



QUARTERLY MEETING HIGHLIGHTS

Delaware Valley Goods Movement Task Force

10:00 A.M., Wednesday, January 12th, 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 were recognized, and thanked for attending the meeting despite the bad weather. Minutes from the prior Task Force meeting on October 13th, 2010 were adopted as presented.

DVRPC announced that they have applied for 1 AICP Certification Maintenance Credit. Attendees will be informed of the results of this submittal via e-mail in approximately 4 weeks.

All presentations are available on-line at: <http://www.dvrpc.org/Freight/GuestPresentations.htm>

Action Item: DVRPC Office of Freight Planning Primary Activities for FY 2012

John Griffies, Manager of the DVRPC Work Program, provided a brief overview of the DVRPC Work Program. Every year in September, DVRPC gathers planning project idea from its Board and committees. In November, a draft Work Program is released for public comment. The Work Program for the next fiscal year is typically approved at the January meeting of the DVRPC Board. Task Force members with ideas for inclusion in the work program should contact Ted Dahlburg (215.238.2844).

Ted Dahlburg, presenting the action item, began by recapping some of the major efforts undertaken in the past year, which pave the way for future work. The County Freight Scan project was finished in fiscal year 2010 and gave DVRPC a chance to work intensively with the county planning and economic development agencies. Public education brochures for each county are currently in the DVRPC review process and will be available for Task Force members at the next meeting. The Future Freight Flows workshop in November, 2010, brought together 70 private and public sector freight stakeholders for an innovative new way to think about the region's future. Out of the workshop DVRPC has identified possible investment bundles that attendees voted on, giving DVRPC a good sense of priorities moving forward.

In concert with developing the FY 2012 DVRPC Planning Work Program, two primary activities have been identified for the DVRPC Office of Freight Planning; namely, the Delaware Valley Freight Planning Program and the Darby Borough Grade Crossing Study—Phase II. The Freight Planning Program will have two sides to it in fiscal year 2010. On one hand, the program will go to funding the supporting work that goes into running the freight advisory committee, supporting needs from DVRPC member governments, providing public education on freight issues, and supporting multi-jurisdictional efforts that

benefit and highlight the region. On the other hand, the program funding will support more extensive technical work within the three subcommittee areas. The Data subcommittee will work on developing an annual data program and maintaining the DVRPC Freight webpage. The Planning Subcommittee will continue to work towards advancing projects through the DVRPC Transportation Improvement Plan. The Shippers Subcommittee will identify industrial centers and create recommendations on how DVRPC can better support industry in the region.

The Darby Borough Grade Crossing Study --Phase II is the second year of a two year funded study to look at the CSX grade crossing on Main Street in Darby Borough. DVRPC recently began work on Phase I of this study by visiting all 29 Class I mainline crossings in the region.

The Task Force was requested to support these activities and the motion passed with unanimous vote.

Presentation: Construction Project Overview—Delaware DOT

Darren O'Neill, Regional Group Engineer, discussed major planned transportation projects for the Delaware Department of Transportation. Mr. O'Neill began the presentation with a bit of history. Most of the current projects were developed in the early 1990's, but in 1995 all highway projects were put on hold and other mobility options were funded in the I-95 corridor. Delaware DOT funded extended commuter rail services, ITS, and ridesharing and vanpooling programs. Despite successes in these other mobility options, the Delaware Department of Transportation found that their projected 2007 traffic flow on I-95 was still 50,000 cars per day under actual volumes. Using mostly federal funds toll revenue to supply the state match, the DOT is undertaking a number of improvements along the section of I-95 in Delaware.

- 1) A 5th travel lane from SR 1 to SR 141. Large increases in local traffic in this area creates traffic problems and the interchange at SR 141 is a high incident area.
- 2) I-95 Newark Toll Plaza. The toll plaza project is currently underway, with construction scheduled to be finished by the 4th of July, 2011. The project is installing high speed EZ-Pass lanes which allow 2,000 vehicles per lane to pass through the toll plaza per hour (as opposed to a cash lane, which can handle 350 vehicles per hour).
- 3) I-295 Improvements. These improvements along the portion of I-295 that connects I-95 and the Delaware Memorial Bridge are being led by the Delaware River and Bay Authority. They included widening and rebuilding the existing roadway. Construction is scheduled to start in 2013 and is estimated to take two years to complete.
- 4) I-95 and US 202 Interchange. This project consists of a complete rebuild of the interchange. The project is expected to cost \$35 million, with construction to begin this summer and run through 2013 or 2014. Lane reductions will be necessary for this project, but all lane reductions will take place at night.
- 5) I-95 and SR 1 Interchange. This interchange, adjacent to the Christiana Mall, will separate through traffic from local traffic and supply high speed ramps connecting SR 1 and I-95. The project provides a difficult construction challenge because the new interchange must be built on top of the existing interchange without disrupting traffic on SR 1 or I-95 during construction. Additional details about the project, including a video rendering of the new interchange can be found on the project website at: http://www.deldot.gov/information/projects/jfk_mem_hwy_improvement/sr1-i95/overview.shtml.

Mr. O'Neill concluded his presentation by talking about the importance of public outreach in all of these projects and fielded questions, mostly concerning the funding mechanisms Delaware DOT is using to pay for these improvements.

Presentation: Commercial Real Estate Markets and Trends

Gerard H. Sweeney, President, Chief Executive Officer and Trustee, of Brandywine Realty Trust, discussed regional and national commercial real estate markets and emerging trends. Brandywine, founded in 1986, is one of the largest, publicly traded, full-service real estate companies in the United States. It operates as a real estate investment trust and owns, develops and manages 34 million square feet of primarily Class-A suburban and urban office space.

Brandywine Realty Trust is focused on providing high quality properties in the specific submarkets that it invests in. In general, Brandywine controls a high percentage of the market flow in its submarkets. Its largest submarkets are the Pennsylvania Suburbs, the Philadelphia Central Business District and Washington D.C. (specifically the Dulles Toll Road Corridor). The company has made a strong commitment to smart growth and transit oriented development amongst all its projects, and is number 2 in the country in terms of the amount of LEED certified commercial buildings they operate.

Locally, Brandywine Realty Trust has made a major investment around 30th Street Station. It built and manages the Cira Centre, with 731,862 square feet of office space, and 2,000 employees, 800 of which were new to Pennsylvania and 1,000 of which were new to Philadelphia. The Cira Centre cost \$212 million to construct and was 93% leased when it opened. Also near 30th Street Station they recently completed an IRS campus in the historic US Post Office building. This \$260 million project holds the national training center for the IRS and 5,000 employees. Adjacent to the IRS Campus Brandywine spent \$95 million constructing a 1,663 space parking garage with 9,000 square feet of street-level retail.

Mr. Sweeney explained that he sees Philadelphia as on the verge of being a world-class city and encouraged increased focus on the city's strengths. Philadelphia is in a key position along the Northeast Corridor making it a regional transportation hub; it has a strong and growing economy in the fields of education and healthcare; and, there is a proven record of employment growth in the Philadelphia suburbs. Mr. Sweeney explained that the commercial real estate market is still recovering from the recession, and that while 2010 was Brandywine's best year ever in terms of signing new leases, it saw its overall occupancy rate drop from 89% to 85% as existing clients continued to downsize. Finally, Mr. Sweeney issued a firm warning that the biggest thing holding back the City of Philadelphia is its tax structure that taxes corporations and employees at a rate that restricts companies from locating in the city.

Presentation: A Blue Collar Economist's View of Freight Infrastructure Financing

Dr. Peter Swan, Penn State Harrisburg, started his presentation by reiterating that all signs predict a coming crisis in infrastructure financing. He highlighted recent American Society of Civil Engineer report cards which gave the nation's bridges a C and the nation's roads a D-. Dr. Swan stated that there are three possible roads which the country can choose: do nothing, quick fixes, and raise user fees.

If the "do nothing" option is chosen, the future is not a pretty picture. The cost of both imports and exports will rise, and meanwhile mobility of people and goods will decrease. Each factory will be less able to compete and overall standard of living will drop. If the "quick fixes" option is chosen, there are two possibilities: make more money available or privatize infrastructure. One problem with quick fixes is there will be supply chain trade offs which will likely lead to more offshore production. The third option is to raise user fees so that the cost of using a highway accurately reflects the cost of maintaining it. Dr. Swan referenced either additional gas taxes or a new vehicle miles travel (VMT) tax, with a preference for a VMT tax. He emphasized that there should be no free roads in the system.

Lastly, Dr. Swan laid out three steps to take to move toward a solution. First, government must do a better job of educating the public on the economics of roadways and infrastructure. Second, management theories should be applied to government to make it more efficient. Third, the government should use standard performance measures and key performance indicators to raise the public's faith in government services.

Two-minute Reports

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

Don ShanisDVRPC

Dr. Shanis called the committees attention to the contents of the folder, especially the newly completed *Municipal Implementation Tool Series #19: Freight Transportation*. An electronic version of that report and all DVRPC Freight Planning reports are available here: <http://www.dvrpc.org/Freight/freightplanning.htm>. For hard copies of any of these reports please contact Walker Allen (215.238.2947).

Kelvin MacKavanaghPlanning Subcommittee

Mr. MacKavanagh promoted the upcoming TransAction Conference that will take place April 6th, 7th, and 8th at the Tropicana Hotel and Casino in Atlantic City. For more information on TransAction you can visit its website here: <http://www.njtransactionconf.com/>.

Michael McCartney.....Philadelphia International Airport

Mr. McCarney announced that the Federal Aviation Administration had recently released a record of decision approving the Philadelphia International Airport expansion plan. The plan calls for an additional runway and relocation of the UPS facility, the air traffic control tower, and airport fire department. The plan is estimated to cost \$5.2 billion. More information about this project will be available at future Task Force meetings.

Roy Kardon.....The Traffic Club of Philadelphia

Mr. Kardon announced that The Traffic Club of Philadelphia will be holding its annual dinner at the Hyatt Regency on Columbus Boulevard on Tuesday January 25th. For tickets to the event please see the Traffic Club website at: <http://www.tcphila.org/>.

Paul Delp..... Lansdale Warehouse

Mr. Delp provided an update on the Surface Transportation Board's upcoming decision regarding demurrage and who is really responsible.

Tribute to Eric Madden

Due to the change in Pennsylvania's Governor it is possible that this was Eric Madden's last meeting as co-chair to the Task Force. A brief tribute was held that concluded with the following message:

For His Vision, Leadership, Dedication, and Personal Warmth
The Delaware Valley Goods Movement Task Force
Enthusiastically Applauds and Sincerely Thanks Eric Madden!

Old/New Business

The next meeting of the Delaware Valley Goods Movement Task Force is: April 13th.

Meeting Participants

<u>Name</u>	<u>Affiliation</u>
Allen, Walker	DVRPC
Anderson, Matt	Chester County Planning Commission
Ben-Amos, Ariel	City of Philadelphia
Cox, Dave	Urban Engineers
Crawford, Rick	Norfolk Southern
Dahlburg, Ted	DVRPC
Delp, Paul	Lansdale Warehouse
Dub, Avri	Traffic Club of Philadelphia
Dunscumb, Mark	Schnabel Engineering
Fisher, Kevin	Aramark
Goetz, William	CSX
Griffies, John	DVRPC
Haak, John	Philadelphia City Planning Commission
Harvey, David	PRPA
Hayes, Linda	DRPA
Kardon, Roy	NAI Mertz
Levecchia, Andrew	Camden County Improvement Authority
MacKavanagh, Kelvin	MacKavanagh Railroad Consulting
Madden, Eric	PennDOT
McCartney, Michael	Philadelphia International Airport
McKinney, Jean	DVRPC
Myhre, Paul	Maritime Exchange
O'Neill, Darren	Delaware Department of Transportation
Ramos, Dino	WTC of Greater Philadelphia
Ratko, Wes	Montgomery County Planning Commission
Runk, Jim	PA Motor Truck Association
Shanis, Donald	DVRPC
Shipkin, Rachael Gray	Conrail
Siebeneicher, Bob	Camden Iron and Metal
Swan, Pete	Penn State Harrisburg
Smith, Wyatt	Self
Wells, Tim	LTK Engineering Services
Winters, Dennis	DVRPC – RCC