



# State Freight & Logistics Plan: Industry Forum

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# Office of Procurement

## Introductory Remarks

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# Georgia's Freight and Logistics

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## A Business Plan for Infrastructure

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# Today's Discussion

1. Overview of Freight-Related Facts
2. Trends, Opportunities, and Challenges
3. Path Forward: Draft Scope of Work

# Overview of Freight-Related Facts

# Governor Kemp's Strategic Goals and GDOT's Priorities



## Governor Kemp's Vision for Georgia

Put hardworking  
Georgians first  
through streamlined,  
accessible, and  
fiscally responsible  
government.

### **Make Georgia #1 for Small Business**

*GDOT will focus on supporting the following priorities:*

- Expand Georgia's role as a world-renowned hub for global commerce
- Develop a skilled workforce to meet current and future needs across the industry spectrum
- Ensure taxpayers can easily navigate and find necessary information through government interfaces

### **Reform State Government**

*GDOT will focus on supporting the following priorities:*

- Maximize taxpayer value with conservative budgeting
- Expand public-private partnerships and leverage technology to best utilize limited State resources

### **Strengthen Rural Georgia**

*GDOT will focus on supporting the following priorities:*

- Increase rural broadband access for economic growth
- Deploy regional strike teams to areas with economic challenges or lessening populations to collaborate with local leaders and seek opportunities for growth

### **Put Georgians First**

*GDOT will focus on supporting the following priority:*

- Improve transportation safety and security

# Statewide Strategic Transportation Plan (SSTP): Business Case for Investment

Georgia's SSTP was the first GDOT plan to make a **business case for transportation investment, based on economic outcomes**

- Describes how GDOT plans to invest ~**\$2.38 billion average per year<sup>†</sup>** in Georgia's transportation system through 2050
- Establishes foundational, catalytic, and innovation investment strategies for three portfolios, including **freight and logistics mobility across Georgia**

2021 GDOT Statewide Strategic Transportation Plan, Page ES-6

## SSTP: Statewide Freight and Logistics – *GDOT Commitments*

### Plans, Programs, Projects

- Update **Georgia Statewide Freight and Logistics Infrastructure Plan**; determine need for additional freight programs and partnerships, as well as investments and improvements
- Update **State Rail Grade Crossing Safety Action Plan**
- Identify strategies for improving **intermodal connectivity**
- Continue evaluating options to improve freight movement in areas of **Ports of Savannah and Brunswick**
- Explore **discretionary federal funding** opportunities (e.g., INFRA)

### Partnerships

- Explore **truck parking partnerships**
- Collaborate with **rural strike teams** to pursue freight and logistics projects
- Collaborate with **Atlanta Regional Commission and other MPOs** on **metropolitan and regional freight mobility planning**
- Identify strategies to support **broadband connectivity** for freight facilities
- Explore R&D and pilot tests for **freight technologies** (commercial vehicle/ rail safety, first/last mile, platooning, etc.) and **supply chain resilience**
- Continue and expand **industry partnerships**

### Performance

- Enhance **economic impact/return on investment** capabilities for freight projects
- Benchmark Georgia's **competitiveness** relative to other global hub states
- Develop policy framework and performance measures for **freight fluidity**



## Georgia Rural Transportation Opportunities

- **83%** of Georgia's new private investment between July 1 – Oct. 31, 2020 was outside of metro Atlanta
- **82%** of Georgia's structurally deficient bridges are in rural areas
- **82%** of Georgia's public road miles are locally-owned

# Georgia Freight by the Numbers

- Total truck volume on the State Route System: **24.9 million daily**
  - Total truck volume on the State Freight Network (SFN): **18.3 million daily**
- **73%** of truck traffic on the State Route System travels on the State Freight Network
- **22%** of the State Route System's centerline miles are on the State Freight Network
- **63** Georgia Ready for Accelerated Development (GRAD) sites are located **within** a 5-mile radius of a State Freight Network route
- **208 of Georgia's 374 (55%) structurally deficient bridges** are on rural local roads
- **Over 315 million tons** of freight originated and stayed within Georgia in 2017, valued at more than **\$292 billion**
- Georgia's total active rail mileage: **4,765 miles**
  - **5,044** public rail crossings across Georgia as of January 2020

## 2020 Top States

by Most Top Micropolitan Areas

	State	Count	Projects
1	Ohio	25	99
2	Texas	20	32
3	Georgia	16	46
4	Indiana	15	27
T5	Kentucky	14	40
T5	North Carolina	14	36
T7	Kansas	10	20
T7	Mississippi	10	19
9	Minnesota	9	12
T10	Illinois	8	15
T10	Missouri	8	10

Source: Conway Projects Database

## US's Top Micropolitan Areas for Site Selection\*

Georgia's towns include:

- Jefferson (2<sup>nd</sup>)
- Calhoun (tied for 17<sup>th</sup>)
- Bainbridge & Dublin (tied for 21<sup>st</sup>)
- Fitzgerald & LaGrange (tied for 32<sup>nd</sup>)
- Americus, Thomasville & Waycross (tied for 55<sup>th</sup>)

\*<https://siteselection.com/issues/2021/mar/2020-top-micropolitans-the-nations-top-performing-micropolitan-areas-unmask-opportunities-in-tough-times.cfm>

# A History of Innovation – Georgia's Award-Winning Freight & Logistics Action Plan



First adopted in 2012

- Developed in cooperation with private-sector stakeholders

Revised for federal FAST Act compliance in 2017, for FHWA approval in January 2018

*Next federally-compliant version to be completed and submitted to USDOT in January 2023*

# Georgia's Current Freight Vision and Mission

## Vision Statement

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

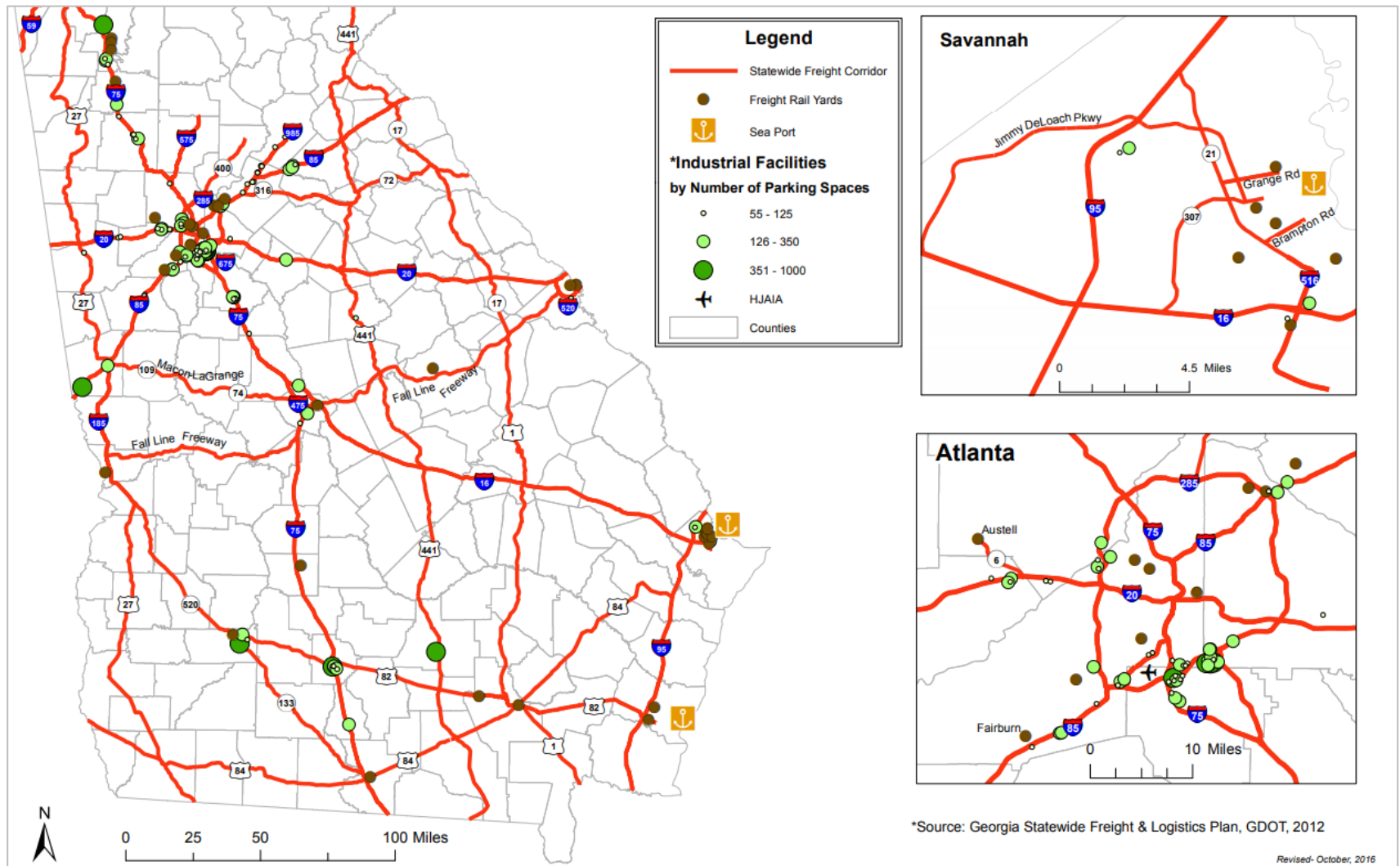
## Mission Statement

*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** of 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.*

## Savannah/Atlanta Freight Flow Relationship

<b>MODE</b>	<b>BETWEEN METRO ATLANTA AND PORT OF SAVANNAH</b>	<b>BETWEEN METRO ATLANTA AND REST OF CHATHAM COUNTY</b>	<b>TOTAL BETWEEN METRO ATLANTA AND CHATHAM COUNTY</b>
Loaded Trucks Annual	71,532	31,967	103,499
Loaded Trucks per Day	286	128	414
Total Trucks Annual	162,500	72,750	235,250
Total Trucks Per Day	650	291	941
Number of Intermodal Trains Per Day	3	0	3

**GDOT partners with Georgia MPOs – including the Atlanta Regional Commission – to coordinate freight planning initiatives**



# Trends, Opportunities, and Challenges



# National Freight Strategic Plan (NFSP)



## NFSP Vision

“The freight transportation system of the United States will strengthen our economic competitiveness with safe and reliable supply chains that efficiently and seamlessly connect **producers, shippers, and consumers** in domestic and foreign markets.”

- Inform State freight plans
- Improve cross-sector and multimodal collaboration
- Enhance intermodal connectivity and first- and last-mile connections
- Support multi-state investment
- Identify bottlenecks and strategies to mitigate congestion and improve travel-time reliability

# National Freight Strategic Plan (NFSP)

## Trends & Opportunities



### **GROWING POPULATION AND ECONOMY**

The population and economy of the United States are growing at a steady pace contributing to increased demand for freight. The fastest growing regions of the country are primarily in southern and western States.



### **DIVERSIFYING GLOBAL SUPPLY CHAINS**

International trade is growing and supply chains are becoming increasingly global, increasing congestion at ports, border crossings, and on the infrastructure that connects these trade gateways to the broader transportation system.



### **CHANGING URBAN-RURAL DYNAMICS**

Furthering a long-term trend, the population of the United States is becoming more concentrated in increasingly congested metropolitan areas, creating challenges for delivery of goods. Declining rural populations must support critical freight corridors, while providing essential goods to sustain urban markets.



### **INCREASING E-COMMERCE**

Online shopping is rapidly increasing as a share of retail sales, creating new demands for faster and cheaper delivery of goods straight to consumers. This trend is changing land use patterns and contributing to increased truck traffic and competition for curb space in residential areas.



### **ADVANCING TECHNOLOGY**

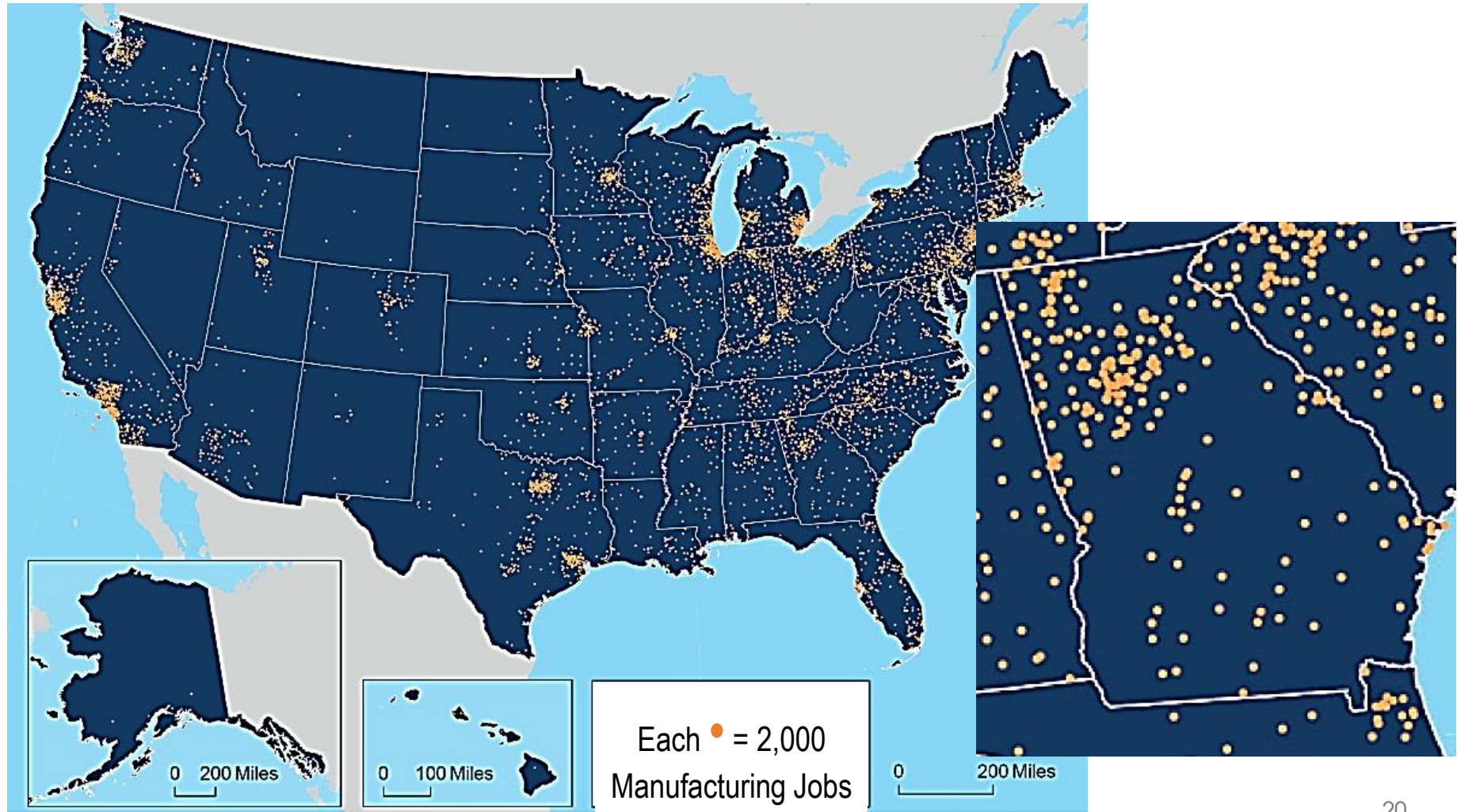
Emerging technologies from automation to delivery drones to the Internet of Things have the potential to transform the freight industry, disrupting old business models and changing the nature of freight jobs.

# Georgia's Population Growth

Projected to grow to 12.8M by 2040,  
lifting ranking from 8<sup>th</sup> to 5<sup>th</sup> largest

YEAR	GEORGIA POPULATION
2000	8,186,453
2010	9,687,653
2020	10,725,351
<b>2030</b>	<b>11,835,126</b>
<b>2040</b>	<b>12,820,271</b>

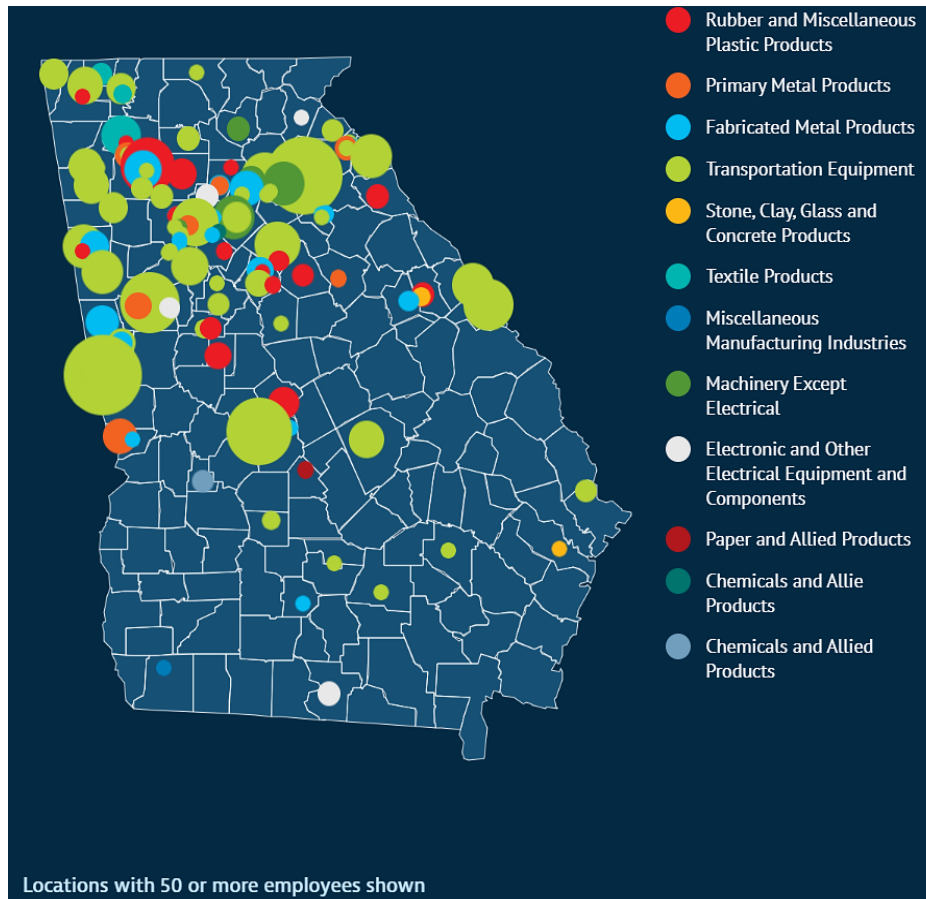
# Rural-Urban Dynamics: Manufacturing Jobs by County



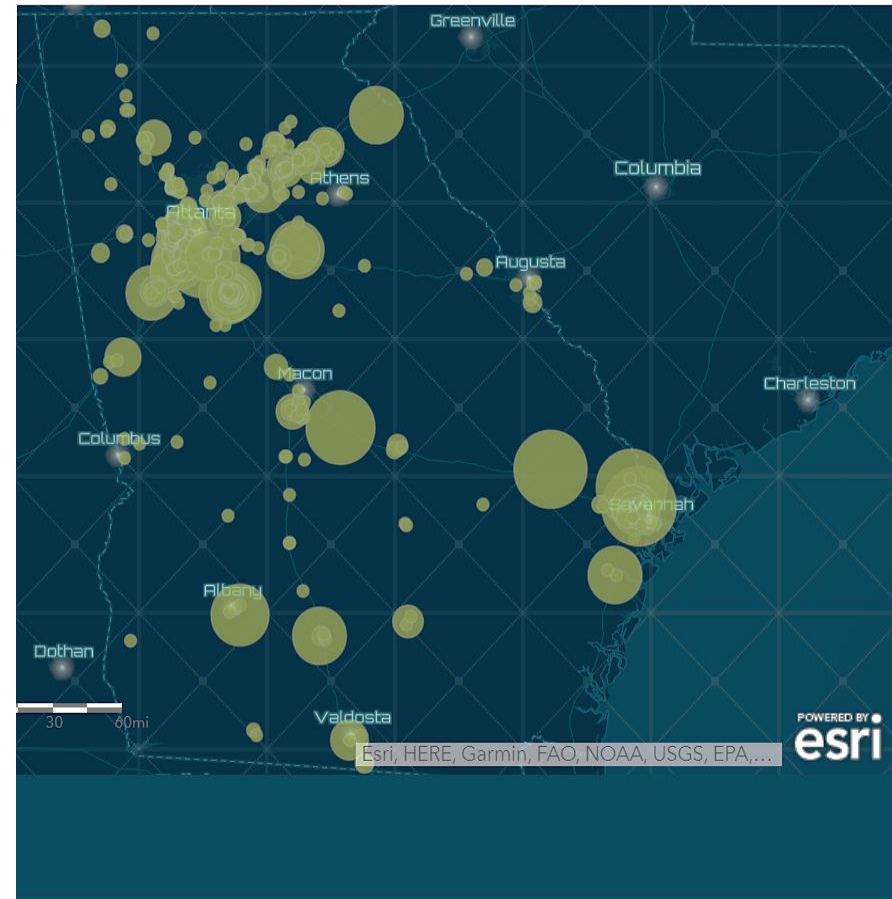


# Supply Chains' Rural-Urban Interdependency

## AUTOMOTIVE MANUFACTURING



## WAREHOUSING AND DISTRIBUTION



# Georgia's Economic Development Results in FY2020

**350 Companies expanded or located in Georgia, announcing \$7.43 billion in investment**

- \$6.9 billion (93%) are logistics-enabled

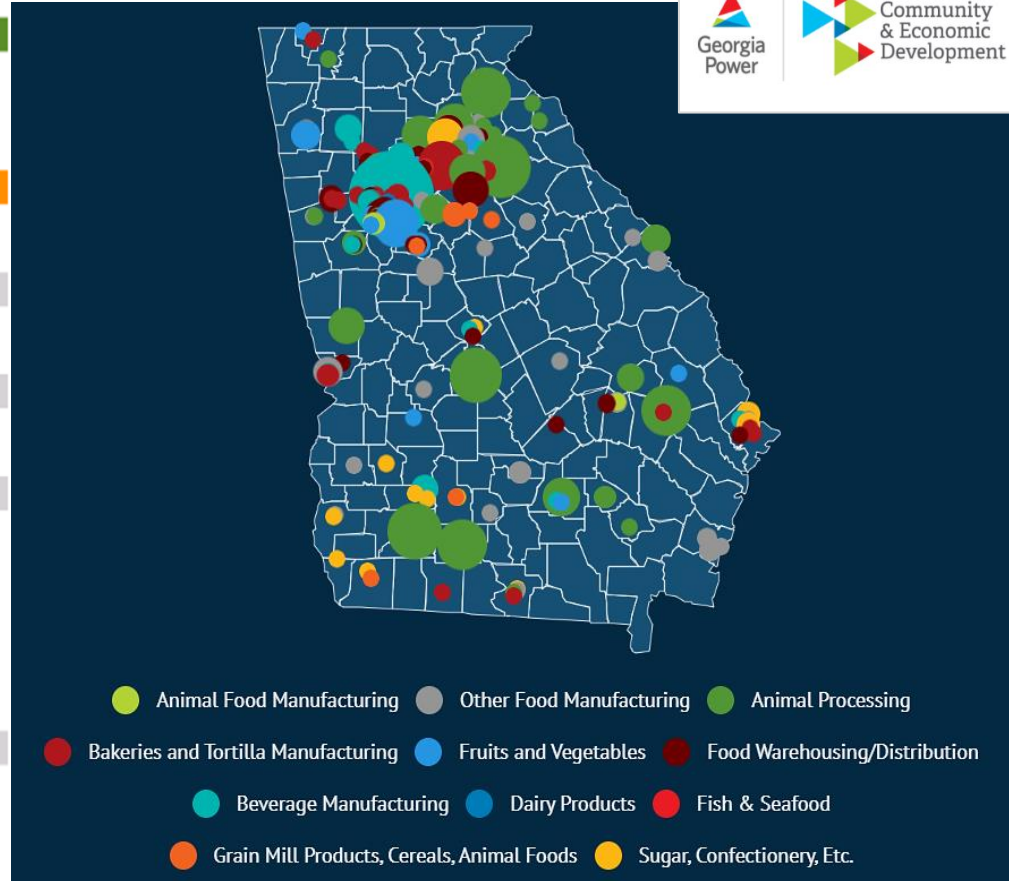
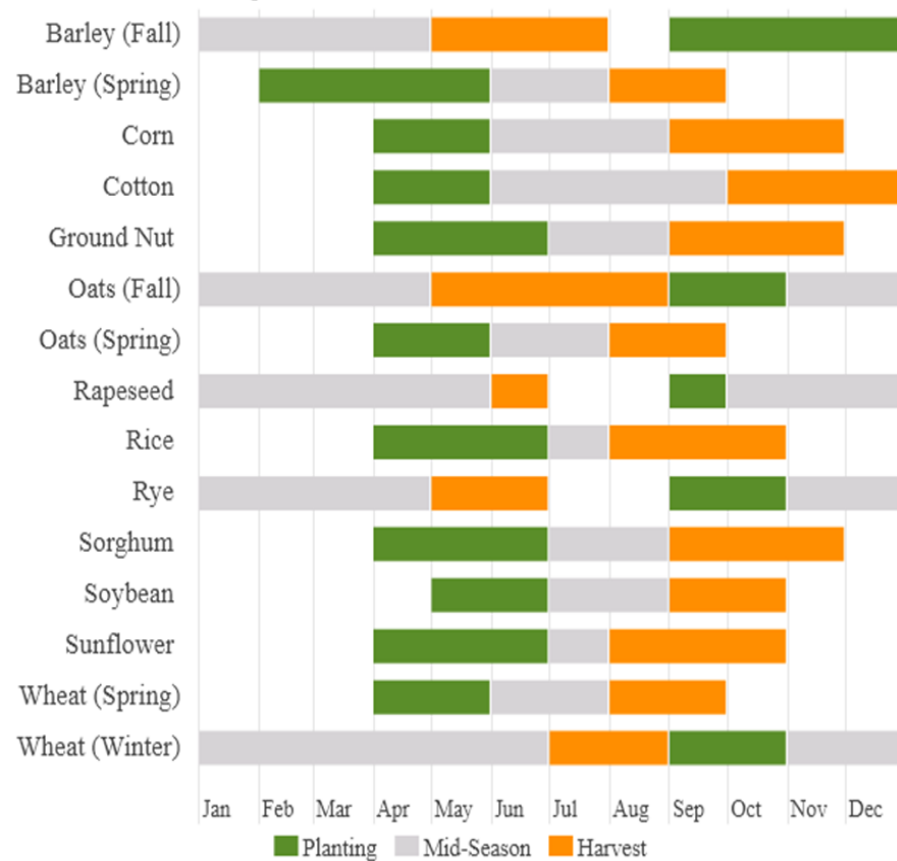
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## Relevant Industries:

- **Manufacturing and Automotive:** \$4.5 billion by 199 companies, creating more than 9,100 jobs
- **Logistics/Distribution:** \$1.218 billion by 43 companies, creating more than 5,700 jobs
- **Agribusiness and Food Processing:** \$452 million by 35 companies, creating more than 1,600 jobs

# Agriculture and Food Production

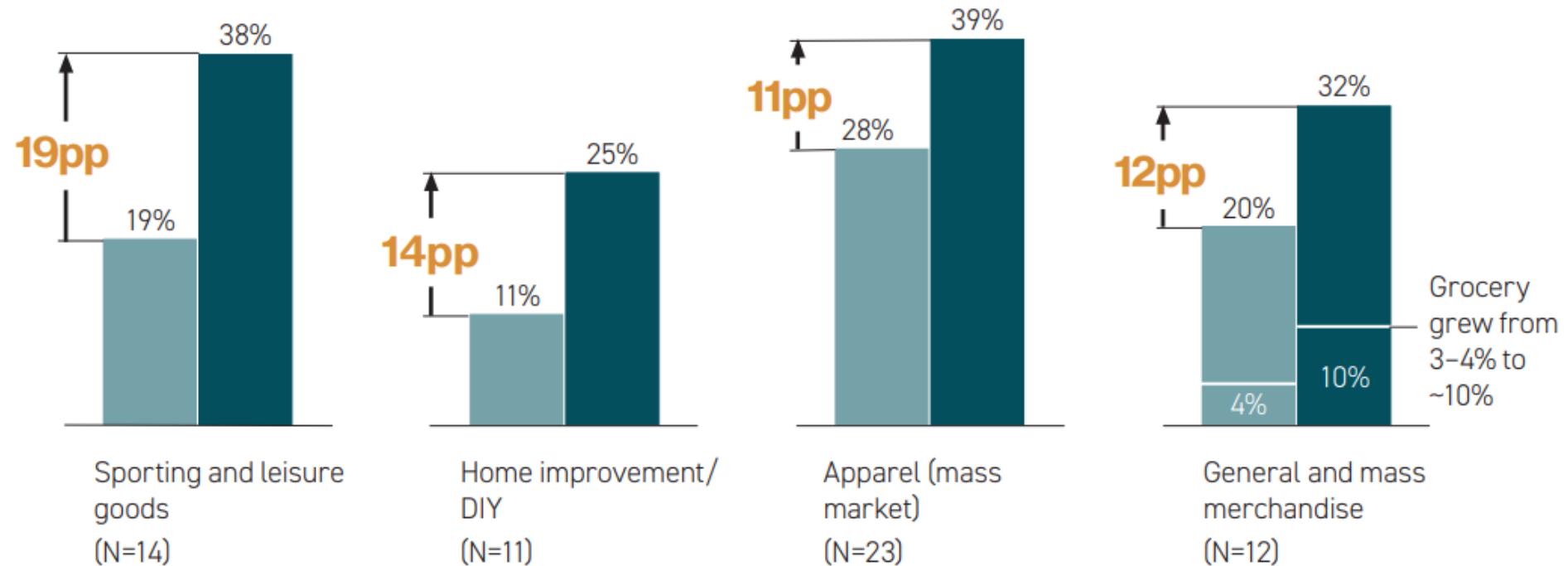
**United States — Crop Calendar**



# E-Commerce Estimates: Pre vs. Post-COVID-19

**E-commerce penetration in North America**  
% of total retail revenue

■ Pre-COVID-19 ■ Post-COVID-19





# Growing Impact of Georgia's Ports



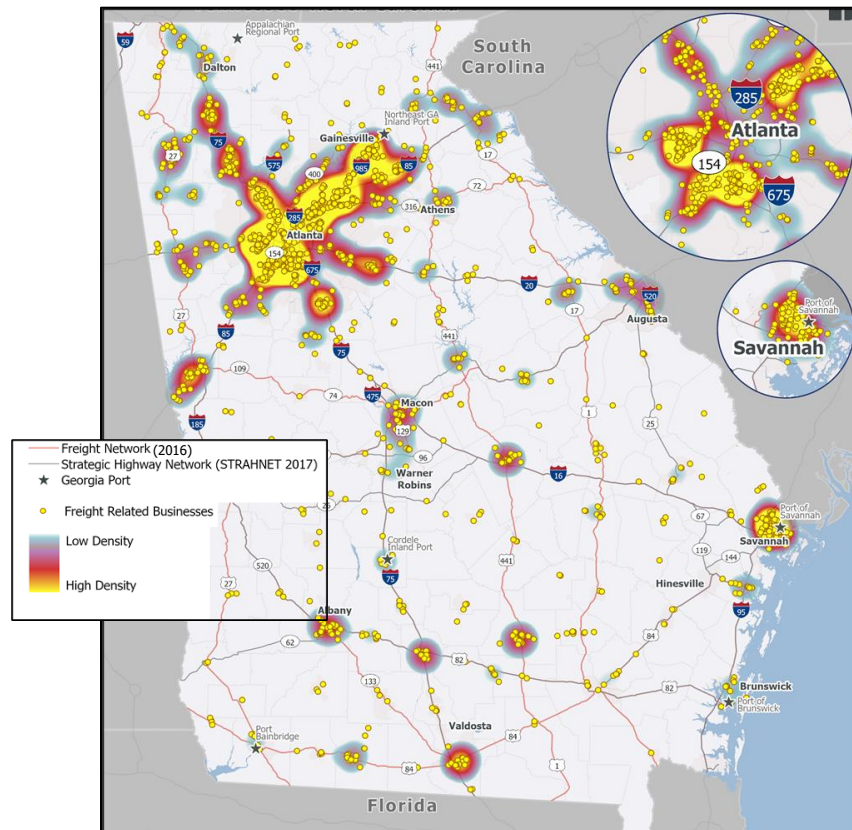
As of 2020, Georgia is ranked as a **top exporting state** for the first time

- Food, forest products, cotton, clay, automotive goods, and chemicals are top export commodities at Georgia deepwater ports
- Georgia manufacturing exports have grown by **over 30%** in the past 10 years
- The Port of Savannah is now the **#1 port for exports in the U.S.** and the **#1 port for agricultural exports in the U.S.** as of 2020

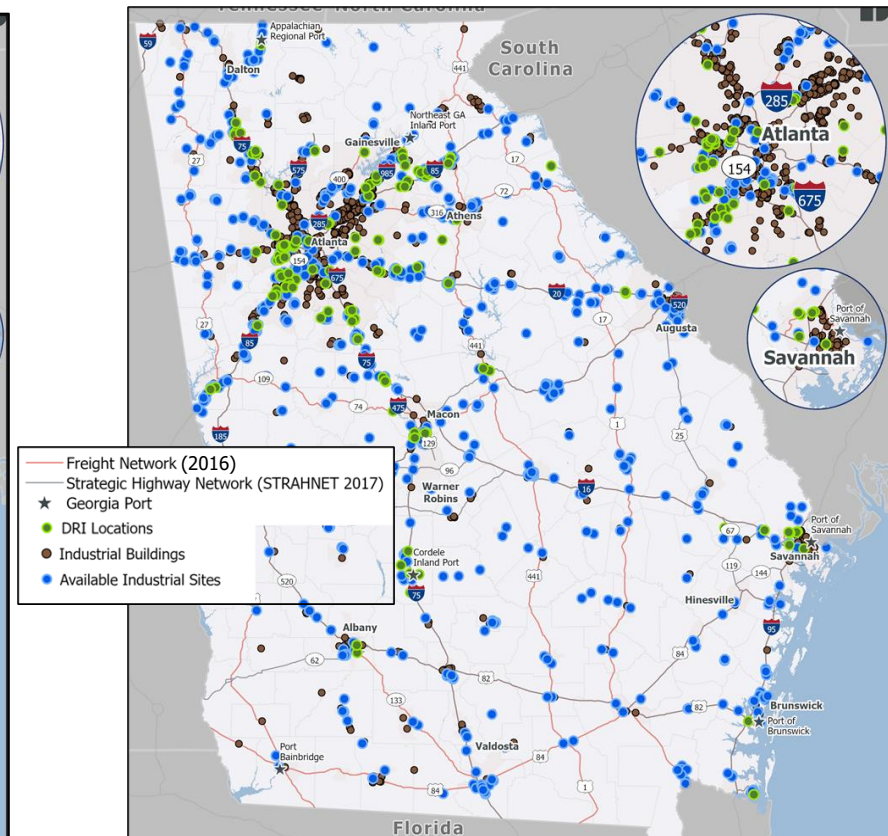
# Truck Parking

- Highlighted by Georgia Commission on Freight & Logistics as a **key freight issue**
- NFSP identified truck parking as **essential** to maintain safe, efficient movement of freight
- State Freight & Logistics Plan Update will investigate **innovative truck parking options**

## EXISTING TRUCK PARKING DEMAND



## POTENTIAL TRUCK PARKING DEMAND



# Path Forward: Draft Scope of Work

# SSTP Freight Investment: Business Plan for Freight Infrastructure

- **Foundational Investments – Run the Business**

Taking care of our existing transportation system, *meeting customer expectations*

- **Catalytic Investments – Grow the Business**

Strategic expansion to support economic development, *expand the customer base*

- **Innovation Investments – R&D**

Positioning Georgia's transportation system for the future, *evaluating new options to retain and expand customer base*



## Draft Scope of Work Overview

- ✓ **Comprehensive, strategic assessment** of various demand scenarios on the state's freight and logistics-related infrastructure assets and **options for investments including operational and policy considerations**
- ✓ **Support Georgia shippers and logistics-enabled businesses**, leading to positive economic benefits statewide
- ✓ Enhance the **safe, efficient and reliable movement of goods throughout Georgia**
- ✓ Satisfy federal requirements and obtain US DOT approval upon completion

## Key Capabilities to include:

- Strategic planning and business analysis
- Multimodal freight projections
- Economic impact and return on investment analysis
- Supply chain data and demand
- Cost estimation of transportation capital & operations projects
- Intermodal planning-level analysis
- Support for executive-level decision-making and engagement of private-sector customers, including Freight Advisory Committee

## Estimated RFP Timeline

**Post-Forum  
Comments/Questions  
Deadline**  
April 27, 2021



**RFP SUBMITTAL DEADLINE**  
June 7, 2021



**NTP**



**RFP POSTED**  
May 5, 2021



**INDUSTRY FORUM**  
April 20, 2021



**Anticipated  
FHWA Approval**  
January 2023

*Send post-forum, pre-RFP posting comments/questions:  
Matt Markham at [mmarkham@dot.ga.gov](mailto:mmarkham@dot.ga.gov)*

THANK  
YOU!

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