

Freight Planning in Central Ohio



Delaware Valley Goods Movement Task Force July 9, 2003

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Mid-Ohio Regional Planning Commission





What is MORPC?...

... why are we in Philadelphia?

- MORPC = DVRPC's sister agency

- Ohio Department of Transportation



- Greater Columbus Chamber of Commerce



- Ohio Rail Development Commission



- Village of Obetz



- Federal Highway Administration





Ohio At-A-Glance...

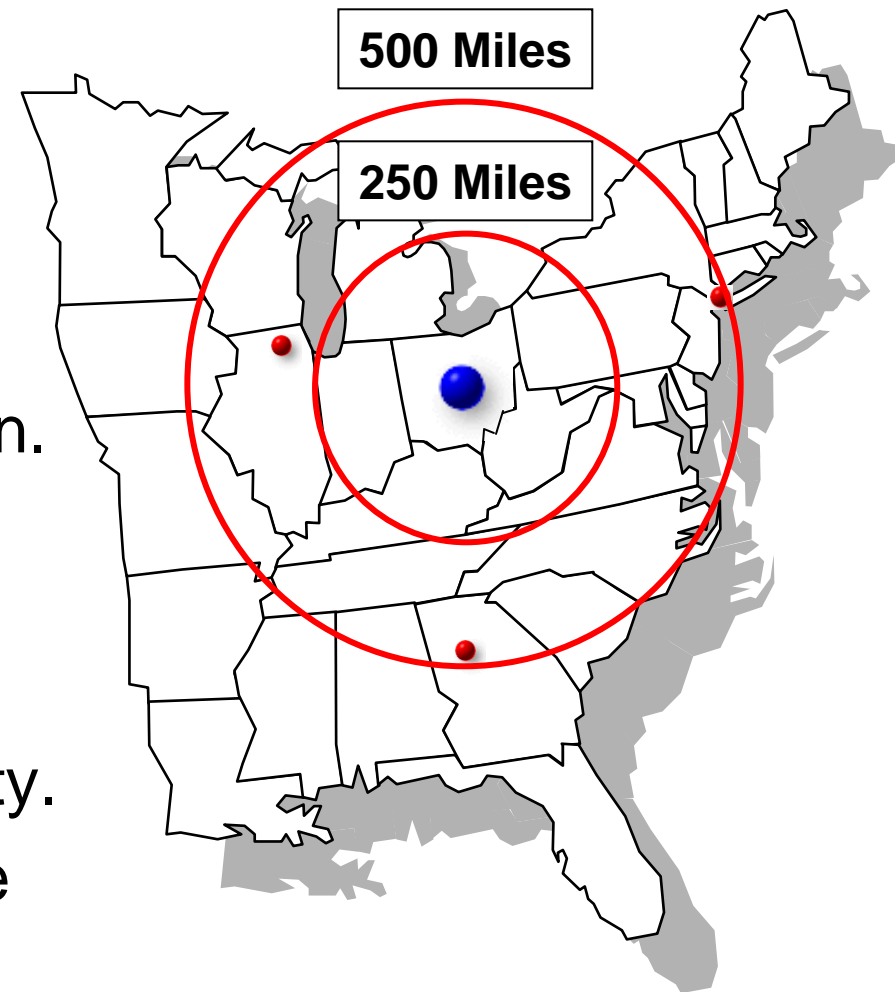
- 35th in geographical size
- 10th largest highway system
- 2nd largest inventory of bridges
- 4th largest interstate network
- 5th highest volume of traffic
- 5th highest volume of truck traffic





Columbus, Ohio is...

- 15th largest city
- State capitol
- Within a one-day truck drive of:
 - 58% of U.S. Population.
 - 50% of Canadian Population.
 - 61% of U.S. Manufacturing Capacity.
 - 80% of U.S. Corporate Headquarters.

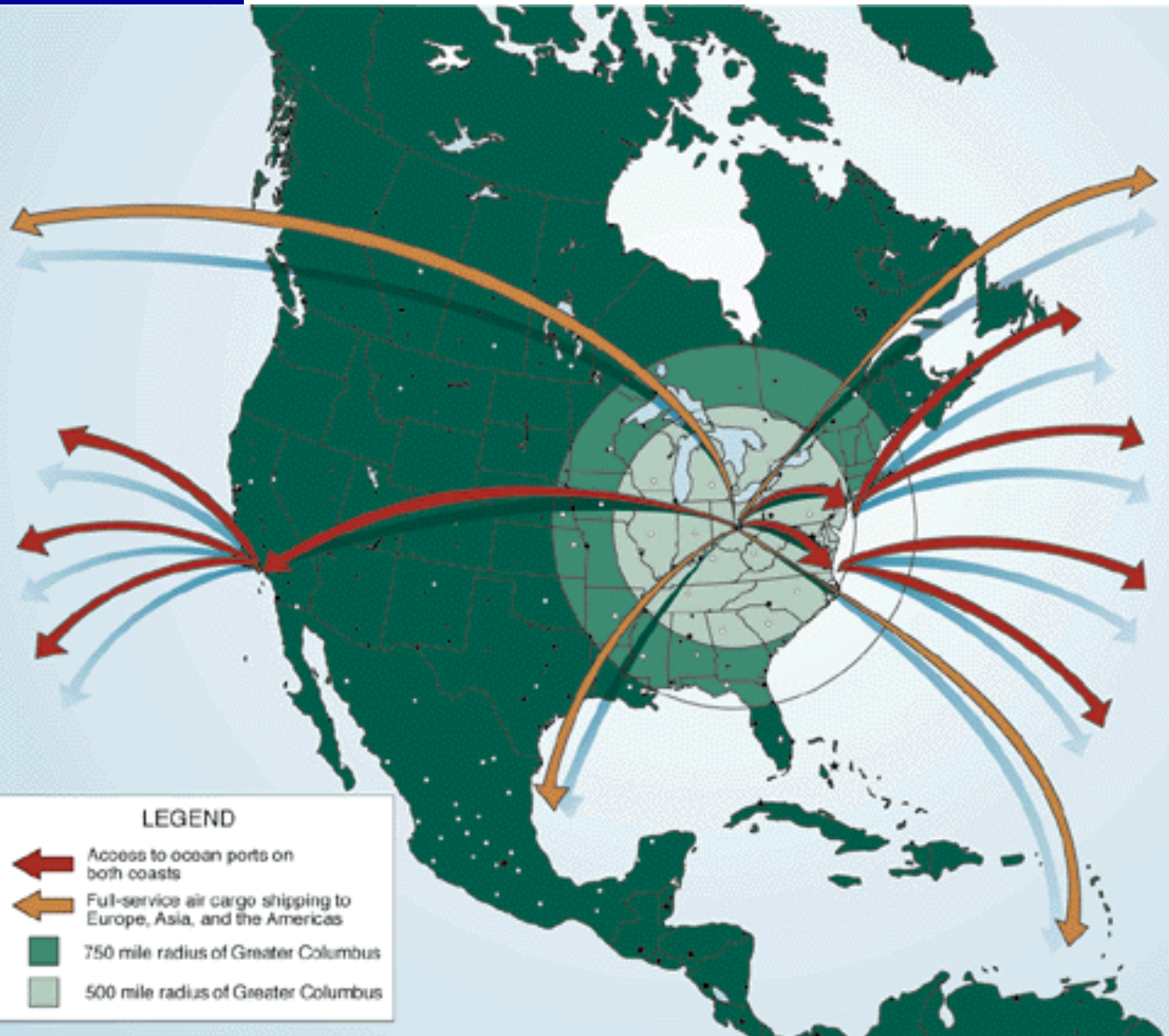


...a Distribution Nexus





Columbus has “Access to Markets”

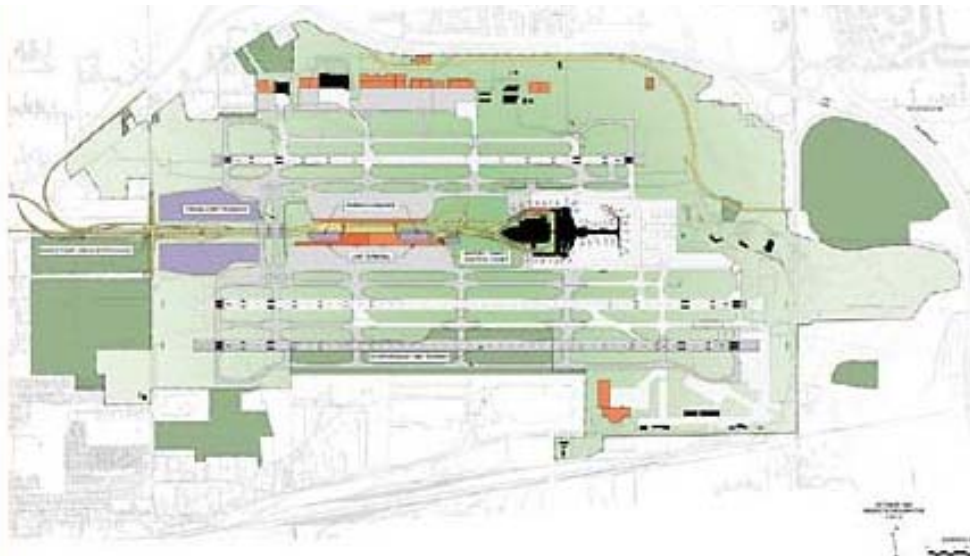


- Crossroads I-70 and I-71.
- 189 outbound flights per day to 32 non-stop destinations.
- 2 International airports.
- Over 100 trucking companies.
- 2 Class 1 rail service providers.
- 3 intermodal rail yards served by NS and CSX.



Importance of Freight to Economy

- Rickenbacker: \$1.8 billion/year
 - Rickenbacker Airport & FTZ #138 on a day-to-day operation was equal to:
 - 12 Major League Baseball franchises, or
 - 25 National Football League franchises.



- Port Columbus: \$1.9 billion/year



Central Ohio Economic Climate

- Well-diversified -- no dominant industry.
- Substantial International Investment:
 - More than 50 Japanese companies.
 - More than 73 European companies.
- Major Corporations headquartered here:
 - Cardinal Health
 - Nationwide
 - The Limited
 - American Electric Power
 - Consolidated Stores Corp.
 - Schottenstein Stores Corp.
 - Borden
 - The Longaberger Companies
 - Wal-Mart Distribution
 - FedEx Ground
- More than 700 high-tech companies call Greater Columbus home including:
 - CompuServe Inc.
 - Sterling Commerce
- R&D base of operations here:
 - Battelle
 - The Ohio State University
 - Chemical Abstracts
 - Lucent





Importance of Freight to Economy

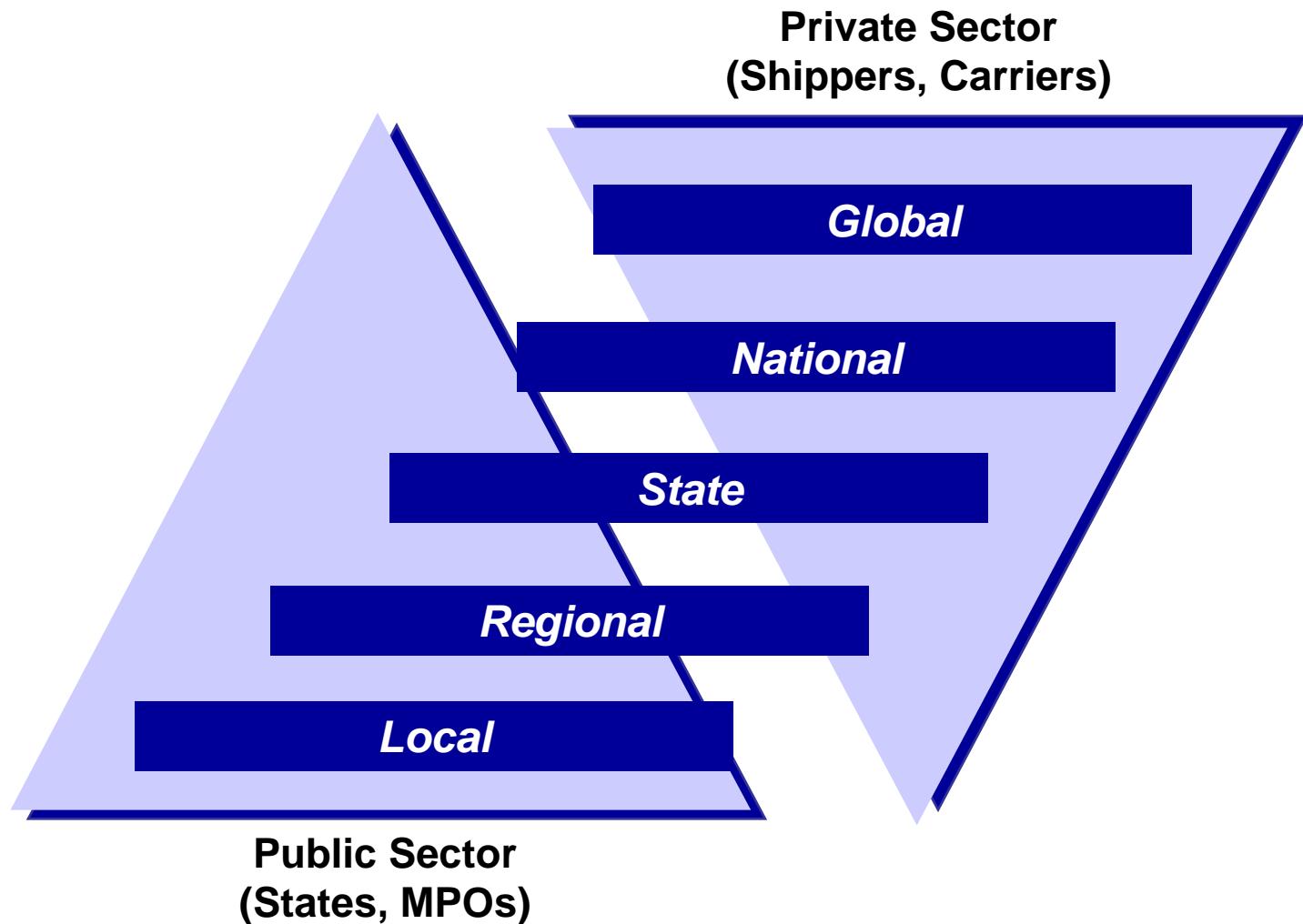
This translates into:

- More, higher-paying jobs,
- A greater tax base, and
- An improved quality of living.

As our success grows, so does the danger that we will become a victim of that success



Freight Transportation Perspectives



Freight companies rely on the transportation network MPO's plan to get THEIR job done





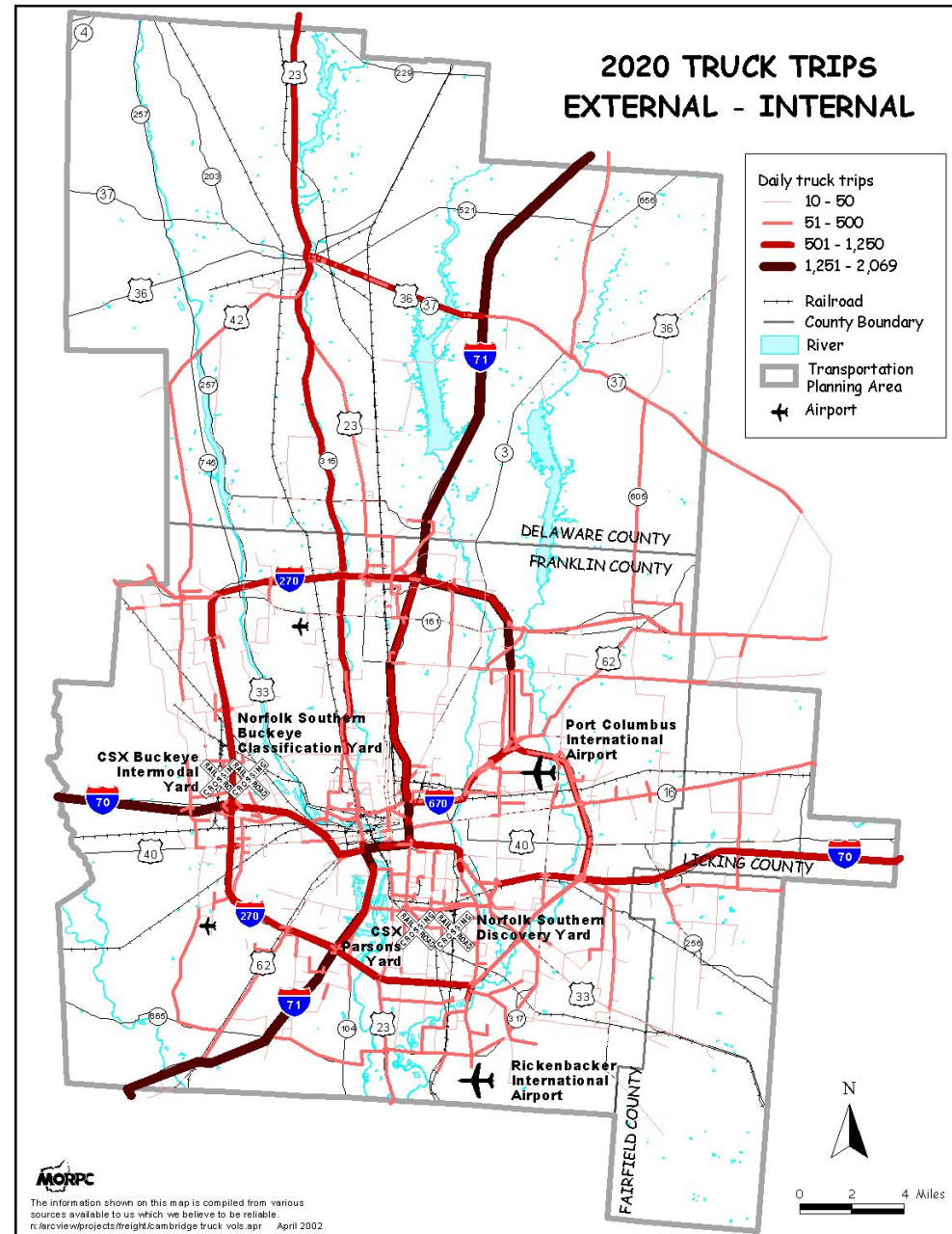
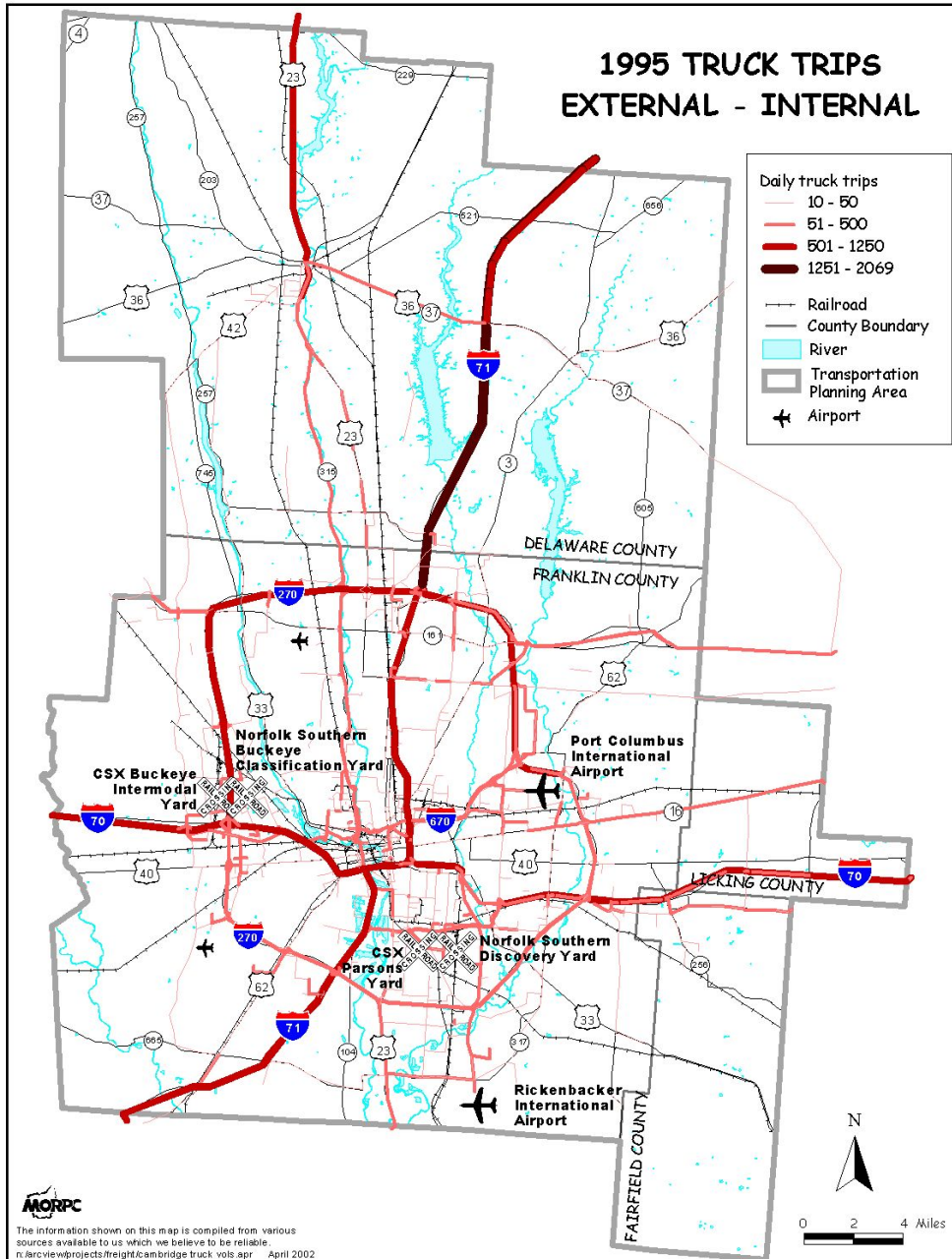
Inland Port Studies

- **Phase I:** study exploring the institutional, organizational, and regulatory impediments to freight movement in the region.
- **Phase II:** focused on institutional impediments to flows of freight in central Ohio.
- **Phase III:** documented that public investments in freight transportation projects are effective methods to achieve economic growth in the region and determined which projects would have the greatest potential to yield economic benefits to the local business community.





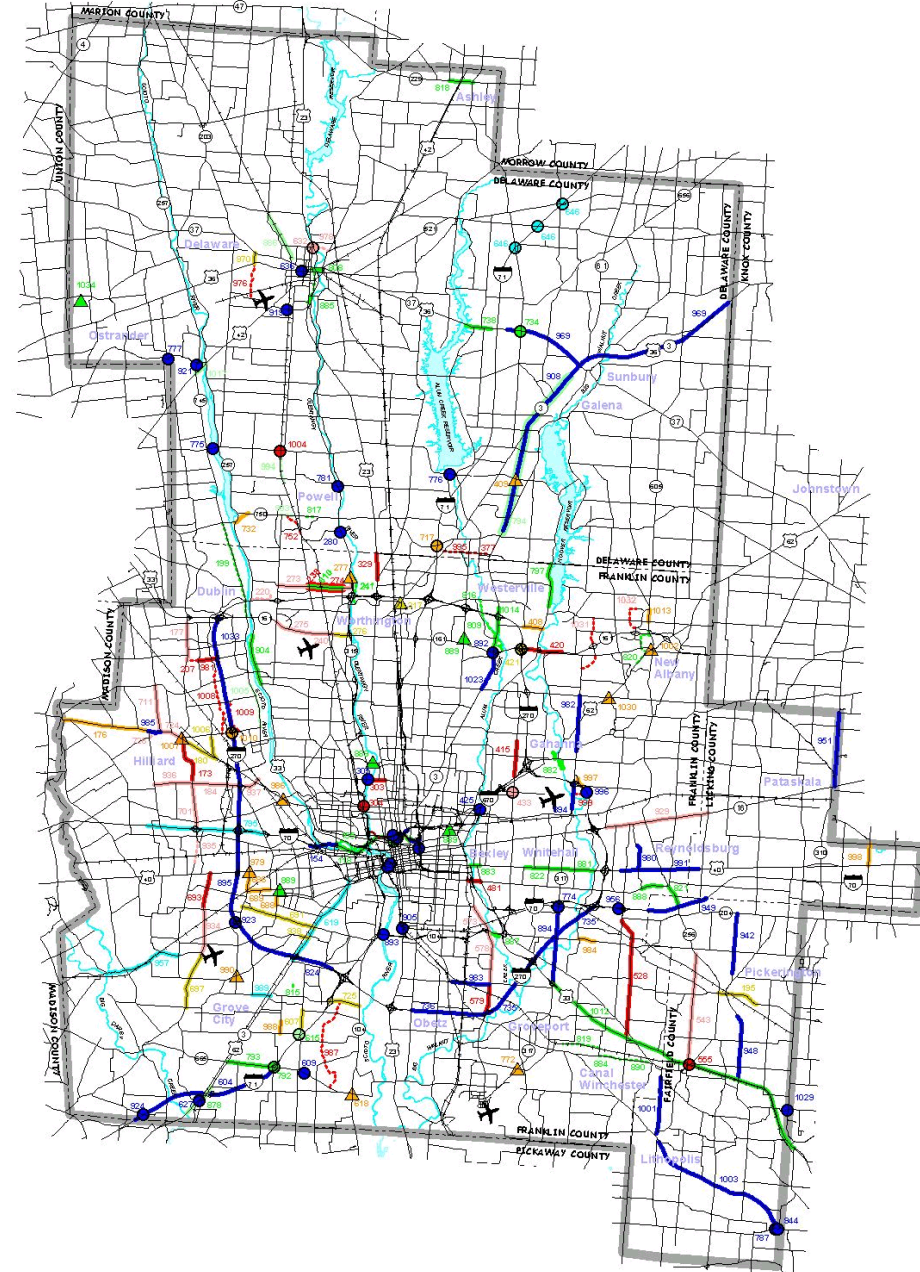
Freight Impacts on Ohio Roadways





From Data... to Planning... to Funding

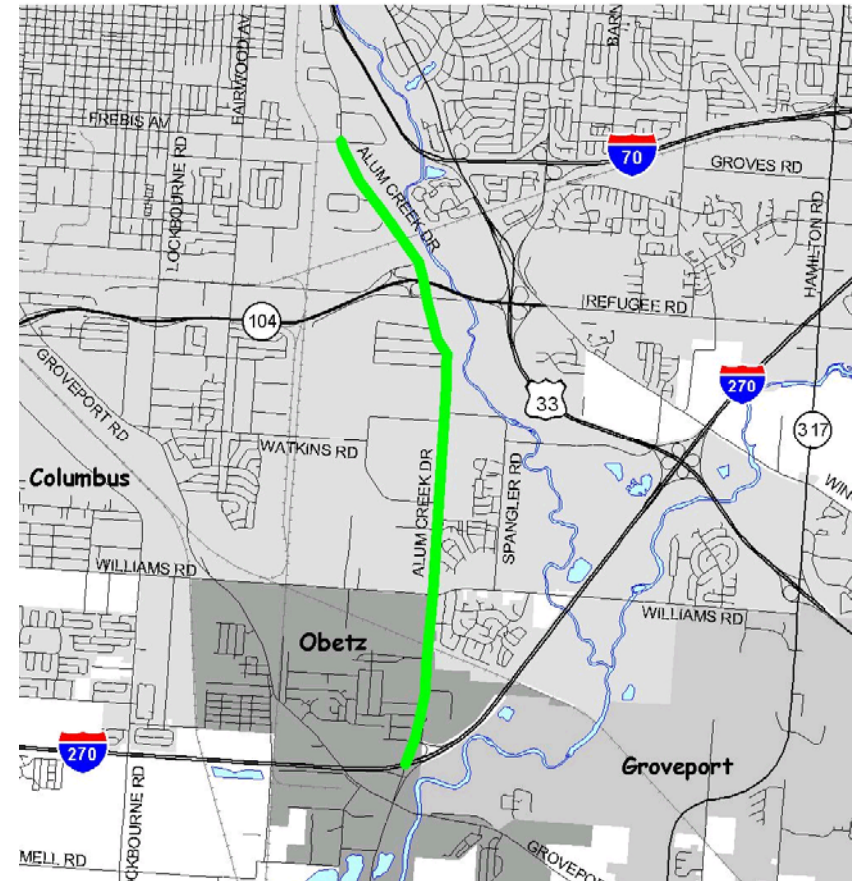
- Goal: Incorporate freight and economic development projects into MORPC's TIP update (May 2003)
- MORPC "Self Evaluation"
 - Committee Structure
 - Current Policies
- Draft new criteria and process
- Identify funding sources





From Funding... to Construction, Part 1: Alum Creek Drive

- Rallied the support of Congresswoman Pryce to be a project “Champion”
- Awarded \$4M in “High Priority” funding
- \$4M + MORPC contributions = 80% of the \$29.5M price-tag
- Cooperative effort between city of Columbus, Obetz, and Franklin County





From Funding... to Construction, Part 2: Roberts Road

- Project in “inland port” area of Buckeye Yard
- MORPC has placed in long range TIP
- Planning to pay 80% of the \$24.7M cost





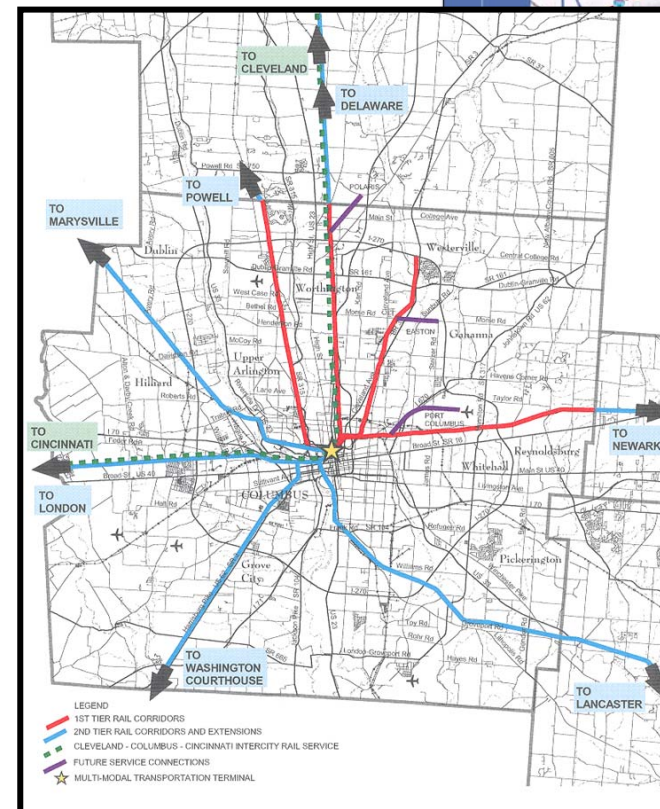
Central Ohio Regional Rail Study

- Win-win for transit authority and freight railroads
- Win-win for transportation and economic development
- Developed working relationships with NS and CSX



Central Ohio Regional Rail Study
FINAL REPORT

Prepared For:
Mid-Ohio Regional Planning Commission





Rickenbacker Intermodal Facility Development

- Largest public airport in the nation dedicated solely to cargo
- Chamber of Commerce initiative to create an “Advanced Logistics” Park
- Collocate transportation resources for ease in shipping choices
- Recapture lost business
 - 13 industrial parks (22+ million sq. ft.) currently exist in the Rickenbacker vicinity. It is estimated that the area can hold an additional 34+ million sq. ft. of development and employ an additional 25,000 people
- Redevelop existing IM Yard to “Triple Crown” service

When you think 
International Trade
think Rickenbacker





Other Ohio Programs

- Ohio Rail Development Commission
 - Grade Crossing Consolidated Program
 - Corridor Improvement Program
 - Freight Development/Rail Spur Program
 - Rail Line Acquisition Program
 - Railroad Rehabilitation Program
 - Branchline Preservation
 - Branchline Enhancement
- ODOT Rail Grade Separation Funding
 - in partnership with ORDC



Domestic Intermodal Trailer vs. Container



Presented by:

Eric F Moffett

Vermont Railway, Inc

Vermont Railway, Inc

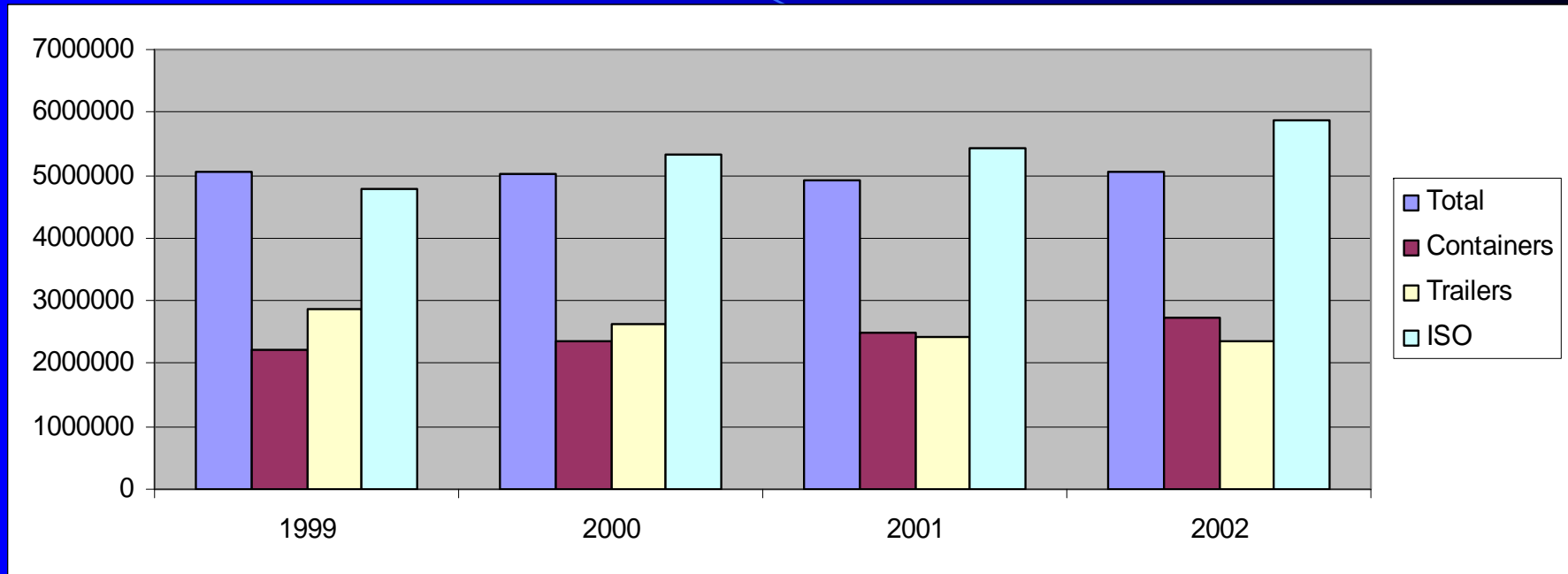
History

- 1964- Started from Bankrupt Rutland Railroad
- 1965- Started Intermodal Service
- 3rd Largest Intermodal Fleet

Present

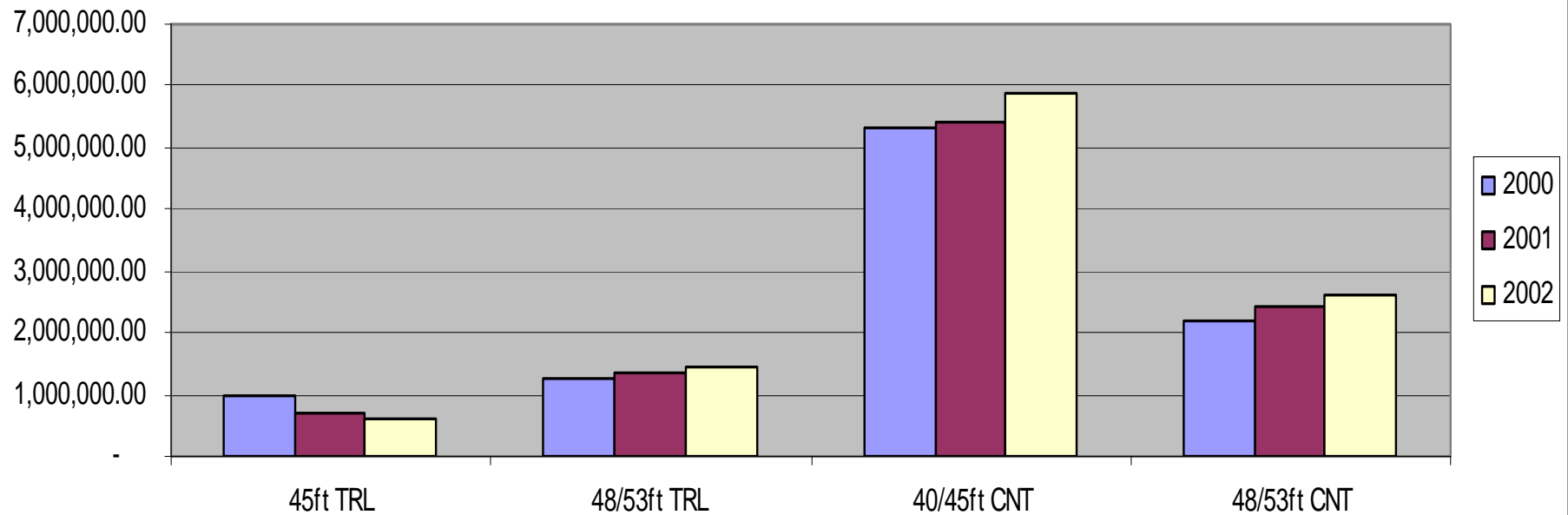
- 325 miles, 125 employees
- Intermodal Terminals: Chicago, St Louis, Memphis, NE
- Fleet: 2600 trailers nationwide (Only 53ft Rail Pool Trailer)

Four Year Domestic Intermodal Volumes



	1999	2000	2001	2002	1 yr trend	4 yr change
Containers	2,206,437.00	2,370,187.00	2,505,156.00	2,717,943.00	8%	23%
Trailers	2,860,113.00	2,642,437.00	2,413,933.00	2,345,508.00	-3%	-18%
TOTAL	5,066,550.00	5,012,624.00	4,919,089.00	5,063,451.00	3%	0%

3yr Equipment Trends



	2000	2001	2002	1yr Trend	3yr Trend
45ft TRL	988,443.00	723,199.00	595,415.00	-18%	-40%
48/53ft TRL	1,269,568.00	1,341,522.00	1,426,037.00	6%	12%
40/45ft CNT	5,329,205.00	5,416,057.00	5,870,879.00	8%	10%
48/53ft CNT	2,195,309.00	2,410,019.00	2,620,221.00	9%	19%

3PL Loading Trends

Year	Intermodal	Over-the –Road
1999	1,669,594	1,098,126
2000	1,669,299	1,009,850
2001	1,406,342	1,026,267
2002	1,373,517	1,057,558

Percentage Change:

1 year	-3%	3%
4 year	-18%	-4%

Growing Intermodal

- Short Haul Business- Present

Canadian Pacific Railway- Expressway

Florida East Coast - Hurricane Service

Vermont Railway- New England Service

- Short Haul Business-Future

Burlington Northern- Texas, California, Oregon

Keys for Future Growth

(short-haul business)

- Increased Terminal Capacity
- Multiple Frequency of Trains
- Expedited Terminal Operations
- Trailers not Containers
- State and Local Support
- Highway capacity / maintenance / safety / air quality crisis
- Balanced Lanes

PA Commodity Flows

(potential short-haul markets)

Total Annual Outbound Freight Tonnage (000 tons)

- PA 404,315
- NJ 21,538
- NY 21,365
- OH 20,576
- MD 17,412
- New Eng. 5,984

Total Annual Inbound Freight Tonnage(000tons)

- PA 404,315
- OH 19,961
- NJ 17,519
- NY 11,582
- MD 8,275
- New Eng. 4,017

WINCHESTER (Va.) STAR July 5, 2003

Study: Rail Could Ease Interstate Congestion

By Matthew Levine, The Winchester Star

Members of the Winchester-Frederick County Chamber of Commerce learned Thursday about rail alternatives to ease truck traffic on Interstate 81.

Richard Taylor, director of Rail and Freight Services for the engineering firm Wilbur Smith & Associates, discussed a study commissioned in 2000 by the Virginia General Assembly that looked into the feasibility of transferring truck traffic onto railroads.

Taylor worked with the state's Department of Rails and Public Transit and the Department of Transportation in assembling and interpreting the information collected in the study.

The problem, Taylor said, is that I-81 currently has approximately 40 percent truck traffic, while the interstate was built to carry only 15 percent.

Most of the trucks on I-81 carry cargo from Latin American countries, he said.

"The truck traffic is certainly there. Now it's a matter of whether the railroads can attract the service," Taylor said.

For rail service to be attractive, Taylor said, railroad companies must start offering lower rates, add additional terminals, and obtain federal funding to level the playing field.

Presently, truck transit is less expensive than rail because there are no road-use costs. Railroads, though, must maintain and build new tracks, which is expensive, Taylor said.

Railroads could generate more income, Taylor said, by increasing emphasis on short-haul routes of 500 miles or less. By doing so, he said, 10 to 25 percent of the truck traffic could be diverted from I-81.

To upgrade the rail system, the study estimates the costs would be \$1.2 billion in Virginia. On the other hand, widening I-81 in Virginia could cost an estimated \$3.4 billion.

The study shows that if 10 percent of truck traffic is diverted to rail, it will produce \$482 million in benefits. Diverting 25 percent of truck traffic to rail would produce \$1.2 billion in benefits.

Taylor said diverting truck traffic to rail is only part of the solution to making I-81 safer. He said action must be taken soon, because freight traffic on I-81 will double over the next 20 years.

"It will take everything we've got," Taylor said.

Questions/Comments





Delaware Valley Regional Planning Commission

*Delaware Valley Goods Movement
Task Force*

Richard L. Walker

Director Office of Intermodal Development

Maritime Administration

July 9, 2003

Contents

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- SAFETEA Freight Coverage Major Program
- Port Security Grant Program



National Initiative

- Reports and Studies
- Short Sea Shipping
- SEA-21



Reports and Studies

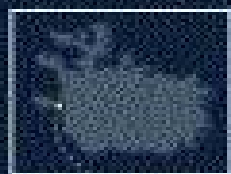
- **U.S. Chamber of Commerce**
- **SAIC Report for the MTS National Advisory Council**
- **Transportation Research Board of the National Academies**
- **California Marine and Intermodal Transportation System Advisory Council**
- **U.S. General Accounting Office Report**

Short Sea Shipping

- A system to add the needed freight capacity to accommodate the forecasted surge in freight movement
- Mitigates the reduction of congestion and the improvements of air quality

Europe's Motorways of the Sea

Short sea - feeder systems



- Coastal
- Inland
- Ocean-going

SEA-21

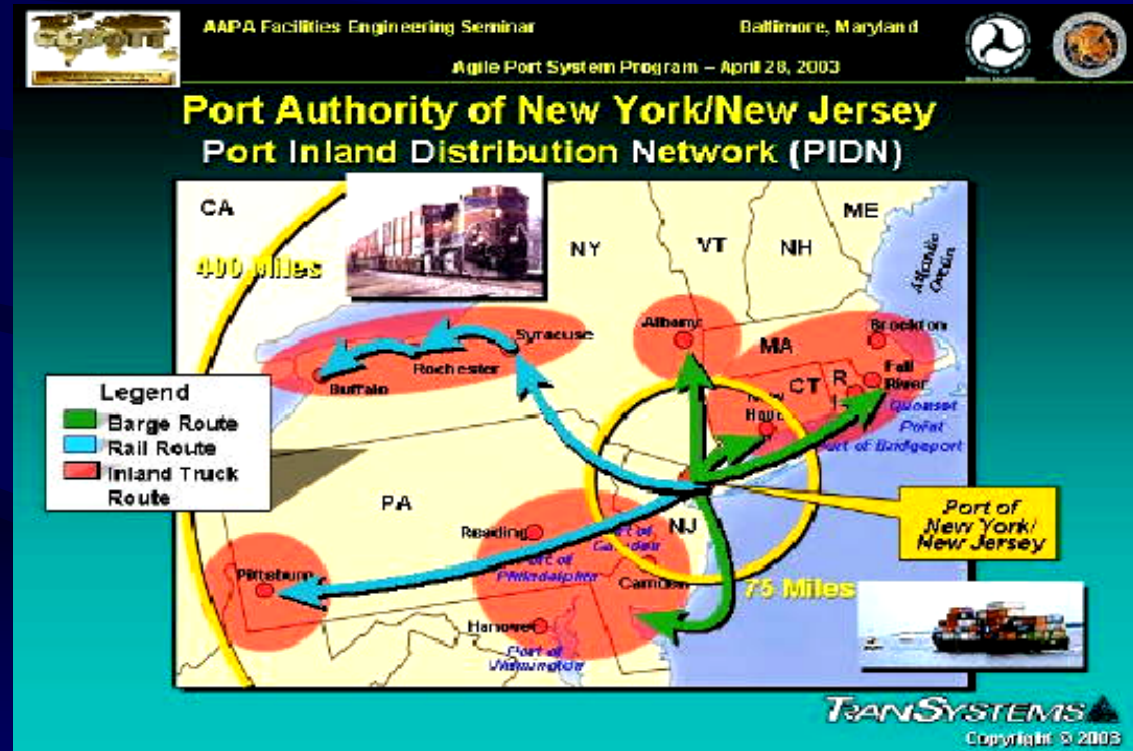
- **New Initiative**
- **Greater use of coastal, inland and Great Lakes Waterways for freight movement**



National Trends

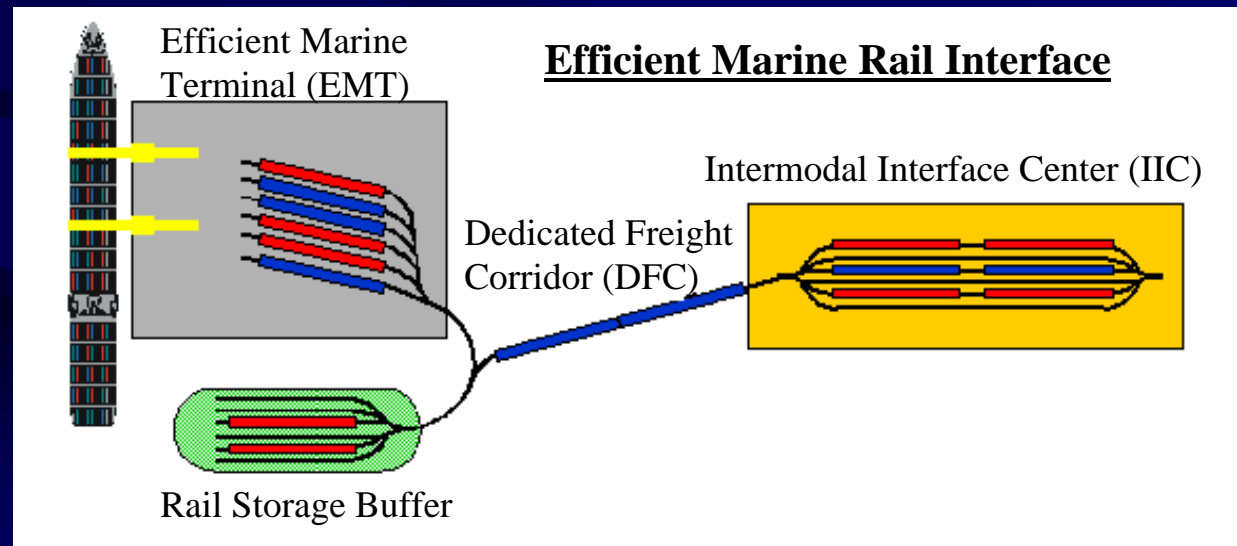
- Agile Port Systems
- Port Scheduling

Systems



Agile Port Systems

- Port Inland Distribution Network (PIDN)
- Efficient Marine Rail Intermodal Interface (EMRII)
- Regional Agile Port Intermodal Distribution (RAPID)



Port Scheduling Systems

California Experience

- A management tool that plans and accurately forecast an effective schedule for pick-ups and deliveries within a given timeframe (*eModal*)
- The State Act states that a marine terminal will receive a citation and fine of \$250 for every vehicle that idles for more than 30 minutes and will be subject to a fine of \$750 per truck per violation if the port or navigation district takes action intended to avoid these requirements
- The State Act provides an exemption for terminals that provide a *scheduling or appointment system* for truck tractors to enter the marine terminal

SAFETEA Freight Coverage Major Programs

- Continuation
- Changes

SAFETEA Freight Coverage

Major Programs

Continuation:

- Freight projects (e.g., intermodal connectors) eligibility for CMAAQ funding that contribute to improvements in air quality and congestion relief.
- Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA)

SAFETEA Freight Coverage

Major Programs

Changes:

- National Highway System set-aside to fund highway connections between the NHS and intermodal Freight facilities, such as ports and freight terminals
- Allowing rail freight projects to qualify for TIFIA credit assistance
- Lowering the TIFIA program's project threshold from \$100 million to \$50 million
- Expanding the availability of tax-exempt private activity bonds to include highway projects and freight transfer facilities
- Each State shall designate a freight transportation coordinator. The coordinator shall be responsible for fostering public and private sector collaboration needed to implement complex solutions to freight transportation, gateway problems, and etc.

Port Security Grant Program

- Transportation Security Administration (TSA)
- Maritime Administration (MARAD)
- Coast Guard Support

www.tsa.gov/interweb/assetlibrary/Grantspreadsheet.doc

Port Security Grants

Delaware River Region

- Philadelphia Regional Port Authority
- Sunoco, Inc. (3)
- Delaware River Port Authority
- Motiva Enterprises, LLC
- City of Delaware City - Police Department

“Substantial new investment in the marine infrastructure by federal, state, and local governments and by the private sector may be required because of an aging infrastructure, changes in the shipping industry, and increased concerns about security. Pressure on the federal government to bear a significant portion of these new investment costs is evident.”



United States General Accounting Office
Report to the Chairman, Subcommittee on Surface Transportation, Merchant Marine,
Committee on Commerce Science, and Transportation, U.S. Senate