Georgia Statewide Freight and Logistics Plan

prepared for

GDOT Board

Joint Intermodal/Statewide Transportation Plan/Strategic Planning Committee

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Georgia Department of Transportation
Office of Planning

Agenda

- Review background on Georgia Statewide Freight & Logistics Plan
- Discuss Georgia's key freight features
  - » Statewide perspective
  - » Key metro-level freight hubs
  - » Issues and needs
- Describe types of projects currently under analysis
- Provide feedback from private sector
- Describe next steps

Background on Freight & Logistics Plan

Commission for New Georgia (CNG) Task Force

A VISION FOR GEORGIA

The task force recommends the State of Georgia adopt the following vision for freight and logistics:

GLOBAL GATEWAY of CHOICE

Georgia will be the global gateway of choice, providing reduced time to market, superior supply-chain efficiency and reliability from origin to end customer.

A MISSION FOR THE STATE

The task force recommends the State of Georgia adopt the following mission for freight and logistics:

FREIGHT & LOGISTICS MISSION	*The State, in partnership with private sector and local and federal governments, will identify and promote the implementation of activities that* ***improve the capacity, capability, and connectivity for today's supply chains.*** *This will leverage intermodal freight connectors to destinations both inside and outside of Georgia to generate a competitive advantage that benefits Georgians.*

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Background on Freight & Logistics Plan

Project Understanding

Develop Statewide F&L Plan to:

- **Continue progression of CNG and IT3 initiatives**
- **Maximize freight's economic development potential**
- **Identify funding strategies to advance freight program**

Background on Freight & Logistics Plan

Potential Benefits to Georgia Economy

If Georgia can regain its historical 21% market share of the southeast's freight-related industries…

… the State would gain $20 billion in economic output over the next ten years

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Background on Freight & Logistics Plan

Update on Work Tasks

Plan Development Advisory Committee and Stakeholder Outreach (Task 1)

Making the Business Case for Freight & Logistics (Task 2)

- Link F&L Plan to Statewide Strategic Transportation Plan
- Identify high-level benefits of logistics industries

Complete

Strategic Freight and Logistics Framework (Task 3)

- Freight supply/ demand analysis
- Identify strategic freight network

Complete

Economic Evaluation and Projection (Task 4)

- Refine forecasts with private sector
- Describe economic value of freight investment

Draft 99% Complete

Recommend-ations and Project Evaluation (Task 5)

- Develop freight performance measures
- Prioritize projects and packages

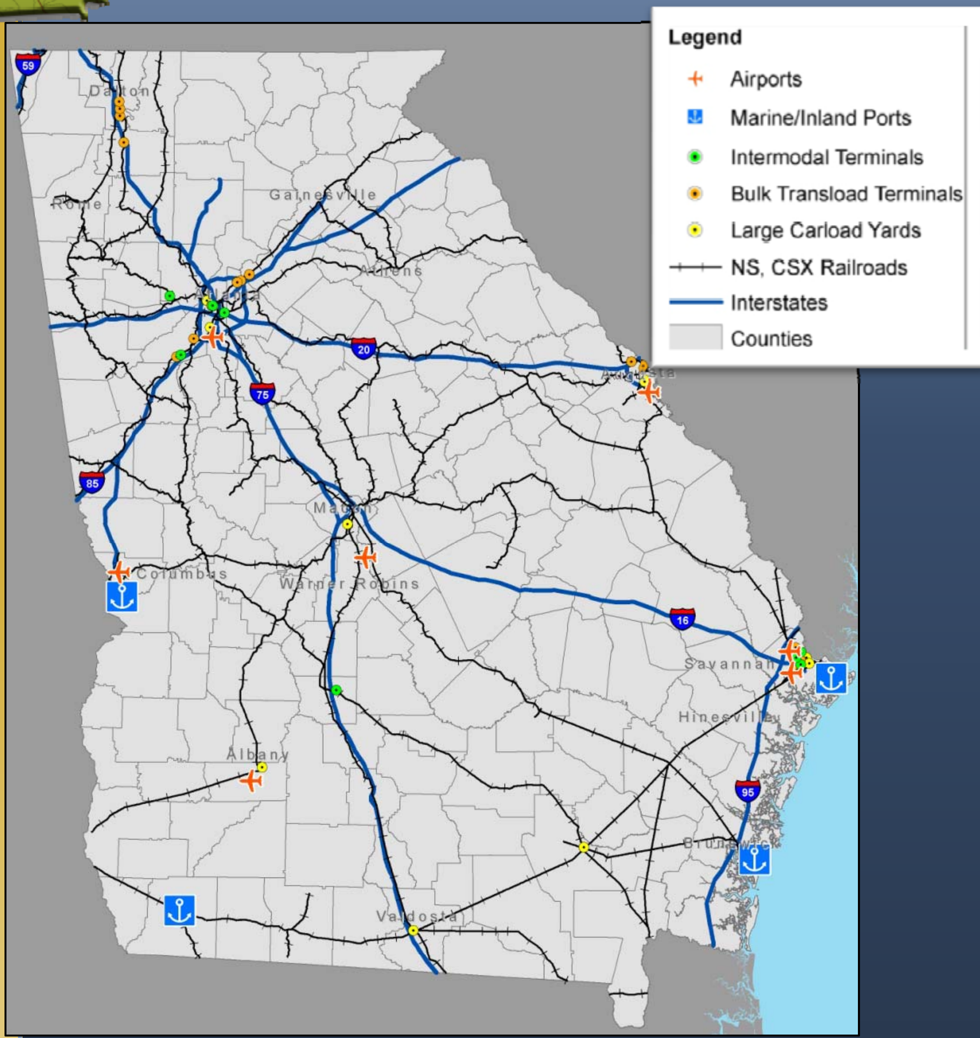
In-Progress

Freight and Logistics Action Plan

Complete in Fall/Winter 2011

Statewide Perspective

Georgia's World-Class Freight Infrastructure

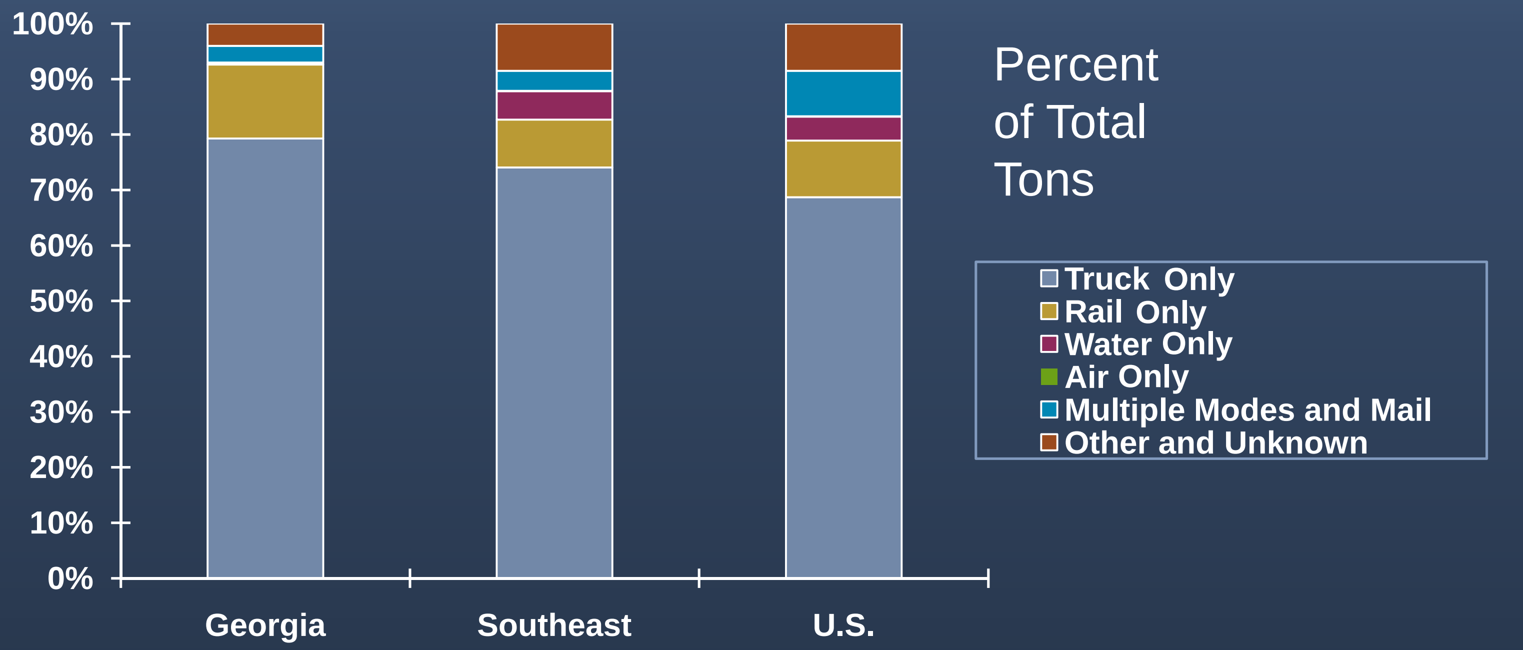


- **4th busiest and fastest growing container port in the U.S.**
  - **2nd largest container port for exports by tonnage**
- **3rd busiest U.S. port for auto imports in Brunswick**
- **Atlanta is SE rail hub for NS, CSX**
- **Atlanta is SE distribution center hub for many truck-based logistics operations**
- **10th busiest U.S. air cargo airport**
- **Includes Georgia's newest intermodal rail yard in Cordele**

Source: Consultant analysis.

Statewide Perspective
Freight Mode Distribution

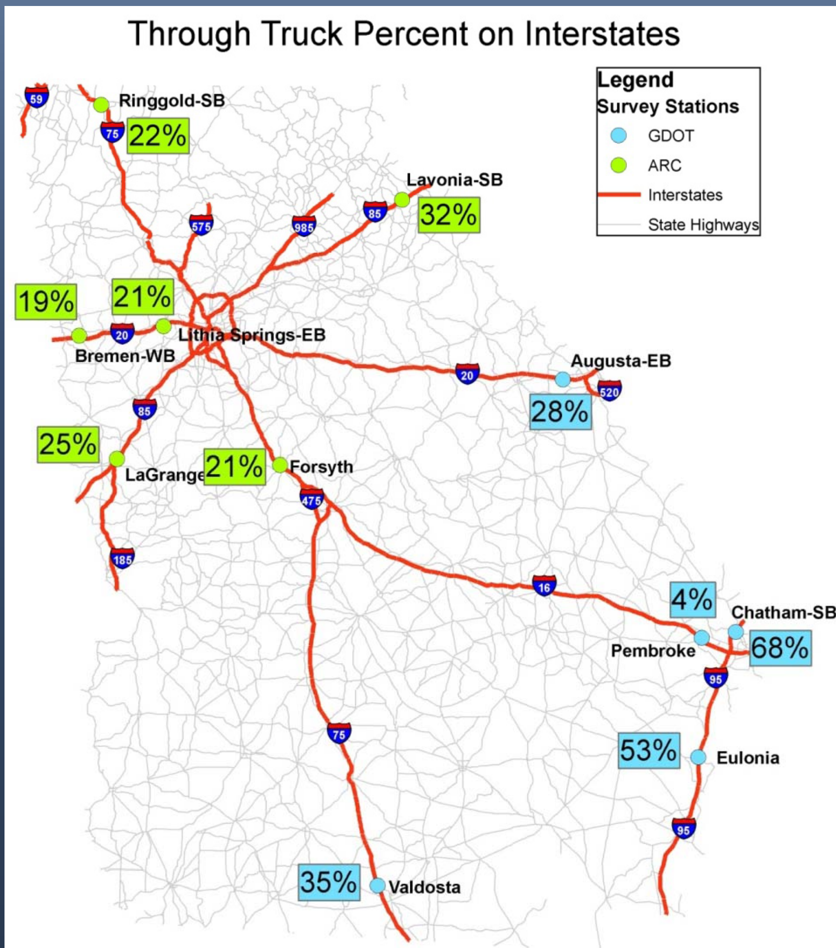
- Trucks dominate freight movement in Georgia and in the U.S.
- Georgia's modal distribution is characterized by relatively
  - » Higher truck mode share
  - » Higher carload (non-intermodal) rail mode share
  - » Lower inland waterway flows share

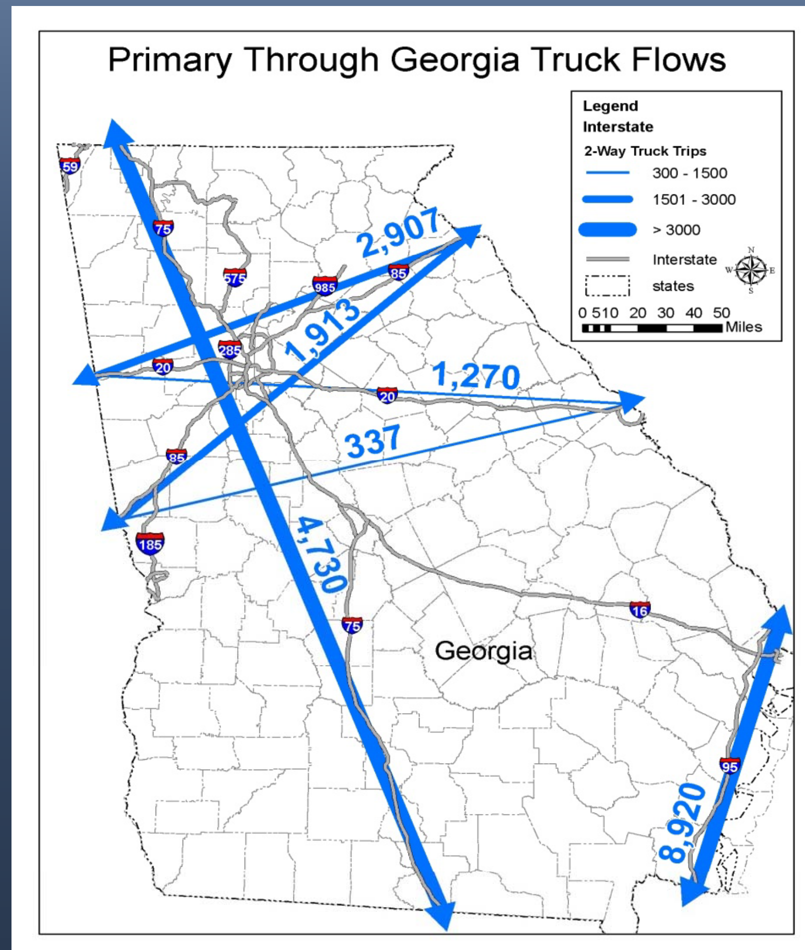


Source: FHWA FAF 2007 data.

Statewide Perspective
Through Truck Trips

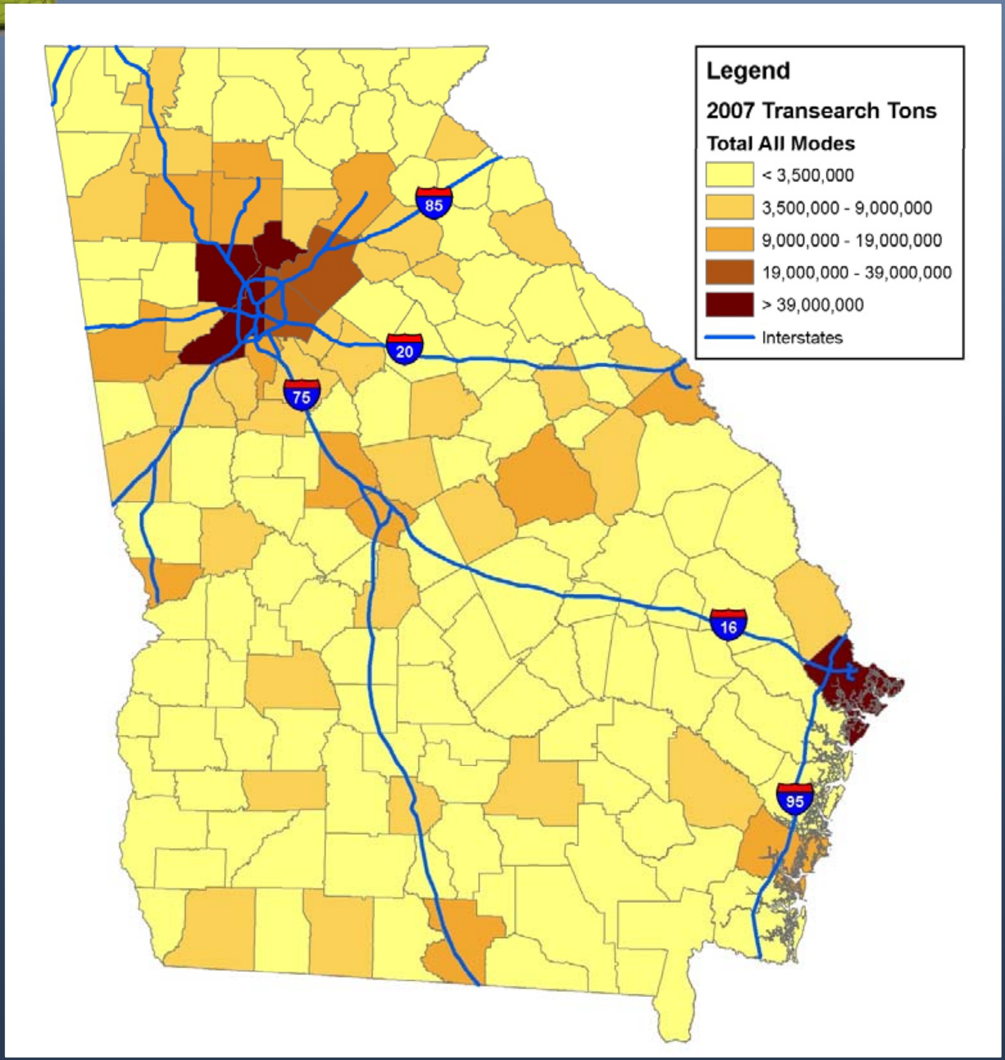
- **30% of the truck tonnage in the state are from through trucks**





Source: GDOT Travel Demand Model Output, February 2010 version, GDOT, ARC Roadside Truck Surveys.

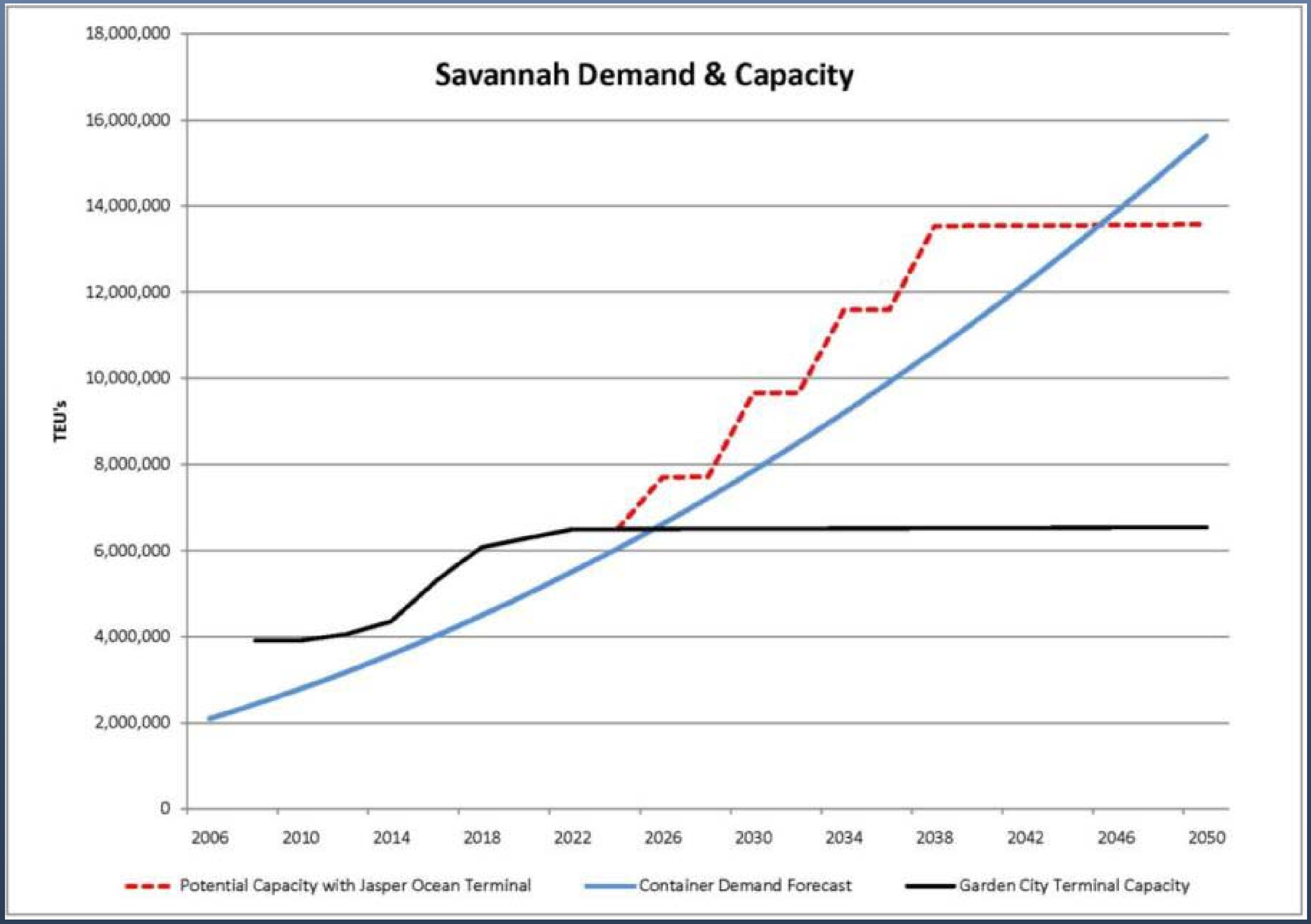
Statewide Perspective
Georgia's Primary Freight Hubs



- The vast majority of freight flows in the state are generated at two hubs
  - Savannah
  - Atlanta Metro Region

Source: 2007 TRANSEARCH data.

Key Freight Hubs - Port of Savannah
Unconstrained Container Growth

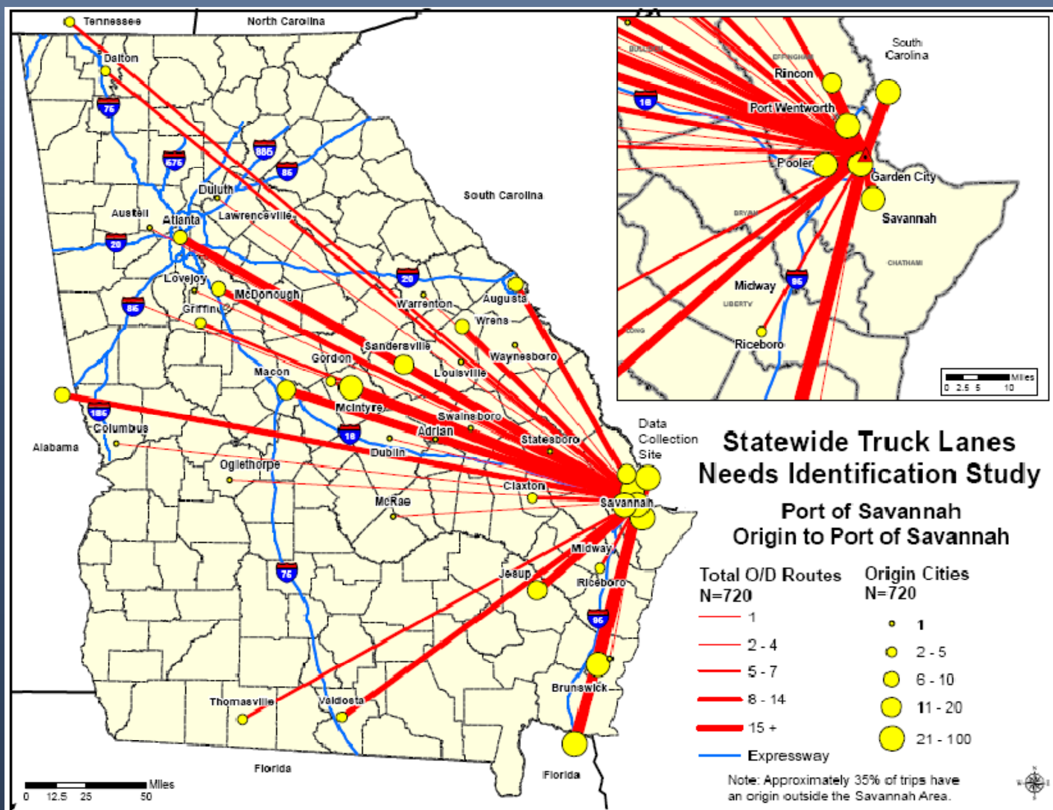


- **Number of containers moving through Savannah could more than triple depending on growth of the Savannah port complex**

Source: Moffat & Nichol.

Key Freight Hubs - Port of Savannah

Truck Origin-Destination Patterns



- **Port generates roughly 8,000 trucks daily**
- **Over 60% of trucks to/from a warehouse near port**
  - **Later distributed across GA and U.S.**
- **Both local and long-haul roads are critical to the port's continued growth**

Source: GDOT Statewide Truck Lane Needs Identification Study Truck Origin-Destination Surveys, 2005.

Key Freight Hubs - Port of Savannah

Rail Origin-Destination Patterns

Trading Partner	Rail Intermodal Tons	Percent of Total
Atlanta	1,056,240	33%
TN	889,600	28%
FL	375,240	12%
NC	234,800	7%
Rest of U.S.	636,288	20%
Total	3,181,440	100%

Trading Partner	Rail Carload (Non-Intermodal) Tons	Percent of Total
Rest of GA	5,181,072	49%
NC	775,212	7%
FL	731,932	7%
VA	583,613	6%
Atlanta	305,872	3%
Rest of U.S.	2,732,460	26%
Total	10,509,462	100%

- **For rail intermodal, the rail connection between Savannah and Atlanta is critical**
- **Rail carload freight is key for Georgia's bulk exporters (e.g. agriculture, kaolin)**

Source: 2007 TRANSEARCH data.

Key Freight Hubs - Atlanta Metro

2nd Largest "Inland Port" in U.S.

- **Atlanta is 5th largest metropolitan region for total freight**

Top Metropolitan Regions for Freight Tonnage	Total Tons (millions)
Houston, TX	976,088
Los Angeles-Long Beach, CA	860,836
Chicago, IL*	636,160
San Francisco-Oakland, CA	431,578
Atlanta, GA*	428,103
New Orleans, LA	406,461
Dallas, TX *	361,445
New York, NY	344,832
Miami, FL	324,128
Seattle, WA	294,384

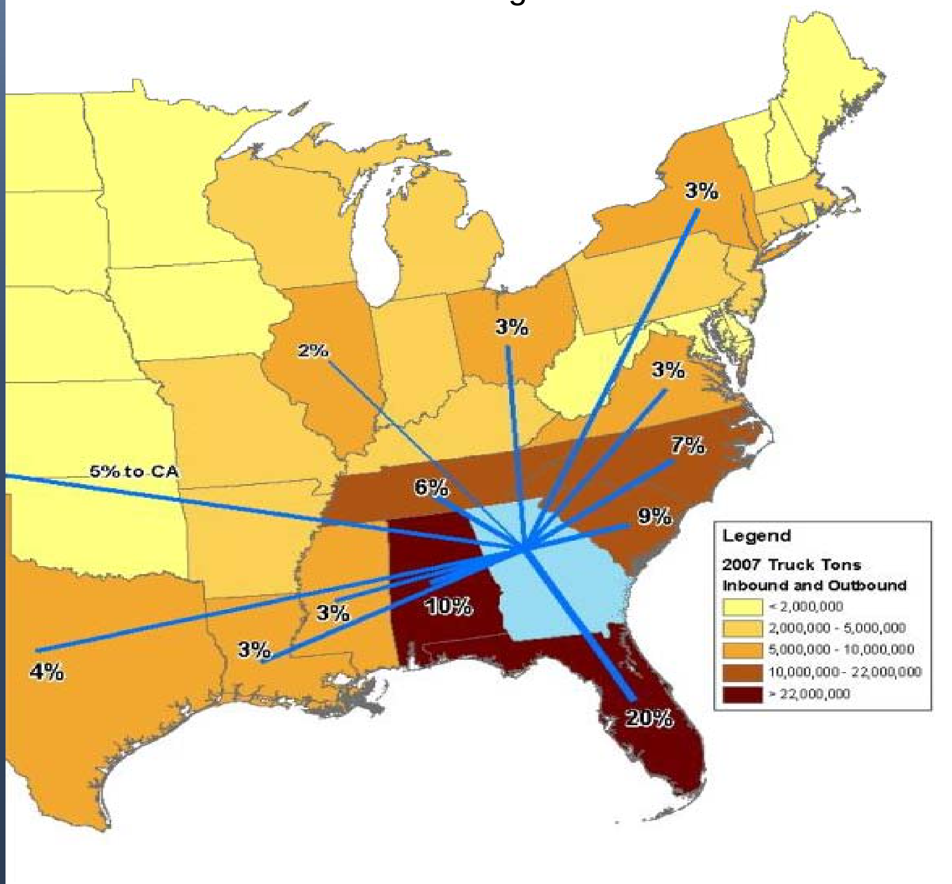
Source: 2007 BTS Commodity Flow Survey.

* Inland ports

Key Freight Hubs - Atlanta Metro Freight

Truck and Rail Trip O-D Patterns

Truck Flows between Atlanta Region and External States



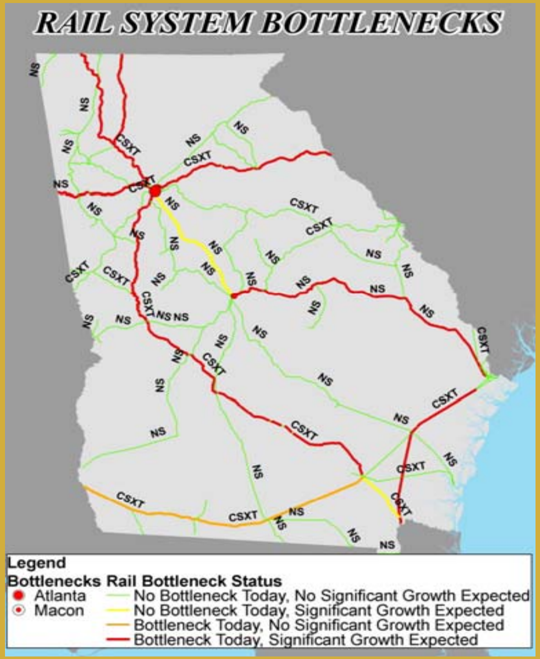
- Truck and rail trips to/from Atlanta are dispersed throughout the southeast
  - » Over half of all truck tons go to/from neighboring states
  - » Freight rail goes to/from AL, KY, VA, IL, LA & throughout the U.S.

Source: 2007 TRANSEARCH data.

In Summary
Key Issues and Needs

- **Capability**
  - » **Need to deepen Savannah Harbor to accommodate Post-Panamax ships**
  - » **Deficient rail weights and heights for shortline railroads**
- **Capacity**
  - » **Rail congestion will worsen on key tracks**
  - » **Corridor-level congestion in Atlanta**
- **Connectivity**
  - » **Operational performance of roads connecting to key intermodal facilities**
    - – **Intermodal rail yards, Savannah port, Atlanta airport**

Sample Capacity Issues on Rail Network

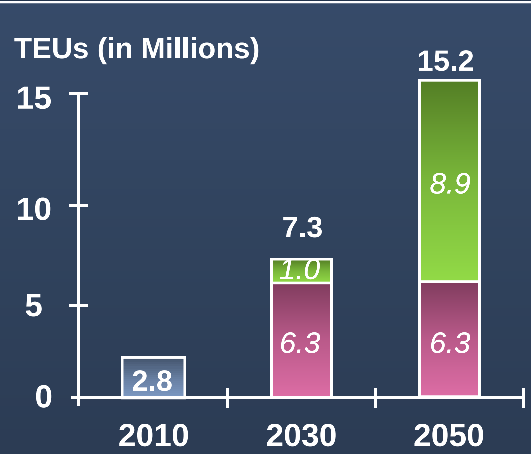


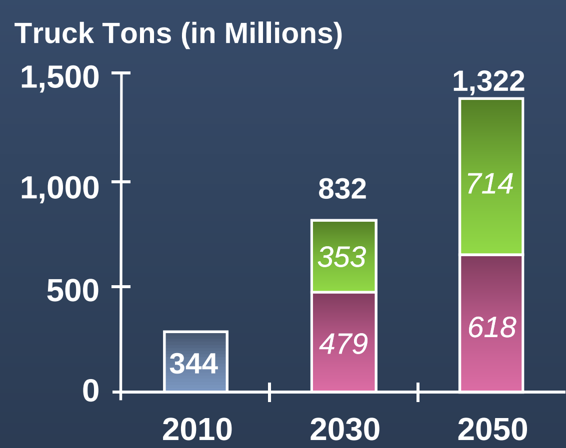
Source: Interview w/ Class 1 RRs, Transearch data, Consultant analysis

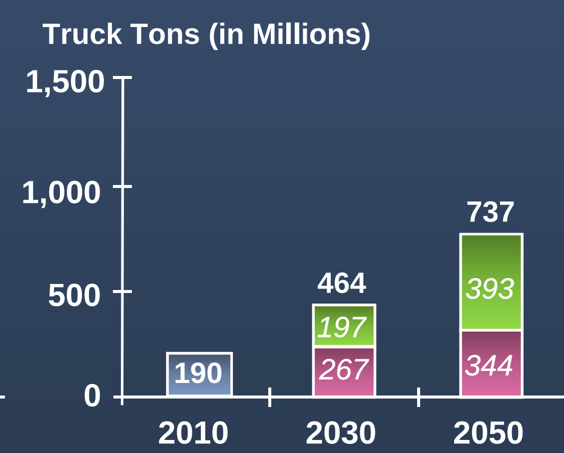
Future Georgia Highway Demand
Opportunity Curves

	Port of Savannah	Atlanta Metro	Through Trucks
Medium Growth Scenario	"Build out" current terminal	2.0% annual growth Growth in 1990s and 2000s	2.0% annual growth Growth in1990s and 2000s
High Growth Scenario	"Build out" current terminal and Develop Jasper Port	3.9% annual growth Growth in 1980s and 1990s	3.9% annual growth Growth in 1980s and 1990s

Medium Growth High Growth







Source: Port of Savannah, 2007 IHS/Global Insight TRANSEARCH data, Consultant analysis.

Samples of Projects Currently Under Analysis

- Highway
  - Long-haul interstate corridors
  - Interstate interchanges
  - Atlanta and Chattanooga bypasses
  - Safety-related projects
  - GRIP projects
- Rail-related projects
  - Atlanta rail bypass
  - NS Crescent Corridor
  - Savannah-Macon track improvements
  - Last-mile road projects
- Port-related projects
  - Last-mile road projects
- Airport-related project
  - Last-mile road project

Feedback from Private Sector

- Moving trucks in, out and around Atlanta is key
  - Interstate mobility is critical
- Georgia is one of the higher cost states based on truck registration fees and truck ad valorem taxes
- Belief that they already pay a lot in taxes and user fees, but not all money is allocated to transportation system
- Willing to pay more, but want the funds dedicated to freight transportation

Next Steps

- **Complete draft project evaluation – November 30th**
  - **Includes traffic impacts, B/C ratios and return on investment analysis, where feasible**
- **Complete draft recommendations – December 30th**
- **Develop Freight & Logistics Action Plan**
  - **Will include implementation plan**
  - **Based on feedback from draft deliverables**