

INSIDE THIS ISSUE:

President Elect's Message	2
2010-11 Executive Board	2
Installation of Officers	3
A Word from your Newsletter Editor	3
Mission Statement	4
People in the News: Sheryn Smay	5
IRWA Courses	6
Sea Containers Bound for China	7
Contact Info	12



MEETING DATES:
 Riverside Convention Center
 3443 Orange Street
 Riverside
 951-787-7950

LUNCHEON 11:30-1pm
 (First Wednesday)
 • June 1st
 • Sept 7th
 • Oct 5th
 • Nov 2nd
 • Dec—TBD

BOARD 11:30-1pm
 (Third Thursday)
 • August 18th
 • Sept 22nd
 • Oct 20th
 • Nov 17th

A MESSAGE FROM IRWA CHAPTER 57'S PRESIDENT-ELECT

Hi! It's Barbara A. Ford, President.

Just to give you a little back ground information that you may or may not know. I work for Riverside County Flood Control and Water Conservation District as a Real Property Agent. I have worked at Flood Control for the past five and half years.

I was born and raised in Seattle, Washington; home of Pike Place Market, Quincy Jones, Starbucks, Microsoft, Jimi Hendrix and the Seahawks. I have one son Kevin, and four grand children - Kevin, Alexis, Ayana, and Olivia, that live in Seattle. I moved back to California in January of 2005. I spend most of my time with my mother Ruby and my two nieces Danielle and LaVonda and my first daughter-in-law Cherie and their families. My best friend is my ex-husband John. I've made some outstanding friends at the District and Chapter 57.

My favorite TV shows are Criminal Minds, the CSI series, and the Closer; for movies- all of Angelina Jolie's movies, the Die Hard movies, and all of the Madea's movies.

Being a member of IRWA and Chapter 57 has been a blessing. I will have an outstanding opportunity to utilize my talents, knowledge and compassion. I was honored to serve as Chapter 57's Secretary, Treasurer, and VP-Elect and now, President. I am looking ahead with great anticipation to 2011-2012.

Well, it's June 2011; we are half way through this year. June is the last month of running Chapter business on a calendar year basis and the first month of running Chapter business on a afiscal year basis. June will also begin the change of having our officers installed in June rather than at the Tri-Chapter in December.

John Kalapp will join the recognized status of Past President. As each Past President has achieved recognition for their contributions, John Kalapp has achieved some immense strides for our Chapter.

I realize each President brings their own unique style to cultivate the goals and aspirations of Chapter 57 and I look forward to working conscientiously to keep that momentum going.

I would like to focus on three important components of IRWA, which are Education and Accreditation, Sharing the Professionalism of IRWA, and the Growth of Chapter 57's membership

Education is the tool to sharpen and enhance our proficiency and skills. It allows each person that competitive edge in this ever changing arena. With the capability to attend in-seat and online classes to obtain knowledge and achieve ones credentials has become more accessible.

Sharing IRWA and building membership goes hand in hand. We usually share those subject matters that are important, interesting, educational, beneficial, profitable and enjoyable. Sharing IRWA's Professionalism embodies all of these.

The intention will be to maintain the present membership, regaining inactive members, and adding new members. Chapter 57 is a combination of strong, energetic, and committed Right of Way Professionals.

I want to leave you with this saying: If you can learn to be a hole in the wall, things will happen through you, not to you. By John Randolph Price.

*Barbara "Barb" Ford
 President*

**SPEAKER—PAGE 3
 COURSES—PAGE 6**

ARTICLE: PAGE 7

IRWA CHAPTER 57—2010-11 EXECUTIVE BOARD

<p>President: John Kalapp Lawyers Title Company (714) 926-6259 jkalapp@ltic.com</p>	<p>Advisors to the Board: Brad Bassi (2009) Peggy Barnes (2008) Kim Reed (2007) Janet Parks, SR/WA, R/W-AMC (2005) Mark Routh, CREA (2004) William Reinhart (2003) Duncan Bush, SR/WA (2001) Robert Shea Perdue, MAI (2000) Micheal Green, SR/WA (1996 &1999)</p>	<p>Professional Development: 3rd Year: Walt Evans, III, SR/WA, R/W-RAC Epic Land Solutions, Inc. (951) 321-4736 WaltEvans@epicland.com</p>
<p>President-Elect: Barbara A. Ford Riverside County Flood Control District (951) 333-2959 BAFord@rcflood.org</p>	<p>Immediate Past President: Brad Bassi (2009) Robert Shea Perdue RE Appraisal (951) 694-6904 BradBassi@yahoo.com</p>	<p>2nd Year: Duncan Bush, SR/WA Corridor Analysis (951) 333-3540 DuncanBush@corridoranalysis.com</p>
<p>Treasurer: Roberto Corrales Independent Relocation Consultant (951) 746-4290 RobertoCorrales@yahoo.com</p>	<p>Events: Lisa Dunham Best Best & Krieger, LLP (951) 826-8307 Lisa.Dunham@bbklaw.com</p>	<p>1st Year: Vacant</p>
<p>Secretary: Joe Villegas Villegas Appraisal Company (909) 981-4153 JVAppraisals@aol.com</p>	<p>Legal Issues: Mark Easter, Esq. Best Best & Krieger, LLP (951) 686-1450 Mark.Easter@bbklaw.com and Brad Kuhn Nossaman, LLP (949) 833-7800 bkuhn@nossaman.com</p>	<p>Relocation: Patti Zendejas-Feist, RW-RAC Overland, Pacific & Cutler, Inc. (760) 250-8689 PFFeist@opcservices.com</p>
<p>Asset Management: Janet M. Parks, SR/WA, R/W-AMC Retired jntprks@gmail.com</p>	<p>Local Public Agency: Kim Reed Overland, Pacific & Cutler, Inc. (951) 683-2353 KReed@OPCServices.com</p>	<p>Survey: Vacant</p>
<p>Communications: Jan Spindler Real Estate Services Division City of Riverside (951) 826-5498 IRWA_Chapter57@yahoo.com</p>	<p>Membership: Griffin Wayne Lawyers Title Company (714) 749-0036 GWayne@ltic.com</p>	<p>Transportation: Steven McClaury California Department of Transportation (909) 383-4938 SteveMcClaury@dot.ca.gov</p>
<p>Controller: Marvin Cohen Best Best & Krieger, LLP (951) 826-8440 Marvin.Cohen@BBKLaw.com</p>	<p>Nominations & Elections: Robert Shea Perdue, MAI Robert Shea Perdue RE Appraisal (951) 694-6904 rsp@inlandempireappraisers.com</p>	<p>Utilities: Vacant</p>
<p>Education: Sheryn Smay Real Estate Services Division City of Riverside (951) 826-5343 SSmay@riversideca.gov</p>	<p>Pipeline: David Buzon California Department of Transportation (909) 435-5531 David.Buzon@dot.ca.gov</p>	<p>Valuation: Robert Shea Perdue, MAI Robert Shea Perdue RE Appraisal (951) 694-6904 R.Perdue@rsprea.com and Mark Routh, CREA Robert Shea Perdue RE Appraisal (951) 694-6904 MWRouth@hotmail.com</p>
<p>Environmental: William "Bill" O'Braitis URS Corp. (909) 980-4000 ext. 1114 Bill_O'Braitis@URSCorp.com</p>		



Riverside Convention Center located at 3443 Orange Street, Riverside, California
951-787-7950, 11:30 am to 1:00 pm (First Wednesday of the month)
Cost for Lunch and Meeting/Presentation—\$18.00 (RSVP) or \$22 at the door

INSTALLATION OF OFFICERS

Please join me in welcoming our new Executive Board:

PRESIDENT:
BARBARA FORD



PRESIDENT-ELECT:
ROBERTO CORRALES



TREASURER:
JOE VILLEGAS



SECRETARY:
SHERYN SMAY



A WORD FROM YOUR NEWSLETTER EDITOR

June—the month of change . . . We are changing our Executive Board—John Kalapp is stepping down from the President position to Past President. Barbara Ford is stepping up to President, Roberto Corrales is stepping up to President-Elect, and Joe Villegas is stepping up to Treasurer. We have a new Secretary, Sheryn Smay, whom you may have recognized as the Education Chair. Please welcome our new and returning officers!

We will also be changing our luncheon location. Starting at our first meeting

after summer break, we will be meeting at the Canyon Lake Country Club, located at 975 Country Club Drive in Riverside. We will also be changing the price for luncheon from \$18 to \$20. However, we are sure that the quality of the lunch will outweigh the increase in cost.

As always, if you have an article you would like to publish in our newsletter or if there are any changes you would like to see on the website,

please let me know.

Go to <http://IRWChapter57.org>

to view the newsletters

Jan Spindler

Communications Chair



THE AWARD-WINNING IRWA CHAPTER 57 NEWSLETTER IS NOW EXCLUSIVELY ONLINE—DOWNLOAD AND READ IT AT YOUR LEISURE AND REMEMBER—YOU ARE SAVING A LOT OF TREES!

IRWA CHAPTER 57 SPONSORS

BRETT A. PAULSON, SR/WA, R/W-NAC
PRESIDENT



31441 SANTA MARGARITA PKWY, # A-193
RANCHO SANTA MARGARITA, CA 92688
WWW.CORNERSTONEROW.COM

PHONE: (949) 713-6241
CELL: (949) 421-8998
FAX: (949) 417-1233
BRETT@CORNERSTONEROW.COM

CORRIDOR ANALYSIS

DUNCAN T. BUSH, SR/WA

951-333-3540

29307 Highland Blvd.
Moreno Valley, CA 92555
DuncanBush@corridoranalysis.com

Right Of Way Support/Services For:

- Engineering Design
 - Environmental
 - Project Development
 - Public Agencies
- Site & Corridor Analysis
ROW Cost Estimating
ROW Data Sheets
Research & Alt Selection
Initial Project ROW Services
PSE, PA&ED, DRIS/DRIR
Permits to Enter



Gary Valentine, MAI, ASA, SR/WA

23942 Lyons Avenue, Suite 212
Santa Clarita, California 91321

Valentine
Appraisal &
Associates

Agricultural
Commercial
Industrial
Residential
Right of Way

- Canals
- Electrical
- Lines
- Fiber Optics
- Pipelines
- Railroads
- Easements
- Eminent Domain
- Expert Testimony
- Inverse Condemnations
- Partial Taking
- Sandwich Leasehold

Phone: 661-288-0198

Fax: 661-288-0197
E-mail: gsv@valentineappraisal.com

Inland Appraisal

Real Estate Consulting / Appraisers

103 Cascade Street
Redlands, CA 92373-4818

Phone: 909-798-2910

Fax: 909-798-6973

Greg Geers, MAI



Crockett & Associates, Ltd.
APPRAISERS

Furniture • Fixtures • Machinery • Equipment

Richard S. Crockett, Jr.
Senior Appraiser

4367 HIGHWAY 78, SUITE 104 • SANTA YSABEL, CA 92070

(760) 765-4634 • FAX (760) 765-4638

Cell: (760) 445-5902 • Rich@calval.org

CALVAL.ORG

REINHART-FONTES ASSOCIATES, INC.

Real Estate Appraisal Consultants

William L. Reinhart, MAI

President

E-mail: wmr@speakeasy.net

2285 Business Way • Riverside, CA 92501-2246

Bus. Ofc. (951) 274-0140 • Fax (951) 274-0960

Hm. Ofc. (714) 777-6746 • Fax (714) 777-4586



Roberto Corrales

Principal Consultant

P.O. Box 56390 • Riverside, CA 92517 • 951-746-4290

e-mail: robertocorrales@rcprofessionalgroup.com
www.rcprofessionalgroup.com

Right of Way Services "In The Right Hands"

DONAHUE & COMPANY, INC.

PROPERTY AND URBAN ECONOMICS

NEWPORT PLAZA
1601 DOVE STREET, SUITE 170
NEWPORT BEACH, CALIFORNIA 92660

TELEPHONE
(949) 760-3166
(800) 734-0074
FAX (949) 760-5496

PEOPLE IN THE NEWS: Sheryn Smay

I would like to introduce SHERYN SMAY

Secretary of IRWA
Chapter 57



I am the Real Property Assistant for the Development Department/Real Property Services Division for the City of Riverside. I started in Real Estate 8½ years ago with the Department of Facilities Management/County of Riverside as the Office Assistant in the Real Property Division. During my three years with that department, I acquired most of my Real Estate knowledge which gave me a very sound foundation upon which to build my Real Estate career.

I then accepted a position with the County's Economic Development Department/Real Property Division as the Real Property Coordinator. In this position, I was able to gain more

knowledge and experience in depth the acquisition process. A year later, I accepted a position as a Development Specialist in the same department. This position enabled me to truly put my skills to use and I found even more things to learn.

I am excited to be a member of the International Right of Way Association. I really enjoy meeting all of the people in the different industries and learning about what they do. The information that is provided by the association is extremely viable and useful with the work I do.

I still find what I do exciting and challenging. I am looking forward to learning more about Real Estate and seeing exactly what I can accomplish. I have been the Chair of Education for IRWA, Chapter 57 since 2007, As the new Secretary, I am looking forward to working with all of the members and doing my part to make it a successful venture for me and the association.

Robert Shea Perdue Real Estate Appraisal

41919 Moreno Road, Suite A, Temecula, CA 92590

Serving the Inland Empire

Robert S. Perdue, MAI
Mark W. Routh
Brad Bassi
Dick Russell

Chapter 57 Past President
Chapter 57 Past President
Chapter 57 Past President
Chapter 57 Member

Brenda Fusco Appraiser
Colleen Matthies Appraiser
Eric Schneider Appraiser
Cheryl Cameron Office Manager
Courtney Atnip Assistant Manager

Specializing in Eminent Domain with over 100 years experience

Phone: (951) 694-6904

r.perdue@rsprea.com

Fax: (951) 694-6964

IRWA EDUCATION COURSES

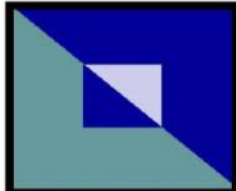
Course #	Subject	Date(s)	Location	Chapter	Contact
403	Easement Valuation	June 24, 2011	Downey, CA	1	Vivian Howell
					424-646-7215
503	Mobile Home Relocation	Sept 22, 2011	Riverside, CA	57	Roberto Corrales
					951-746-4290
703	Real Property Asset Management	Oct 7, 2011	Las Vegas, NV	44	William Grennan
					702-528-9232
100	Principles of Land Acquisition	Nov 14-17, 2011	Riverside, CA	57	Sheryn Smay
					951-826-5343
200	Principles of Real Estate Negotiation	Nov 28, 2011	Tempe, AZ	28	Mark Keller
					602-236-8164
203	Alternative Dispute Resolution	Nov 30, 2011	Tempe, AZ		Mark Keller
					602-236-8164



IRWA WHAT'S NEW IN
EDUCATION?
<http://www.irwaonline.org>

FIND A CLASS NEAR YOU

These classes are currently offered online: 103, 104, 105, 200, 203, 205, 213, 303, 304, 400, 402, 403, 600, 700, 800, 801 and 802



ALVARADO SMITH, APC

www.AlvaradoSmith.com

QUALITY · VALUE · DIVERSITY

1 MacArthur Place, Suite 200
Santa Ana, CA 92707

Tel: 714.852.6800
Fax: 714.852.6899

633 W. Fifth Street, Suite 1150
Los Angeles, CA 90071

Tel: 213.229.2400
Fax: 213.229.2499

350 Sansome Street, Suite 300
San Francisco, CA 94104

Tel: 415.624.8665

- ◆ Eminent Domain/Inverse Condemnation
- ◆ Project Planning and Implementation
- ◆ Environmental Compliance and Litigation
- ◆ Land Use and Entitlements

Keith E. McCullough
Thierry R. Montoya
Christopher S. Yoo
Kevin A. Day
Lowell M. Zeta



Ever wonder what's in those sea containers bound for China?

By
Larry Stevens, SR/WA

While I am sure we all are hopeful that those container ships are full of high-priced, high-tech American made products, the reality is a far less encouraging picture. The reality is that the U.S.–China trade partnership is a far from equal one; I'm sure we have all seen those mammoth trade imbalance statistics such as those of 2008: \$71.5 billion U.S. exports to China and \$337.8 billion in imports from China. But, with such a trading imbalance, what returns to China in those containers, if not American goods?



The somewhat discouraging fact is that much of what fills those containers is simply American junk – scrap iron, aluminum, copper, heavy metals (mostly our castoff electronic components) and the largest bulk item recovered paper waste. Clearly this is not the even trade relationship our president is promoting, and I suspect it is not the one Americans bargained for when they granted the People's Republic of China (PRC) favored nation trading status or voted the PRC into the World Trade Organization. As a developing nation, it was to be expected that China's growth would be meteoric and that this economic juggernaut of 1.3 billion strong would dominate the cheap low-tech product market, including men's and women's apparel, tchotchkes, furniture and craft store items. These are the traditional products for third world countries, and provide stepping stones for growth and development of higher end products. How many of us remember Japan's first post war entries into the car market in the early 1970's – Honda's tiny 600 cc coupe and the early Toyota Corollas? However, what has come as the shocker in our PRC relationship is the rapid development and flood of higher end products – iron and steel products, electronics, optical and medical equipment, power generation equipment and chemicals, in addition to those traditional cheap goods. Most of the PRC products remain simple and are assembly line type products, but the PRC is actively pursuing the development of high-tech products that they believe will rival anything produced in the U.S. or in the world market in general. Already they have grabbed significant stakes in several American companies, not the least of which is a General Motors 50-50 joint venture with FAW Group to make light trucks in China, they have "borrowed" Japanese high speed train technology and Boeing has outsourced "airplane skins" to a factory in Chengdu that is only the first step in the PRC government plans to challenge Boeing, Bombardier and EAD head-to-head with their own products within the decade. Cars? They are a given.



IS THERE ANY POSITIVE NEWS FOR THE U.S. ECONOMY OUT THERE?



But not all the news is bad; broken-down auto bodies, old screws, nails, wire, paper, this "clinking, clanking, caliginous collection of junk"¹ accounts for an industry that employs some 50,000 Americans and in a major way supports a \$65 billion scrap reclamation industry here in the U.S. And, what does this mean to planet America? It means that with

the price of junk up, and a vibrant market for the stuff abounding, Ameri-

ca has become a much greener place. Volumes of trash that once went into landfills have significantly dropped over the past decade, and specifically in the case of paper the percentage we are recovering rose from 32 percent in 1990 to a record 53.4 percent in 2007. Although I could not find any reliable national figures for a more current year, it is clear that recycling as an export business has become a growth industry for America. The US-China Business Council reported "waste and scrap" from California alone as a \$2.3 billion export in 2010; their last report in 2005 showed it at \$1.2 billion; that's an extraordinary increase of 191% in five years.



Other than the export of trash, other market sectors have prospered as well. Soybean exports have reached \$2.3 billion and overall farm exports in 2010 were \$13.8 billion. In traveling

¹Quote from the Wizard in the *Wizard of Oz*.

Continued on Page 9

IRWA MISSION STATEMENT

The International Right of Way Association will be the world-wide leader for innovation and excellence in the acquisition and management of right of way and public use.

California Property Specialists, Inc.



your projects
our solutions

Innovation. Open Communication.
That's Right of Way the CPSI Way.

- Project Management
- Right of Way Engineering
- Real Estate Services
- Cost Studies
- Report Preparation
- Property Acquisition
- Relocation Plans
- Relocation Assistance
- Property Management

Contact Information

Marcie Jorgensen, CEO/CFO

mjorgensen@cpsi-row.com

(714) 352-4188 Direct

(714) 550-4628 Main

www.cpsi-row.com

Woman-Owned Business





**Results Oriented and
Focused on Success . . .**

Results Count

Attorneys You Can Count On

John C. Murphy
Douglas J. Evertz
Jennifer W. Dienhart
Jennifer Riel McClure
Brad B. Grabske
Lisa J. Lambert
Emily L. Madueno
Ali V. Tehrani



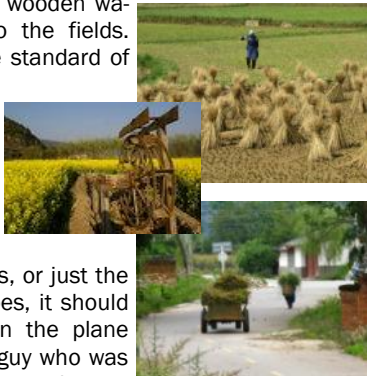
650 Town Center Drive, Ste. 550
Costa Mesa, CA 92626
(714) 277-1700
www.murphyevertz.com

Continued from Page 7

through China a little over a year ago, I was somewhat surprised that enough of our chicken production had reached the shores of the Middle Kingdom that the Chinese were actually able to make a value judgment on its quality – their opinion: Chinese chickens have better flavor. As an American, they might be right on the freshness and flavor of the local Chinese chickens (they decapitated our squawking dinner entrees on the front steps of our Tiger Leaping Gorge B & B), but for me the search and gnaw missions that were required to consume one of their bony local birds was a definite counter criticism.

And finally, China has limited amounts of coal and this precious resource is rapidly depleting; America on the other hand is the Middle East of coal, so for the near to mid-term, the U.S. can assume China's need for coal will continue to expand, and our economy will profit from this need. However, on the long term, China has plans for the construction of 52 nuclear reactor plants between now and 2020. Although this will dent the demand for U.S. coal, I suspect the growing industry and public demand for electricity in China will eat deeply into this added capacity. As an unknown in all of this is how the nuclear disaster in Japan might play with the risk averse Chinese authorities. Several sources have indicated that these plans are being reviewed to be sure they are not creating their own doomsday scenario.

The truth is – bony chicken argument aside, China has limited productive farm land and the Chinese government has neither sponsored nor financed the widespread adoption of modern farming methods. From personal observation, China is operating their agricultural system on the level of the Middle Ages – they still largely sow and harvest by hand and rickety wooden water wheels still supply water to the fields. Processes that could elevate the standard of life of millions of hardscrabble farmers working family plots, would maximize production and would eliminate a growing need within China to import farm goods remain elusive to the Beijing authorities. We sell them tractors, farm machinery products, or just the raw food stuffs – anyway this goes, it should work to America's benefit. On the plane headed to China, I sat next to a guy who was on his way to show Chinese dairymen how to use his company's milking machinery, a good sign that if China is to become a first world country, they will need to make some fundamental advances in their rural economics, and I think we can assume that some of their hardware, software and technical needs will convert to orders, factories and sales to U.S. manufacturers, and service contracts to American technical and advisory industries. And, although China has come a long way since the days of Pearl Buck's *The Good Earth*, they still suffer from droughts, floods and, if not for outside sources, famine; the reality is that China may never be able to fully meet the agricultural needs of its people.



SO, IS THE GLASS HALF FULL, HALF EMPTY, OR SOMETHING ELSE?

We are faced with competing viewpoints. First, the glass half full argument was presented by the US-China Business Council: U.S. exports to China have grown 368% between 2000 and 2010, while our exports to the rest of our world trading partners expanded only 55% in the same period. The Council rosily forecast that the deficit gap would close over time.

The glass half empty argument was presented by Daniel Workman at www.suite101.com/content/china-trade-statistics; Mr. Workman points out that the U.S. imported \$50 billion in computer products during 2009 while exporting only \$2 billion of similar products to China. A huge disparity in an industry that Americans have traditionally considered a pond that they owned. On the other hand he acknowledged that 9 out of the 10 top U.S. exports showed gains as of May 2010 when compared against the same 5 month period in 2009; increases that ranged from 3.9% to 133.4%. His conclusion, over time, the deficit should decline and American products will find a market in China.

And then there is the glass empty point of view at LewRockwell.com. where it was noted that our trade deficit with China between 2000 and 2009 skyrocketed nearly 300 percent. And with this drain of dollars, Mr. Rockwell, a decidedly negative sort of guy, concludes that “wealth, factories and jobs are leaving the United States at an astounding pace”, a long term, before China, fact that I confirmed in a Wall Street Journal article that showed only 45% of America's 1960 manufacturing jobs still exist today, and in another Journal article it was confirmed American worker salaries have stagnated for more than a decade. (Before someone skewers me on this, it was stated that salaries had increased somewhat; however, I don't see the explosion of health coverage costs as a pay raise that workers can put in their pockets and spend at the super market.)

CULTURAL CHANGES IN THE WIND?

Despite the government clampdown on dissident voices of late, there is a growing trend of unrest throughout the PRC – even in some circles of the Communist Party – that wages, medical and pension benefits and social safety nets must expand to meet the needs of their dynamic and expanding economy. Basically, the time honored “all boats rise in a tide” argument is gaining traction throughout China, while the paranoia of the Chinese government leaders to adopt change is being threatened with social upheaval if they don't consider it. If this debate on a societal safety net is permitted by the government – a debate that many see as impossible to avoid; the cost of producing Chinese goods will rise, the export prices will commensurately rise and over time the U.S. trade deficit gulf should narrow. Another factor that may work to America's advantage is the decades old government policy decision that is coming home to roost – birth control. The Chinese effort to control their burgeoning population, which brought on the “one-child” only policy, also engaged the law of unintended consequences. The Chinese youth, particularly males, discouraged by limited educational, employment and financial opportunities have grappled with the government's political decision to limit families and have slowly embraced the program; they are staying single or getting married older; they are abiding by the “one child” law or are forgoing having children at all. While good for short term goals of population control, as a long term trend, this will dramatically alter the Chinese demographics – it will age the Chinese population and reduce the pool of younger workers that will be required to financially support the social programs that are being clamored for and are bound to come. The smaller family units will also diminish, if not totally eliminate, the traditional family support system; without children, the aged will be forced to rely on the government for critical needs, such medical, housing, local transport and eldercare services. It is only a matter of time, some say within this generation, that the PRC will be forced to address these issues.

Continued on Page 10

Continued from Page 9

From personal experience, Americans know the consequences of an aging and dwindling workforce and how this type of imbalance can drag heavily on the aerodynamics of an economy. Our ongoing debates here in the U.S. over federal budgets, Social Security and Medicare have made this painfully clear; these social programs and cost debates remain in China's future, but they are debates that will eventually come.

SO WHAT DOES THE FUTURE HOLD FOR AMERICAN EXPORTS?

On the near term, the view is very dark indeed as the 2008 statistics indicate: U.S. \$71.5 billion in exports, China's \$337.8 billion in imports. The bitter fact is that based on the current trading relationship the Chinese are mopping the floor with the U.S. - we have become a subservient colonial supplier of raw materials to the brawny, assertive Chinese industrial state. However, there are a number of factors that will alter the calculus. I have discussed a few above.

First, as with any successful developing country, the Chinese standard of living is edging upward. While the Chinese authorities are waging this battle on two fronts - wages and benefits - it is becoming a battle more and more difficult to manage or win. Wages are rising as the economy continues to expand, and in spite of the fact that farmers are abandoning their fields at record numbers. As discussed, the Chinese society is involved in fundamental change; families are shrinking and individuals can no longer rely on family members to take care of them as they age; the demand for a network of benefits grows louder with each passing day.

Second, although the PRC continues to control the external value of the Yuan, the inflationary pressures continue to grow. There is only so much infrastructure development the government can authorize and bank control that can be exerted before cracks begin to develop in the economy. The Chinese government is reaching that breaking point. As indicated by their recent reluctant, if minor, adjustment in the value of the Yuan, China will have to acknowledge that the value of their currency is rising in the world markets. Even our guide admitted that China is experiencing the relocation of some industries due to increasing labor costs within China. And then there are the effects of inflation on the real estate market; the PRC is constantly fighting the fear of a real estate bust akin to ours. They continue to clamp down on the money supply but both the supply and demand for housing continues to push prices ever higher in the cities. Regardless of their paranoia, the government has been largely ineffective in finding a means to control or rein in this threat. And as a side bar to these inflationary pressures, the PRC is finding it harder and harder to park our billions in their economy, which I suspect is their motivation for advancing the idea of an "international" currency that would not be pegged to any country of currency.

Third, trading partnerships between international corporations and the Chinese are creating new opportunities on both sides of the Pacific. While the Chinese have a disturbing habit of 1) demanding a substantial piece of the action for playing in their pond - my milking equipment consultant seatmate said it cost their company dearly to join the party, a 51% stake and the majority interest of all Chinese operations shadow-owned by the PRC, 2) a cultural propensity toward fleecing the novice investor (19th century American traders called it "sharp" dealing), and 3) Chinese legerdemain of proprietary products from business partners is legendary (you may have noticed my parenthesis on "borrowed" Japanese train technology; the Japanese had a different word for it), the reality is they are a capitalist

system (with a communist government) and they need external raw materials, high-tech equipment, expertise and partnerships if they are going to reach their stated goal of being the #1 economic power in the world by 2050. As I said earlier, the Chinese are making inroads, but largely they are still a forge and assembly line economy.

Fourth, maturing economies gain resistance in their growth trajectory and therefore slow in that growth. China has had a meteoric rise; in the space of 26 years, China's GDP has grown by a factor of 10. By comparison, the United Kingdom took 70 years after 1830 to grow by a factor of four. One must question how much longer the mighty Chinese economic juggernaut will be able to continue without bending to the will of the people and sharing some of these financial gains?

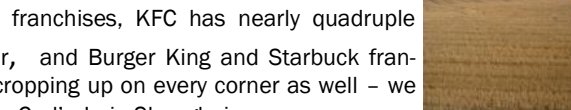


Fifth, America is the breadbasket for the world. China will need our agricultural products to sustain and enhance their growing desire for food stuffs and a widening palate. America is on the road to provide many of those needs - soybeans happen to be at the top of the list today, but I see wheat, barley, rice, beef, pork and more of those



tasteless chickens appearing on the Chinese tables. And not to be discounted is the burgeoning Chinese market for American food - while there are 875

McDonald's franchises, KFC has nearly quadruple that number, and Burger King and Starbuck franchises are cropping up on every corner as well - we even ate at a Carl's Jr. in Shanghai.



And perhaps the greatest game changer is China's limited natural resources. Like Japan, China has little in the way of natural resources - oh yes, they do have "rare" metals - but they don't have coal, or iron, or aluminum, or copper, or oil, or gas (natural or liquid) or a host of other raw materials, not the least of which is the growing and vital stream of American junk - scrap iron, aluminum, copper, heavy metals and paper. Without a relationship in these goods, the Chinese economy will wither and die as they are not a self sustaining economic powerhouse.

For the short run, we have many challenges to face with the Chinese, but I believe that in the long run, it will not just be American junk that returns on those container ships, it will be all those things that the Chinese don't have, and must have, if they intend to compete in the world economy.

2 Wall Street Journal, Review Section: "In China's Orbit", by Niall Ferguson, November 20-21, 2010
 3 Forbes Magazine. Wikipedia reported 850 as of August, 2010
 4 As of the end of 2009, Yum! Brands reported having 3400 KFC outlets in China



2601 Airport Drive
Suite 115
Torrance, CA 90505
(310) 626-4848

Karen Starr, CPM®
3850 Vine Street
Suite 200
Riverside, CA 92507
(951) 321-1800
KarenStarr@epicland.com

2815 Camino Del Río So.
Suite 245
San Diego, CA 92108
(619) 822-2763

9600 SW Oak Street
Suite 570
Portland, OR 97223
(503) 213-3977

www.EpicLand.com

Epic Land Solutions, Inc.

Right of Way/Real Property Services

Services Offered

- Project Management
- Negotiation/Acquisition
- Feasibility/Cost Studies
- Cost Estimating
- Construction Mitigation
- GIS & Database Development
- Appraisal & Appraisal Review
- Community Outreach
- Title Examination
- Documentation & Records Management
- Relocation Assistance
- Temporary Relocation
- Utility Relocation
- Property Management
- Demolition & Clearance
- Excess Land Disposal
- Franchising/Permitting
- Site/Route Selection
- Due Diligence
- Asset Management

UDBE
CA Underutilized Disadvantaged Business Enterprise
M/W/ESB
OR Minority, Women, Emerging Small Business
WBE
Woman Business Enterprise
SBE
Small Business Enterprise

Qualifications

Licensed Real Estate Brokers
Licensed Real Estate Sales Persons
Senior Right of Way Members (SR/WA)
of the International Right of Way Association
Licensed General Contractor
Certified Property Manager (CPM®)
Commissioned Notaries
Certified Public Accountant
Bilingual Agents

CREATING LAND SOLUTIONS FOR THE PUBLIC GOOD

CALIFORNIA EMINENT DOMAIN REPORT



www.CaliforniaEminentDomainReport.com

Nossaman's Eminent Domain and Valuation Group

Rick E. Rayl, Chair

F. Gale Connor

David Graeler

Bradford B. Kuhn

David J. Miller

James C. Powers

Ashley J. Remillard

Benjamin Z. Rubin

Valerie A. Strumwasser

Michael G. Thornton

Lauren C. Valk

www.nossaman.com

Follow it.

MAKING IT HAPPEN.
 NOSSAMAN LLP

IRWA CHAPTER 57 SPONSORS



**LIDGARD AND ASSOCIATES
INCORPORATED**

Real Estate Appraisal and Consultation
Scott A. Lidgard, MAI, CCIM
President, Principal Appraiser
(714) 633-8441

Specializing in:

- Eminent Domain/Condemnation
- Public Acquisition Appraisals
- Aerial Rights Valuation Studies
- Partial Acquisition Analyses
- Bond Financing Appraisals
- Economic Feasibility Studies
- Expert Witness Testimony
- Litigation Support
- Utility Easement Appraisals

Serving the Greater Southern California Region



**GOODWILL LOSS AND
FIXTURE & EQUIPMENT APPRAISALS**
ESTABLISHED 1968

- ◆ *Expert Witness Testimony*
- ◆ *Budgetary Estimates*
- ◆ *Acquisition Appraisals*
- ◆ *Condemnation Appraisals*

6060 Center Dr., Suite 825, Los Angeles, CA 90045 Tel (888) 240-5184
255 Bush St., 16th Floor, San Francisco, CA 94104 Tel (415) 439-8390
Website: www.dmavalue.com

Sloan Consulting Group, Inc.
Machinery Equipment Valuation



Mark J. Sloan, PhD
Senior Appraiser

P.O. Box 2092
Julian, CA 92036

(760) 765.1946 Office
(760) 445.5906 Cell

SloanInc@WildBlue.net

Engineering Analysis/Eminent Domain
www.webbassociates.com



ALBERT A. WEBB ASSOCIATES

Inland Empire: 951.686.1070
Desert Region: 760.568.5005

Matthew E. Webb, PE, LS, TE,
President, Albert A. Webb Associates



...a pattern of excellence


Program/Project Management
Right of Way & Real Property Acquisition
Relocation Assistance
Property Management
Title Research/Due Diligence
Environmental Compliance

Paragon Partners Ltd.
1-888-899-7498
www.paragon-partners.com

**You've trusted us with your
Real Estate Services
for 30 years.**


OPC now provides:
Appraisal & Appraisal Review
Property & Asset Management
Utility Coordination

*Utilize our fully integrated
services on your next project.*



Overland, Pacific & Cutler, Inc.

OPC is celebrating 30 successful years of building relationships and delivering projects.



800.400.2356
www.OPCservices.com



KEARNS REALTY ADVISORS
REAL ESTATE APPRAISALS AND CONSULTATIONS

18540 STALLION CREST RD RIVERSIDE, CA 92504
PHONE: 951-780-7328

JAMES L. KEARNS SR / WA
CA CERTIFIED GENERAL APPRAISER
APPRaiserJIM@ROADRUNNER.COM
CELL (909) 241-1823



Jan Spindler
IRWA Chapter 57
Communications Chair
City of Riverside
3900 Main Street
Riverside, CA 92522
951-826-5498 (wrk)
909-263-5596 (cell)
E-Mail: IRWA_Chapter57@yahoo.com

We're on the Web!
Chapter 57:
<http://irwachapter57.org>
IRWA HQ:
<http://www.irwaonline.org>

Your **Best** resource for project planning and acquisition solutions



Project Planning & Implementation ■ Property Acquisitions ■ Representation in Condemnation Litigation

Riverside office 951.686.1450 • visit www.BBKlaw.com



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Kendall H. MacVey, *Partner* ■ Mark A. Easter, *Partner* ■ Mona M. Nemat, *Associate*