a \$50.00 donation to Harvesters. Dave Wheeler was the lucky winner of the drawing and took \$50.00 home. *

January Luncheon: Council Persons for the Northeast Speak at Meeting

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

The first meeting of the year, January 21 at the Park Place Hotel, was enjoyed by over 50 members and guests, and after the luncheon, Jim Canino, President of the Northeast Industrial Association, greeted and welcomed everyone including City Councilwoman Loar and Councilman Ford along with Deputy Director of Public Works, Larry Frevert; Deputy Director of Water Services Department, Franklyn W. Pogge; and Manager of Storm Water Management, Mohammad Ali Almai, and three members of the Kansas City Police Department.

Mr. Canino then invited our Council members to come forward and to introduce the guest speakers. Mr. Ford called attention to a survey known as Phase 3 that had just been completed on the watershed in the Northeast Industrial Area by the Burns & McDonnell engineering firm and asked Mr. Pogge to introduce the engineering firm's representatives, Messrs, Leon J. Staab, P.E., Senior Civil Engineer and Mathew J. Koch, P.E., Associate Water Resource Engineer of the Burns & McDonnell Company and asked them to come forward to give their report.

Mr. Staab called attention to the Watershed Specific Goals and, among other things, the location of known problems at Kansas Avenue and Front Street, Area East of I-435, Universal Avenue, Gardner Avenue, Front Street at I-435 interchange, Front Street west of Chouteau and Front Street from Chouteau to River Front Road. Then he pointed out the manner in which the flooding could be alleviated or corrected.

After the Burns & McDonnell report, both their engineers and Mr. Almai answered questions, and our Councilpersons spoke briefly.

The meeting ended when President Canino presented appreciation certificates (stating that donations to Harvesters had been made in their names) to our Council persons, and in the drawing that followed, Dave Wheeler walked away with the prize. *



*Councilwoman Teresa Loar and
Councilman Ed Ford speak at the January
2003 Luncheon*

February Luncheon: City Council Candidates Hold Open Forum

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

It was a joint meeting of the NEIA and Blue Valley Associations to see and hear candidates who are seeking the City Council Offices for the First District and the First District-at-Large of the City of Kansas City, Missouri, and they were not disappointed.

Well over 80 members and guests spent over thirty minutes visiting and renewing acquaintances, and it was not until two or three calls for lunch that President Jim Canino got the crowd seated for lunch—good for members, guests and candidates.

Because of a time situation, President Canino had to waive the usual introductions and called on Past President Paul Neal to moderate the presentation



*NEIA Past President Paul Neal moderates the City
Council Candidates, from L to R: Joe Galetti, Bill
Skaggs, Debbie Hermann and Andy Inzerillo*

of the four candidates present who are running for the positions of Councilpersons for both the First District and First District-at-Large (Candidate Jose Cedillo did not show).

Mr. Neal introduced Andrew Inzerillo and Bill Skaggs who are vying for the position of councilperson for the First District and Joe Galetti and Deb Hermann who are seeking the position at large for the First District. Mr. Neal started the session with a question to which each candidate responded, and then turned the questioning over to the attendees, who were not bashful, but the candidates were prepared to answer the many questions.

Mr. Galetti is a retired fireman and is active in many community affairs. Mr. Skaggs is a twenty-year veteran representative of the Missouri State Legislature. Ms. Hermann is also active in community affairs and has taken part in many of the city's projects. Mr. Inzerillo has seen action in many of the city projects.

In closing the meeting, President Canino thanked Mr. Neal for the fine work he did as Moderator. Mr. Canino also expressed his gratitude to the Candidates for taking their time to be present as well as their patience and well thought out answers to the many questions hurled at them. Then he presented each one a certificate verifying that a monetary donation had been made to Harvesters.*

March Luncheon: Meeting Draws Large Crowd

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

Paul Neal, past president, substituting for president Jim Canino, introduced guest speaker, Al Gallagher, manager of *the Kansas City T-Bones*, Kansas City's new **minor league** baseball team, and for the next 30 minutes members and guests learned what baseball was all about.

Mr. Gallagher lost little time in describing his team as only a veteran baseball player can do, and he did it with a lot of enthusiasm to the delight of his audience; in addition, his colorful history of many of the old time players raised a ton of questions, which Mr. Gallagher seemed to enjoy answering. His group is bringing to Kansas City a new league and it is not in competition with the Royals. The league, he says, believes in naming their teams with a name that calls attention to what the city is famous for or has been, and since Kansas City was once known for its many meat packing plants, T-Bones fits the bill, and gives Kansas City a steak (stake) in their team.

He went on to say that the teams are made up of three groups of players: young college players endeavoring to get into the big league, big league players who didn't get a contract, and then those who still like to play baseball. He also stated that his team has its own stadium and ball park which is located in Kansas City, Kansas on State Avenue (near the huge racing stadium) and that the higher priced seats are already sold out, but they still have plenty of seats at lesser prices.

Following Mr. Gallagher, Mr. Tom Moriarty, the new General Manager of the Park Place Hotel, stated that the Hotel was now under new management and that they welcomed the patronage of the members of the NEIA at their restaurants and assured his listeners good food with excellent service.*



Kansas City T-Bones Manager, Al Gallagher (left) and Paul Neal

Small Business Man Sees Success by Going the Extra Mile

By Loren Lundy,
Mid-West Terminal Warehouse Company- Retired

Jim Ruhlman, Owner and C.E.O. of K.C. Steel Supply Inc., was in top management of the Brown-Straus Company until that company sold out and later closed in December 1982, thus putting Jim on the street. But he did what he knew best; he took his severance pay and started his own business at 714 Tracy. He was a one-man operation. He bought the steel, processed it according to his customer's orders, delivered it, and then kept his own records. Working the whole operation almost wore him out before he hired another person to help him. After two years, the place became too small and he moved to his present location at 2828 Rochester, where he has added both office and storage space.

After 19 years at this location, his firm has grown to 8 regular employees. He has three sons who work part time in the business, one of whom is going to college. While he shares part of the sales responsibilities, he listens to his customers, giving them what they want on a just-in-time basis. He still retains some of the customers from his seven years with Brown Straus.

Probably his secret is his outstanding customer relationships. He knows the steel business, knows what his customers expect and fulfills those expectations with a strong positive attitude. "No order is too small for me to handle," he proudly said during our interview, and there can be no doubt but that he means what he says.

His first job was working in a grocery store toting empty pop bottles for \$1.50 an hour to and from the basement of the store. After graduating from De LaSalle High School, he took a job with Commercial Candy Company servicing their vending machines but when his girlfriend, Debbie, became his wife, he needed something more substantial in the way of income and with the help of his father, he went to work for Steel Manufacturing Company as an inside salesman. It was under the tutelage of Herb Ferney that he learned the basis of being a good salesman as well as something about the steel business, which attracted him to Brown-Strauss. There he became an administrative assistant to the vice president of the company. He also worked both as an inside salesman, than as an outside salesman. After two years he decided he had done all the traveling he wanted and turned to management.

Under the direction of Norman Kahn, he was promoted to tubing product manager and served in that capacity for two years before returning to outside sales. Eventually the corporation decided to close the Kansas City plant, giving their key employees a severance package which Jim took and started his own company.

Jim Ruhlman is a man who doesn't stand still, so a few years back he decided he wanted a part-time job outside his business so he ran for councilman in Independence, Missouri. Being the good salesman that he is, he got the position. Jim says he likes sports and is an avid Chiefs fan. In addition he coaches and sponsors youth sports and he has winners here also.

He says the most frustrating part of his business is keeping up with the ever-changing government regulations. He says his main goal is to provide for the future of his family and employees.

Jim is a big booster for the NEIA and points with pride to some of their successes, especially the Chestnut Trafficway Viaduct and the new Chouteau Bridge and pays a high compliment to the organization's officers and board of directors, past and present. *



Jim Ruhlman

Sons Succeed Father At Mid-West Terminal Warehouse Company

By Loren Lundy
Mid-West Terminal Warehouse Company - Retired

Mr. C. Rodney "Rod" LaMothe, President and Chairman of the Board of Mid-West Terminal Warehouse Company and Industrial Park Realty announced effective January 1, 2003 that son, Charles J. "Joe" LaMothe would take over the reins of the Presidency of Mid-West Terminal Warehouse, and that son David R. LaMothe would become Vice President and General Counsel; also David would head Industrial Park Realty as President. Both men are well groomed for these positions, having spent their summer vacations during their school years working as stevedores, forklift operators, checkers, even sweeping the floors.

After their college days, they started assuming the responsibilities of management that has led to these promotions by their father, who plans to remain as Chairman of the Board.

Rod, now 66, plans to be less active in both companies and will remain on as Chairman of the Board. He started with Mid-West Terminal Warehouse Company in 1962, and has seen it grow through his leadership and efforts and those of his associates from 90,000 square feet of space to over 2.5 million, with buildings in Executive Park, Paseo Industrial Park, Fairfax and in an operation as a Barge Terminal Operator since his starting years.

Rod LaMothe is active, participating in civic and community affairs. He is a past President of the Northeast Industrial Association, the Kansas City Industrial Council (of which he is a founding member), the Mid-America Warehouse Association, the American Warehouse Association, and the International Federation of Public Warehouses. He also is active in the American Royal and is a booster of the Chiefs.

Both Joe and David are also active in civic organizations. Joe is presently Secretary of the Northeast Industrial Association, active in the Kansas City, Missouri Police Athletic League and presently serves on its Board of Directors, and is a past president of the Kansas City Transportation Association. David is on the Board of Directors of the Crime Stoppers. Both are past presidents of the Mid-America Warehouse Association, and active in the various distribution and warehousing organizations, including the International Warehouse Logistics Association. *

The Missouri River Corridor Moves Forward!

By Joe LaMothe

Mid-West Terminal Warehouse Co.

For many years a high priority for constituents of the Northeast Industrial Area has been the expansion of Front Street to a minimum of four lanes from I-35 to I-435. The Mid-America Regional Council (MARC) has been coordinating a feasibility study for the construction of the Missouri River Corridor. When complete, this project will include a newly widened Front Street. In December 2002 the Missouri River Corridor Draft Environmental Impact Study was complete. The following Project Description and Purpose and Need for Action are taken directly from that study. The eventual completion of this project is a high priority for the Northeast Industrial Association, and would be a major boost to the industrial sector of Kansas City, Missouri.

Project Description

The Missouri Department of Transportation (MoDOT) and the Federal Highway Administration (FHWA) are investigating the feasibility of constructing the Missouri River Corridor (MRC). The MRC is a proposed 40-kilometer (24.8-mile) roadway to be located in the cities of Kansas City, Sugar Creek, Independence, and unincorporated Jackson County, Missouri. Portions of the MRC Project were analyzed in four previous studies: Front Street, Chouteau Trafficway, South Riverfront Expressway (SRE), and Little Blue Expressway (LBE). The Study Area Corridor consists of four segments comprising the total corridor: Front Street/Chouteau Trafficway, I-435 to Rock Creek, Rock Creek to U.S. Route 24, and U.S. Route 24 to 39th Street.

The proposed project begins in the west at Front Street, near the intersection with I-29/I-35, where the existing roadway would be widened to a four-lane principal arterial section to the intersection with Chouteau Trafficway. The north terminus of the project is at the Chouteau Trafficway intersection with I-35, excluding the Chouteau Bridge, and continuing to the intersection with Front Street. The proposed project provides for the widening of Chouteau Trafficway to a four-lane principal arterial section. Front Street would be widened to a six-lane arterial roadway from Chouteau Trafficway east to the beginning of the new South Riverfront Expressway. The South Riverfront Expressway is proposed as a four-lane divided, limited access expressway on new right-of-way, extending from the Front Street extension, across the Blue River, through the former Amoco Refinery, along the Missouri River near Cement City Road, and continuing to a new interchange with M-291. The South Riverfront Expressway continues from M-291 as a four-lane limited access expressway to U.S. Route 24. The project continues with the Little Blue Expressway, which is proposed for construction as a four-lane limited access expressway, beginning at the U.S. Route 24 intersection, continuing west of the Little Blue Trace, to the project southeastern terminus at Selsa Road and 39th Street.

Purpose and Need for Action

The 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) established a national policy for transportation decision making, calling for greater community involvement in transportation planning, a stronger link between transportation and land use planning, and evaluation of multi-modal options to address transportation demands. The Mid-America Regional Council (MARC), representing constituents from Jackson and Clay Counties, and the cities of Kansas City, Sugar Creek and Independence, initiated the study process to identify transportation needs and deficiencies within the MRC study area. Consensus was assured by establishing an Advisory Committee and a Steering Committee, and incorporating active public participation into the study process. The participants assisted in the development and refinement of the goals and objectives for the MRC study area, which are based on those identified in MARC Transportation 2020. The community decision-making process resulted in the following specific purposes:

- Improve the safety of the MRC facilities.
- Improve mobility in the MRC.
- Facilitate the development of an efficient, integrated transportation system.
- Support economic development.
- Manage the transportation system to maximize the return on the investment in highway and transit networks.
- Maintain or improve the quality of the natural environment.
- Enhance quality of life.*



Old Northeast Inc: A Profile

Old Northeast, Inc. ("ONE") is a not-for-profit community development corporation working with six Northeast Kansas City, Missouri neighborhoods along Independence Avenue. ONE's mission is to stabilize and revitalize Independence Plaza, Indian Mound, Lykins, Pendleton Heights, Scarritt Renaissance and Sheffield. ONE works with these neighborhood associations to identify goals and targets for the development of new and rehabilitated affordable housing, community organizing, and crime watch programs.

ONE, founded in 1983, began its housing program in 1989 with the purchase and rehabilitation of single- and multi-family properties. Since that time, ONE has rehabbed 14 single-family homes and has been a partner in the rehabilitation of 192 units of multi-family housing. In 1993, ONE began providing new-construction in-fill housing. To date 34 new single-family homes have been developed by ONE throughout Northeast.

Currently, ONE is working with Land Trust of Jackson County, with the assistance of County Legislator Scott Burnett, to secure eleven parcels of land, which, once combined with two other parcels held by private individuals, will be the site of eight new single-family modular homes. Over a year ago, ONE produced a modular house at the corner of 7th and Bennington. This new undertaking around Cypress, Kensington and East 7th Street will be a high-impact project for the Lykins neighborhood and Northeast. The lots are becoming a nuisance in the neighborhood, vacant, overgrown with brush and quickly turning into a dumping site.

Working in conjunction with the Affordable Homes Program through the Housing & Economic Development Financial Corporation of Kansas City, ONE is continually looking for more cost effective methods of construction. The modular, or off-site, construction is \$5 to \$7 less per square foot than traditional site-built housing costs.

When the homes around Cypress, Kensington and East 7th Street are complete, they will have an anticipated sale price of \$105,000 to \$108,000. The homes will have three bedrooms, two baths, full basements and either a detached one-car garage or a parking pad.

In addition to the new housing development, a community organizer, whom they are in the process of hiring, will work with the existing residents on and around the 600 and 700 blocks of Cypress and Kensington to create a vision or goal for their blocks, some form of project or improvement they feel will improve their neighborhood. The organizer will also assist the homeowners in applying for grants and low-interest loans to make improvements to their own property.

ONE is also involved in a variety of other programs and activities. Among them are Northeast Mobile Crime Watch, which is very active in neighborhood patrols this summer; the Northeast Community Action Network (CAN)/FOCUS Center, which holds weekly meetings to address community concerns and coordinates clean-ups and graffiti abatement; and Halloween in Historic Northeast, a free, safe, traditional trick-or-treating event among the mansions along Gladstone Boulevard.

ONE is excited to announce receipt of their current office building, 6612 Independence Avenue, as a donation from the Sheil and Carroll families. A Capital Campaign will kick-off in the upcoming months. *



THE NORTHEAST REVIEW

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