

Agenda
Freight Transportation Advisory Committee of the HRTPO
March 25, 2015

The Virginia Port Authority Board Room
600 World Trade Center
Norfolk, VA 23510
2:00 pm - 3:30 pm

2:00 pm **1. CALL TO ORDER**

2:05 pm **2. PUBLIC COMMENT PERIOD** (Limit 3 minutes per individual)

REGULAR AGENDA:

2:10 pm **3.** Approval of previous meeting's minutes

2:15 pm **4.** For Your Information

2:20 pm **5.** Analyzing and Mitigating the Impact of Tolls at the Midtown and Downtown Tunnels: Draft Findings – Part II

2:40 pm **6.** Truck Delay Impacts of Key Planned Highway Projects: Draft Findings

3:00 pm **7.** 2040 LRTP: Update of Key FTAC Projects

3:15 pm **8.** HRTAC Project and Freight Impacts

3:30 pm **9.** Announcement of Next Meeting Date

ITEM #1: CALL TO ORDER

The meeting is scheduled to be called to order by the Chair at 11:00 a.m.

ITEM #2: PUBLIC COMMENT PERIOD

Members of the public are invited to address the FTAC. Each speaker is limited to three minutes.

ITEM #3: APPROVAL OF PREVIOUS MEETING'S MINUTES

Minutes of the FTAC meeting held on December 18, 2015 are attached.

Recommended Action: Approve the minutes.

MEETING MINUTES
Freight Transportation Advisory Committee of the HRTPO
December 18, 2014

The Virginia Port Authority Waterside Conference Room
600 World Trade Center, Norfolk, VA 23510

1. CALL TO ORDER

Mr. Art Moye, FTAC co-chair, called the HRTPO Freight Transportation Advisory Committee (FTAC) December 18, 2014 meeting to order at 11:00 a.m. in the Waterside Conference Room at the Virginia Port Authority, with the following in attendance:

MEMBERS

Amy Brown (CrossGlobe Group)
Art Moye (Virginia Maritime Association)
Bill Bell (Newport News Shipbuilding)
Chris Stolle (Virginia House of Delegates)
David White (Virginia Maritime Association)
Mike Abbott (COSCO Container Lines, Inc.)
Rick Morris (Canon Virginia Inc.)

STAFF

Allison Mall (Moffatt & Nichol)
Dale Stith (HRTPO)
Jeff Florin (Port of Virginia)
Karen McPherson (McPherson Consulting)
Paula Dowell (Cambridge Systematics, Inc.)
Roz Wilson (Parsons)
Sam Belfield (HRTPO)
Seth Schipinski (HRTPO)

2. PUBLIC COMMENT PERIOD

There were no public comments.

3. APPROVAL OF PREVIOUS MEETING'S MINUTES

Mr. Moye indicated that the minutes of the October 8, 2014 FTAC meeting were included in the meeting agenda. He asked for corrections or amendments, and hearing none, Mr. Bell moved to approve the minutes as written; seconded by Mr. Abbott. The motion carried.

4. ECONOMIC ANALYSIS OF TOLL PRICING UPDATE

Ms. Dowell from Cambridge Systematics, Inc. then briefed the Committee on the current progress and findings of the *Economic Analysis of Freight Movements in Hampton Roads Study*. The purpose of the study is to provide the region with data that supports positions on funding new transportation facilities in a manner that generates the highest overall return on the cost of the investment. The total return is defined as optimal conditions for economic growth. By identifying tipping points by industry, the region will be able to consider in tandem where

transportation efficiency and increased costs to freight businesses such as toll prices cross. This study is intended to be more specific than simply relying on freight flow and commodity data, and will also include reaching out to representative companies involved in freight movement.

To determine the region's truck freight flows, Ms. Dowell explained that the study team interviewed FTAC members in addition to other stakeholders. Data was gathered from the FHWA, PIERS, and the U.S. Census. Forecasting data was from IHS Global Insight. The study verified and calibrated key freight routes and identified the region's top 10 trading partners by weight, which helped determine the top origin-destination clusters for imports and exports. Charlotte, Greensboro, and Baltimore are the most contested markets. Interviews with shippers from Greensboro that use the Port of Virginia found that they regularly compare rates with other ports to identify efficiency (how many turns per day), because drayage costs are typically very similar at each port.

Ms. Roz Wilson from Parsons then gave an update on the freight rate analysis portion of the study. The main data set used for the analysis is a proprietary data set of real time weigh bill data (the actual cost of moving freight) from one of the largest freight payment company/banks in the world, which covers 12% of total manufacturing dollars (approximately 50 million records of \$25 billion). This data is from large companies – small and mid-sized company data comes from the 45 other data sources used for the analysis. The data used was 105,104 individual shipment records from 2013 and is for truck movements only.

Data was analyzed by truckload (TL) and less-than-truckload (LTL) designations going to and from NIT, then to and from all four Port of Virginia terminals, and finally from the entire MSA (metropolitan statistical area). Trip distances under one mile, shipments weighing less than one pound, and shipments of between \$0.01 and \$30 cost-per-ton-mile (CPTM) were not analyzed. It was found that much of the cargo coming from longer distances is from military suppliers, and much of that cargo staying within the region is HVAC supplies.

The analytical process used is as follows:

- Calculate CPTM
 - Divide total shipment cost by ton-miles
 - Plot against distance traveled to examine ranges
- Aggregate into bins
 - Based on trip distance ranges
 - Particularly interested in distances less than 1,000 miles
- Calculate weight factor
 - Divide toll cost impact based on LTL shipment weight
 - Assign toll effect in proportion to average TL weight
- Plot costs
 - Total cost increase due to \$4 toll
 - Percentage increase in CPTM due to \$4 toll

The key results of this analysis were as follows:

1. Median CPTM of shipments in/out of NIT without tolls
 - CPTM generally ranges from \$1-\$3
 - Limited sample sizes for these moves prevent deeper conclusions
2. Median CPTM of shipments in/out of NIT with tolls
 - CPTM with toll does not change appreciably
 - Limited sample sizes for these moves prevent deeper conclusions
3. Percent change of median CPTM of shipments in/out of NIT with tolls
 - CPTM increase due to tolls generally less than 2.5%
 - Limited sample sizes for these moves prevent deeper conclusions
4. Median CPTM of shipments in/out of all four terminals without tolls
 - CPTM generally ranges from \$1 to \$1.50 for TL, up to \$4 for LTL
 - Short distance outbound LTL moves are significantly more expensive than inbound moves
5. Median CPTM of shipments in/out of all four terminals with tolls
 - CPTM with tolls does not change appreciably
 - Difference is not readily apparent from these plots
6. Percent change of median CPTM of shipments in/out of all four terminals with tolls
 - CPTM increase due to tolls generally 2.5% or less
 - Larger percentage (9%) for inbound moves of 500-1,000 miles still represents small amount in dollars
7. Median CPTM of shipments in/out of MSA without tolls
 - CPTM reflects generally higher rates for non-port related moves
 - Sample sizes for these moves reflected in very consistent, logical trends in data
8. Median CPTM of shipments in/out of MSA with tolls
 - CPTM generally not affected by tolls across most moves
 - Outbound moves of 100 miles or less see sizeable increase in rate due to tolls
9. Percent change of median CPTM of shipments in/out of MSA with tolls
 - CPTM increase of 15% for short-distance outbound TL moves is significant
 - CPTM increase of 24% for outbound TL moves of 1,500-2,000 miles is small in terms of dollars

Mr. Bell commented that this means that the region will pay more itself – the local costs are almost as much as long-distance shipments. Even by instituting tolls, the region is impacted rather than the rest of the country. Ms. Wilson said that it is also important to understand that toll costs are passed on differently for different carriers – some include it as a surcharge and others calculate it into the total rate. On average, carriers are fully recovering the cost of the toll and likely more, so the impact of the toll is higher on individual shipments.

Ms. Wilson then explained the truck delays that were analyzed. In general, it was found that tolls had more impact on shorter moves than longer ones. Mr. Bell asked if the tolls identified were just one, or total tolls if a truck has to pay several tolls. Ms. Wilson said that was difficult to determine and not part of the study scope, which also does not include picking up and repositioning empty containers.

Widening I-64 and U.S. 460 construction will improve truck delay, so the study will also compare data from HRTPO's travel demand model to the stakeholder interviews that were conducted to determine the 20-year truck delay forecast.

The next step in the study process is to use the origin-destination, truck trip and travel demand data to determine the total travel trip (no-build) cost. These costs will then be compared to the benefits of building the infrastructure that will be paid for with the tolls, and this will ultimately determine the tradeoffs of tolls. To get to that point, the study still requires some data from the travel demand model. The results will also need to be compared to other ports.

Mr. Florin indicated that when the study is complete, the Committee will need to help determine the best way to present the findings to the HRTPO Board and the public, to help the region attract businesses and prevent major industries moving to a port where there are no tolls.

5. HRTPO 2040 LRTP PROJECT PRIORITIZATION: DRAFT SCORES

Ms. Dale Stith, HRTPO's Principal Transportation Planner, then updated the Committee on the preliminary project scores for the Long Range Transportation Plan (LRTP). She reported that the LRTP is on schedule, in the third year of the four-year process (completion is set for January 2016).

There are 190 candidate projects to evaluate for the region's 20-year planning blueprint. Ms. Stith gave an overview of the scores for the projects by category: highway, bridge/tunnel, intermodal, transit, systems & demand management, and active transportation. She clarified that "active transportation" projects refers to bike and pedestrian projects, and these projects are not evaluated by economic vitality. The remainder of the projects are evaluated up to 100 points each by utility, economic vitality, and project viability, with a total possible score of 300.

The projects on the scores list that are highlighted in green were identified by FTAC as important to freight. Ms. Stith indicated that HRTPO staff would like comments on the scores by the subcommittees by January 18th, 2015. The HRTPO Board will see the final scores in March for approval in April. Ms. Stith has supporting data available to email if requested when reviewing the scores.

Delegate Stolle asked Ms. Stith how the HRTPO Prioritization process compares to VDOT's process. She explained that VDOT and the HRTPO are in regular contact about prioritization and VDOT has used HRTPO's model to develop theirs. VDOT's is a much broader evaluation and will include an environmental piece, so there is a possibility that the results will be different.

An issue that will arise as the process continues is that each construction district has its own ratings/prioritization system, so when the results reach the Commonwealth Transportation

Board (CTB), it is unclear how they will be chosen. Delegate Stolle pointed out that while HB 2 requires that congestion mitigation be the highest priority when funding transportation projects, the HRTPO's prioritization tool has congestion mitigation as the highest rated priority, but the top rated transit project does not mitigate any traffic chokepoints. Ms. Stith explained that the HRTPO is bound by federal regulations that require LRTP projects be multimodal, so they have to consider both those regulations and HB 2 regulations. Mr. Belfield pointed out that the model is a tool to help prioritize projects for the LRTP but the CTB ultimately decides which projects are funded. The scores help decision makers understand the importance of transit projects even if they will end up being funded by the private sector or other source, and not by the CTB.

6. HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION: STATUS UPDATE

Ms. McPherson then updated the Committee on the Hampton Roads Transportation Accountability Commission (HRTAC) meetings that have taken place. The Commission is also meeting today.

FTAC staff is in the process of evaluating the Hampton Roads Transportation Fund (HRTF) projects, using two HRTPO studies (*Hampton Roads Regional Freight Study – September 2012*, and *Positioning Hampton Roads for Freight Infrastructure Funding – March 2014*). The projects will be evaluated by using existing data to develop messages for the public to clarify the cost of “doing nothing”. In addition, staff will use the tolling study results to explain not just how a project will improve freight, but how will it improve freight in quantifiable ways.

The next steps in this process are to update the project data sheets, further evaluate HRTF projects with economic benefits, and continue to collaborate with the HRTPO and the HRTAC to provide freight impact data relative to regional projects.

7. FOR YOUR INFORMATION

Hampton Roads to Raleigh Corridor

Mr. Florin briefed the Committee on long-term plans by the North Carolina Raleigh-Durham area's Regional Transportation Alliance (RTA) that call for extension of the interstate east of I-95 toward Elizabeth City, then northeastward to Hampton Roads. RTA's plan envisions the entirety of the existing US 64 and US 17 corridor from Raleigh to Norfolk receiving a new two-digit interstate designation. This interstate would connect two of the United States' largest metropolitan areas still lacking direct interstate access between each other.

At their November meeting, the HRTPO Board passed a resolution in support of securing a future Interstate designation for the Hampton Roads, Virginia to Raleigh, North Carolina Highway Corridor. The FTAC agreed to pass a similar resolution in support of the project, and for the Office of Intermodal Planning and Investment (OIPI) to consider the segment for study via the Corridor Master Planning process. FTAC staff will prepare a draft resolution and circulate it via email to the Committee.

General Taylor Freeway

Mr. Florin briefed the Committee on the General Taylor Freeway, which is a portion of the Patriots Crossing (an HRTF project). At the November HRTPO, TTAC, and HRTAC meetings, Mr.

Robert Brown, a Chesapeake citizen, submitted a public comment on this issue. Mr. Brown said that the Freeway would meet the purpose and need as outlined in the Third Crossing EIS, at significantly reduced costs.

The FTAC agreed to discuss this issue further and possibly take a position on it or pass a resolution at their next meeting.

8. ADJOURNMENT

Mr. Florin suggested that in the coming months, the Committee should do a high-level presentation to the HRTPO Board on the tolling study.

The next meeting was tentatively scheduled for **February 25th, 2015 at 11:00 a.m.** Ms. Dowell plans to present the draft report of the tolling study via conference call.

The meeting was adjourned at 1:00 p.m.

DRAFT

ITEM #4: FOR YOUR INFORMATION

A. I-44 HAMPTON ROADS TO RALEIGH CONNECTOR

Long-term plans by the North Carolina Raleigh-Durham area's Regional Transportation Alliance (RTA) call for extension of the interstate east of I-95 toward Elizabeth City, then northeastward to Hampton Roads. RTA's plan envisions the entirety of the corridor from Raleigh to Norfolk receiving a new two-digit interstate designation. This interstate would connect two of the United States' largest metropolitan areas still lacking direct interstate access between each other.

Following discussion of the topic at the December FTAC meeting, Mr. David White presented an FTAC resolution supporting the project at the January HRTPO meeting.

Recommended Action: For your information.

**HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION
FREIGHT TRANSPORTATION ADVISORY COMMITTEE
FTAC RESOLUTION 2015-01**

A RESOLUTION OF THE HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION IN SUPPORT OF SECURING A FUTURE INTERSTATE DESIGNATION FOR THE HAMPTON ROADS TO RALEIGH HIGHWAY CORRIDOR AND REQUESTING THE COMPLETION OF ITS CORRIDOR MASTER PLAN VIA VIRGINIA'S OFFICE OF INTERMODAL PLANNING AND INVESTMENT (OIPi).

WHEREAS, as prescribed in the HRTPO Bylaws, the Freight Transportation Advisory Committee (FTAC) of the Hampton Roads Transportation Planning Organization (HRTPO) provides input and guidance as needed on issues that affect the movement of freight in Virginia for the purpose of supporting economic vitality; and

WHEREAS, key industries within Hampton Roads, such as international trade, manufacturing, tourism, military operations and retail sales rely on efficient transportation connections outside the region; and

WHEREAS, the FTAC has long supported, as part of a long-term vision of promoting economic prosperity, using a systems approach to evaluate transportation infrastructure needs, including system improvements to a series of interdependent projects as funding allows; and

WHEREAS, the proposed new regional transportation projects were evaluated for their utility, viability and economic vitality; and

WHEREAS, the Norfolk, Virginia to Raleigh, North Carolina highway corridor is listed as a Congressional High Priority corridor and has been designated part of a Corridor of Statewide Significance in Virginia and a Strategic Highway Corridor in North Carolina;

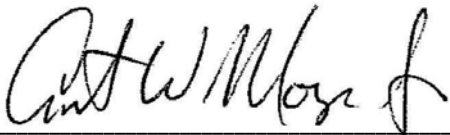
WHEREAS, there is an initiative to secure a future Interstate designation for the Hampton Roads, Virginia to Raleigh, North Carolina corridor, running along U.S. Route 17 between Chesapeake, Virginia and Williamston, North Carolina and along U.S. Route 64 between Williamston and Raleigh, North Carolina; and

WHEREAS, this initiative would significantly improve the transportation connection between the Hampton Roads and Raleigh commerce centers and enhance economic vitality along the corridor;

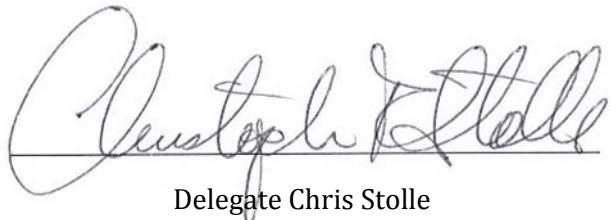
NOW, THEREFORE, BE IT RESOLVED, that the FTAC supports securing a future Interstate designation for the Hampton Roads, Virginia to Raleigh, North Carolina Highway Corridor, and

BE IT FURTHER RESOLVED, that the FTAC requests that the VA Office of Intermodal Planning and Investment consider this segment for study via the Corridor Master Planning process as defined by the CTB.

APPROVED and ADOPTED by the HRTPO Freight Transportation Advisory Committee at its meeting on the 18th of December 2014.



Art Moyer
Co-Chairman
HRTPO FTAC



Delegate Chris Stolle
Co-Chairman
HRTPO FTAC

ITEM #5: ANALYZING AND MITIGATING THE IMPACT OF TOLLS AT THE MIDTOWN AND DOWNTOWN TUNNELS: DRAFT FINDINGS

On December 5, 2011, the Virginia Department of Transportation (VDOT) signed a comprehensive agreement with Elizabeth River Crossings (ERC) for construction of an additional two-lane tube at the Midtown Tunnel (MTT), rehabilitation of the Downtown Tunnel (DTT), and extension of the Martin Luther King, Jr. (MLK) Freeway to I-264 – including the tolling of the MTT, DTT, and MLK Freeway extension. Tolling began on February 1, 2014 at \$1 during peak hours for passenger cars and \$4 for trucks with E-Z Pass.

In FY 2013, HRTPO staff began a multi-year study comparing the “before” and “after” traffic conditions to assess the impact of tolling. The results and findings of this study will be presented in two parts.

The Part I presentation included an analysis of traffic queues and queue clearance times during peak hours along the Midtown and Downtown Tunnel approaches and alternate routes “before” and “after” toll implementation using photos and videos collected by HRTPO staff. It also included an analysis of HRT bus and ferry ridership for selected routes “before” and “after” toll implementation.

The Part II presentation, scheduled for the March HRTPO Board meeting, will include a “before” and “after” analysis of traffic volumes and INRIX segment travel time/speed data as well as study recommendations.

Goals of this study were to analyze “before” and “after” traffic and transit conditions resulting from tolling at the Midtown and Downtown Tunnels, gain insight to toll sensitivity in the region, and to develop congestion mitigation strategies for impacted corridors.

The HRTPO staff will brief the FTAC on Part II of this study with a focus on the impact of freight movements.

Recommended Action: For your information and discussion.

ITEM #6: TRUCK DELAY IMPACTS OF KEY PLANNED HIGHWAY PROJECTS: DRAFT FINDINGS

In order to prepare better data for selecting highway projects to benefit truck movement, the HRTPO staff has undertaken a study as part of the FY 2015 UPWP to calculate the impact of key proposed highway projects on truck delay. The following parameters are included in this task:

- Truck delay to be measured using regional 4-step transportation model
- Land use scenario: 2040; network: Existing and Committed
- Analysis of highway projects on segments with high existing truck delay (as identified in Existing and Future Truck Delay in Hampton Roads [HRTPO, 2013], or that have been identified by the FTAC as strategic freight routes, e.g.:
 - I-64 Peninsula Widening
 - Patriot's Crossing
 - I-64 Southside Widening
 - Third Crossing Ph. II (Bowers Hill to Hampton Coliseum)
 - 64/264 Interchange
 - 13/58/460 Connector
 - US 58 / Holland Rd

Note: Route 460 has been eliminated as it has significantly changed due to the recent SEIS efforts.

The HRTPO staff will brief the FTAC on the draft findings.

Recommended Action: For your information and discussion.

ITEM #7: 2040 LRTP: UPDATE OF KEY FTAC PROJECTS

The HRTPO staff has evaluated the 2040 Long-Range Transportation Plan (LRTP) Candidate Projects via the Project Prioritization Tool, which prioritizes projects based on technical merits and regional benefits. The prioritization methodology examines transportation projects based on three components: Project Utility (project effectiveness), Economic Vitality (potential for economic gain), and Project Viability (project readiness).

Draft Prioritization Scores have been presented to HRTPO Advisory Committees (TTAC, FTAC, and CTAC), the LRTP Subcommittee, and the regional Pedestrian and Bicycle Advisory Committee (PABAC). Feedback received has been addressed and/or incorporated into the Project Prioritization Tool. HRTPO staff has also developed a public outreach campaign to provide interested citizens an opportunity to review draft scores.

Submitted on February 2, 2015 by FTAC Co-Chairman Moye, a list of six projects were identified by the FTAC for inclusion in the 2040 LRTP to support the freight needs throughout Hampton Roads:

1. Dominion Boulevard (2040-23/Highway)
2. J Clyde Morris Boulevard/GW Highway (US17) (2040-98/Highway)
3. GW Memorial Highway (US 17) (2040-199/Highway)
4. Triple Decker Bridge (2040-38/Bridge)
5. Hampton Boulevard at Terminal Boulevard (2040-114/Intermodal)
6. I-64 at Northampton Boulevard Interchange Improvement (2040-116/Interchange)

HRTPO staff will provide an update on the 2040 LRTP Draft Project Prioritization scores and a preliminary summary of the status of the six candidate projects highlighted by FTAC.

Recommended Action: For your information and discussion.

ITEM #8: HRTAC PROJECTS AND FREIGHT IMPACTS

FTAC staff has prepared a document that illustrates the HRTAC candidate projects (see below) to be funded with HRTF revenues, along with regional truck movements, truck delays and key industries. This graphic is intended to illustrate the impacts these roadways will have on regional freight movements.

HRTF Projects:

- I-64 Peninsula Widening (Interim 6-Lane Option):
 - Segment 1 – Jefferson Ave (exit 255) to Route 238/Mile Marker 248 (exit 247)
 - Segment 2 – Route 238/Mile Marker 248 (exit 247) to Route 199 East of Williamsburg (exit 242)
 - Segment 3 – Route 199 East of Williamsburg (exit 242) to Route 199 West of Williamsburg (exit 234)
 - Fort Eustis Boulevard Interchange
- Hampton Roads Third Crossing:
 - Third Crossing – Patriots Crossing (with Craney Island Connector)
 - Third Crossing – I-664 Widening (includes Bowers Hill Interchange)
 - Bowers Hill Interchange
- I-64 Southside Widening (includes High Rise Bridge)
- I-64/I-264 Interchange Improvements
- US Route 460/58/13 Connector:
 - US Route 460/58/13
 - SPSA Overpass at Regional Landfill
 - HR Executive Airport Overpass

FTAC staff will brief the FTAC on this item.

Recommended Action: For your information and discussion.

ITEM #9: ANNOUNCEMENT OF NEXT MEETING DATE

The Chairman will announce the next meeting date of the FTAC.