



QUARTERLY MEETING HIGHLIGHTS

Delaware Valley Goods Movement Task Force

10:00 A.M., Wednesday, April 13, 2011

8th Floor—DVRPC Main Conference Room

190 North Independence Mall West, Philadelphia, PA 19106

Call to order

Task Force Co-Chair Don Shanis of DVRPC called the quarterly freight advisory committee meeting to order. All Task Force members and friends were given either a green or yellow colored meeting folder and asked to pair up with someone possessing a folder of the other color. Meeting introductions were completed by introducing this “buddy” to the committee.

In member news, it was announced that committee Co-Chair Eric Madden of PennDOT has accepted a Vice President position with the American Council of Engineering Companies in PA. Also, Fred Winkler of the Winchester and Western Railroad has been named as a member of the DRPA's newly formed citizen's advisory committee.

Minutes from the prior Task Force meeting on January 12, 2011 were adopted as presented.

DVRPC has applied for 1 AICP Certification Maintenance Credit for eligible meeting attendees.

All guest presentations will be made available on-line at:

<http://www.dvrpc.org/Freight/GuestPresentations.htm>

Action Item: DVRPC's *Implementing Connections: The Benefits for Greater Philadelphia*

Brett Fusco, Senior Transportation Planner, presented the contents of a report entitled, *Implementing Connections: The Benefits for Greater Philadelphia*. Mr. Fusco started his presentation by laying out an overview of the DVRPC Long Range Plan (LRP), *Connections*. The LRP is based on four core principles: manage growth and protect resources; create livable communities; build an energy-efficient economy; and modernize the transportation system. The financial plan contained in the LRP allocates \$64.7 billion in funding over the next 20 years, but the total needs identified were \$110.1 billion. The financial plan identified multiple funding options the region could pursue to create a funding pot that is separate from the state and federal funding that exist now. Possibilities include taxes, tolling, bonds, and public-private partnerships.

The *Implementing Connections* report used multiple simulations to compare an implemented “Plan scenario” with the continuation of a business-as-usual “Trend scenario” and current (2010) conditions. In terms of land development, under the trend scenario 167,300 acres of currently undeveloped land would be developed as opposed to the plan scenario in which only 57,600 acres of currently

undeveloped land would be developed. Mr. Fusco used an example of land development patterns along the proposed Gloucester County Rail Line to highlight the difference. In the trend scenario, growth is scattered and focused around highways, versus the plan scenario where growth is concentrated in centers around the rail line.

Implementing Connections calls for an additional \$100 million to be raised every year for regional transportation projects, resulting in a total of \$3.9 billion in project funding throughout the life of the LRP. DVRPC has adopted a “fix it first” strategy which would be continued using these additional funds. The \$3.9 billion in additional funds will not meet all of the region’s funding shortage, but it represents a significant step in the right direction. A cost benefit analysis contained in the report found that the \$3.9 billion in additional funds would provide \$5.7 billion in benefits associated with truck travel time and operating savings. An additional \$11.3 billion in benefits to automobile operations means that the region would gain \$17 billion in benefits to the transportation system alone.

Following the presentation, an endorsement of the report findings and tenets by the Goods Movement Task Force was requested and the motion passed by unanimous vote.

Presentation: Construction Project Overview—I-95/Scudder Falls Bridge Improvement Project

Kevin Skeels, Senior Program Area Manager for the Delaware River Joint Toll Bridge Commission (DRJTBC), provided an overview of the agency before offering details on the upcoming I-95/Scudder Falls Bridge Improvement Project. The DRJTBC owns 7 toll bridges and 13 toll-supported bridges along 140 miles of the Delaware River. The average age of the toll bridges in its jurisdiction is 52.6 years, while the average age of the toll supported bridges is 89.9 years, and 6 of those bridges are over 100 years in age. DRJTBC is undertaking an aggressive capital program with a four pronged strategy: preserve the existing bridges; protect the security of the bridges; manage the traffic; and enhance the bridges where feasible. DRJTBC is totally funded by the 7 toll bridges which recoup roughly \$381,000 in revenue each day. The bridges collect tolls in the westbound direction only, as traffic travels across from New Jersey into Pennsylvania.

The I-95/Scudder Falls Bridge Improvement Project extends for 4.4 miles along I-95 and includes sections on either side of the bridge. The project was started in 2003 and has completed many steps such as public outreach and initial environmental analysis. The project was broken down into 4 segments and for each segment different alternatives were developed and a preferred alternative was chosen. Below is a description of the preferred alternative for each segment of the project:

- Segment 1: Widen I-95 in Pennsylvania from PA 332 to Taylorsville Road. This stretch of roadway currently has two travel lanes in each direction. This project will convert the existing wide, center median into an additional two travel lanes, allowing for a total of three travel lanes in each direction.
- Segment 2: Make improvements to the Taylorsville Road Interchange. This project will realign the existing eastern southbound off-ramp from I-95 and make minor improvements and realignments to all other ramps.
- Segment 3. Construct a new upstream bridge. This project will replace the existing Scudder Falls Bridge which has two travel lanes in each direction and no shoulders. The new bridge will be built upstream from the existing bridge and have five travel lanes going northbound and 4 travel lanes going southbound.
- Segment 4. Reconstruction and realignment of NJ 29 Interchange. Because of the new bridge alignment the Interchange between NJ 29 and I-95 will be realigned. The preferred option

would result in a folded diamond interchange with two roundabout intersections at the ramps with I-95.

In 2010, Governors Christie and Rendell asked the DRJTBC to pursue the possibility of completing the \$321 million project by using a public-private partnership. The DRJTBC is currently working with a consultant to review proposals and will make a decision on whether to advance a public-private partnership within the next 12 months. For updates and additional information, Task Force members are encouraged to visit the project website: www.scudderfallsbridge.com

Presentation: Industrial Market and Land Use Strategy for the City of Philadelphia

The efforts to update both the City's zoning code and comprehensive plan have created an opportunity to provide policy direction for industrial land use in Philadelphia. Tom Dalfo, Vice President of the Philadelphia Industrial Development Corporation (PIDC), presented on this unique effort. Mr. Dalfo began his presentation with a brief overview of PIDC. PIDC acts as a lender of money to businesses trying to establish roots in Philadelphia. They are able to loan money at rates that are cheaper and "more patient" than private loans. PIDC also acts as a real estate entity; the agency has bought and sold roughly 3,000 acres of land within Philadelphia during its existence.

PIDC's industrial centers study began with an analysis of the current industrial market in Philadelphia. The study defined the industrial market as anything that is making, mending, or moving goods. The study found that the industrial market would be unrecognizable to past generations and that it is increasingly clean and green.

The significance of the industrial sector in Philadelphia is extensive. Mr. Dalfo presented the following facts from the study:

- Approximately one out of every five jobs in Philadelphia is industrial
- Industrial jobs employ a range of Philadelphians – from highly skilled, technical positions to entry-level apprenticeships and career-path positions for unskilled and semiskilled workers
- Industrial jobs provide family sustaining wages with benefits
- Average annual wages for industrial jobs in the city are nearly \$50,000
- Annually the industrial sector contributes \$323 million in taxes (Business privilege taxes, property taxes, wage taxes, and sales taxes)

The project determined that three different types of buildings are needed in Philadelphia: flex buildings, heavy industrial buildings, and warehouse/distribution spaces. The report concluded that land suitable for modern industry is very constrained. Only 105 parcels were found that had 20 or more acres and only 7 of those were owned and developable by PIDC.

Lastly, the study identified three land use areas and a set of recommendations to maximize their industrial potential. The three areas are:

- Industrial Protection Areas – 4,241 acres
 - The study recommends that these areas prohibit future non-industrial uses, identify capital infrastructure needs to ensure long-term viability for industrial users, and provide strong enforcement to disallow land uses inconsistent with industry.
- Industrial Intensification Areas – 1,451 acres

- The study recommends that these areas undergo master planning and develop detailed marketing and redevelopment efforts.
- Transition Areas – 716 acres
 - The study recommends that these areas begin the transition from industrial use to mixed-use in an organized manner guided by a master planning process.

All the materials related to this report are available online at <http://www.pidc-pa.org/reports-and-studies>.

Presentation: Developments in Urban Freight Planning

Joseph Bryan who leads the Halcrow freight and logistics practice in North America, covered a number of developments in metropolitan freight planning. Mr. Bryan began his presentation with two supply chain case studies, which exemplify the importance of distribution systems. The first example focused on the delivery of gasoline to local stations. Private businesses try to optimize two things: first, have a tanker truck take one full tank of gasoline to one station and completely unload it; second, never run out of gasoline at any station, ever. Oil companies spend 7 days a week/365 days a year running this system and are always trying to optimize it.

The second supply chain example focused on a supermarket. The key to the supermarket supply chain is the short shelf life of the products. The average shelf lives for some popular items are listed below:

- Prepared foods: 1 day
- Fresh & frozen foods: 1-3 days
- Dairy products: 2 days
- Dry goods: up to 7 days

Mr. Bryan stated that grocery stores do not run out of food before and during major storms due to a run on certain products (as most people assume), but because of disruptions to the supply chain.

These supply chain examples are especially impacted in urban settings. Many pick-ups and deliveries take place in an urban environment and any delay means there is very little recovery time left in the trip. (Line-haul freight is less sensitive mostly due to increased recovery time). Mr. Bryan emphasized that funding will continue to be based on performance, so states and regions must compete based on performance in the same fashion that private business does. Traffic speeds and delay are still important metrics, but trips per day, miles in-between stops, and carbon efficiency become as important.

Mr. Bryan demonstrated a project in Atlanta in which multiple stakeholders came together to develop inner city truck routes in a new way. Instead of a prohibition style truck route planning, the goal was to improve total productivity and efficiency in the system. The project focused on cross-town traffic, not through movements. The first step, however, was to redefine a through movement; too many communities considered truck movements from one neighbor to another a through movement. This lack of regional cooperation was hurting the truck routing network. Instead, through movements were redefined as ones moving between two other states and just passing through the greater Atlanta region.

Mr. Bryan also proposed a new rail system, which would use an open access network instead of the railroads owning the infrastructure. This allows for more central supply chain operations, instead of each railroad optimizing supply chain operations individually. This model is popular in Europe. Lastly, Mr. Bryan touched on how the projected dramatic increase in congestion corresponds perfectly with the

recognized mega-regions in the US. The U.S. needs a solution to the problem of transportation improvement using overarching institutions, but without adding to government. These institutions need to act jointly with private operators because better performance is a joint goal.

Two-minute Reports

The following Task Force and Subcommittee chairs and Task Force members provided updates on the activities of their companies and agencies:

Talvin DavisNJDOT

Mr. Davis announced that NJDOT continues its freight planning efforts on multiple fronts.

Bobbie GeierDELDOT

Ms. Geier announced that Cleon Cauley, Sr. had been named the Acting Secretary of DelDOT. Additionally, the Delmarva Rail Summit will take place on June 14th in Annapolis, Md. If anyone is interested in attending, they should contact Ms. Geier (Roberta.Geier@state.de.us).

Don ShanisDVRPC

Mr. Shanis announced that Jim Runk, President of the Pennsylvania Motor Truck Association, will be presenting to the DVRPC Regional Transportation Committee at its upcoming meeting on May 10, 2011.

Peter Palmer.....NJTPA

Mr. Palmer announced that MARAD would be the guest presenter at the next meeting of the North Jersey Transportation Planning Authority's (NJTPA) Freight Initiatives Committee on April 18th, 2011.

Drew MarrsData Subcommittee

Mr. Marrs, filling in for Mr. Rick Crawford, encouraged people to read the *Freight, Facts, and Figures* report for 2010 that was produced by the Federal Highway Administration, and distributed in the meeting folders.

Kelvin MacKavanaghPlanning Subcommittee

Mr. MacKavanagh thanked everyone who came to the 2011 TransAction conference in Atlantic City, New Jersey, and reminded attendees that it is never too early to submit topic for next year's conference.

Nick WalshPhiladelphia Regional Port Authority

Mr. Walsh provided the Task Force with an update on the Food Distribution Center. The center's massive, modern new home on Essington Avenue had its official ribbon cutting ceremony, but won't be up and running for business for 4-6 weeks due to an issue with the refrigeration system.

Adjournment

The committee was adjourned for a French-themed lunch to highlight the Philadelphia – Paris connection being made by the current Philadelphia International Festival of the Arts. The next meeting of the Delaware Valley Goods Movement Task Force is: July 13, 2011. One of the featured guest speakers will discuss the Marcellus Shale project.

Meeting Participants

<u>Name</u>	<u>Affiliation</u>
Allen, Walker	DVRPC
Anderson, Matthew	Chester County Planning Commission
Badgley, James	Eastman Linnett Associates
Bandiero, Tony	Greater Phila. Clean Cities
Bell, Phil	Conrail
Blevins, Dan	Wilmington Area Planning Council
Breeman, Paul	Holt Logistics
Bryan, Joe	Halcrow
Chelius, Tim	South Jersey Transportation Planning Organization
Cipriani, Eugene	DVRPC RCC
Dahlburg, Ted	DVRPC
Dalfo, Tom	PIDC
Davis, Talvin	NJDOT
Delp, Paul	Lansdale Warehouse
Duffy, Ed	Duffy Associates
Flumignan, Jeff	USDOT - MARAD
Gabor, Liz	PIDC
Geier, Bobbie	DelDOT
Gunner, Tim	AECOM
Hall, Robert	Strategic Rail Finance
Heinzelmann, Ray	Gahagan & Bryant
Jandoli, Chris	Parsons Brinckeroff
Jennings, Tom	Saul Ewing
Jeroski, Ryan	GVFTMA
Kardon, Roy	NAI Mertz
Kenny, Tom	Gerace
Kevgas, George	Bergmann Associates
Krakauer, Miki	NJDOT – Freight
Labow, Gi	ePortation Inc
Lomask, Dan	Greater Phila. Clean Cities
Ludasi, Andrew	NJDOT - Trucking
MacKavanagh, Kelvin	MacKavanagh Railroad Consulting
Marrs, Drew	Norfolk Southern
McCarthy, Bryan	MMCE
McCarthy, Leslie	Villanova University
Minott, Joe	Clean Air Council
Myhre, Paul	Maritime Exchange
Palmer, Peter	NJTPA Freight Committee
Pawson, John	DVRPC RCC
Ratko, Wes	Montgomery County Planning Commission
Reibman, Glenn	Delaware River Joint Toll Bridge Commission
Savage, James	John D. Heffner, PLLC
Schoonmaker, Elizabeth	DVRPC
Shanis, Donald	DVRPC
Skeels, Kevin	DRJTBC
Spera, Dave	PMTA
Thomas, Carol	Burlington County
Timmins, John	Penn Terminals
Turcich, Jim	Philadelphia Belt Line Rail Road

Tursi, Joseph	URS Corporation
Walsh, Nick	Philadelphia Regional Port Authority
Ward, John	DVRPC
Ward, John	YRC
Weiner, Harvey	Dependable Distribution
Wells, Tim	LTK Engineering Services
Westergaard, Rick	Gloucester County Planning Division
Winkler, Fred	Winchester & Western Railroad