KEY ISSUES IDENTIFIED BY STAKEHOLDERS

Interviews were conducted with over 25 stakeholders throughout the region including: motor carriers, railroads, airports, ports, industry associations, manufacturers, distributors, and cities and counties. In general, stakeholders reported a strong transportation system characterized by an Interstate System and Class I railroad network that provide access in all directions; ongoing projects to improve and complete the roadway network (e.g., I-22 connection; planned Northern Beltline); access to good alternate routes and detours to avoid problem areas; and a range of opportunities for continued growth (e.g., expansion of airport and port facilities, expansion of FTZ and industrial park network). Stakeholders also identified areas for concern including poor pavement condition; limited availability of trained/qualified workforce; shortage of developable land; congestion on key roadway corridors; weight restrictions on bridges; and poor street lighting on secondary roads. A summary of stakeholder input, grouped by type of stakeholder is provided below. Please note this input reflects the opinions of the stakeholders interviewed.

TYPES OF STAKEHOLDERS INTERVIEWED INCLUDED:

• Government
• Economic development
• Industry associations
• Motor carriers
• Railroads
• Airport
• Port
• Logistics providers (3PLs, brokers)
• Shippers/manufacturers

STAKEHOLDERS INTERVIEWED INCLUDED:

• RPCGB
• City of Birmingham Economic Development
• Birmingham Airport Authority
• Transportation and Logistical Services (TLS)
• Watco Alabama Port Services (Port Birmingham operator)
• Birmingham Terminal Railway
• Watkins Trucking Company
• Jefferson County Development Authority
• Birmingham Business Alliance
• BNSF Railway
• Norfolk Southern
• CSX Industrial Development
• Christie Strategy Group
• Church Transportation and Logistics
• Tennessee Tombigbee Waterway Development Authority
• Alabama Trucking Association
• Parker Towing
• Warrior Tom Bigbee Waterway Association
• UAB Planning Design and Construction
• Shelby County
• Regional Traffic Management Center (TMC)
• Vulcan Materials Company
• Honda Manufacturing of Alabama, LLC
• EBSCO Industries, Inc.
• KAMTEK
WATERWAYS AND PORT

Shifts in industry have dramatically reduced the demand for water transportation. Power plants have converted from coal to natural gas, the wood chip market is gone, and export coal movements now move by rail to Mobile instead of by barge. Commodities moving by water historically experience significant fluctuation based on season and market cycles. Over the last few years, coal and steel volumes have decreased significantly.

The waterways are in good working order and are well maintained through an annual dredging program. Funding is available given “high use” designation. Scheduled lock and dam replacement projects disrupt service in the short-term, but make the system safer and more efficient long-term.

Growth in traffic at Port Birmingham, and other nearby private terminals, is dependent on: roadway connectivity and capacity; weight restrictions, lane width, and number of lanes; availability of utilities (water, electric/high voltage, sewer, natural gas, fiber optic/high speed internet); fire and rescue services; and Foreign Trade Zone designation. New/expanded rail access would also help attract more distant customers. A key challenge is in defining new markets. Current markets are limited by declining industry and proximity to agriculture centers.

TRUCKING INDUSTRY

Today’s truck drivers want to be home on weekends and holidays. This can challenge companies’ abilities to recruit and keep drivers. In addition, driver age limits complicate recruiting as there is a period of a few years between high school graduation and being eligible for an interstate CDL. This often results in lost opportunities as individuals pursue other career opportunities. Driver training is critical and needs to be affordable. This helps ensure drivers are prepared for roadway conditions. Training and enforcement of driver behavior for other non-truck drivers is also important. The majority of accidents involving a truck are caused by car drivers. Police should be more active in enforcing car driver behavior.

The recent change to hours of service regulations are exacerbating the driver shortage. Required use of electronic log books, which began in December 2017, will decrease the overall capacity of the trucking industry by ensuring drivers do not exceed their allotted hours of service. As a result, rates will likely increase; some one day transits will become two days; and some drivers are likely to quit as their income decreases.

Many shippers have moved away from internal traffic departments and use brokers or 3PLs to arrange their transportation needs. Services are available to these brokers to monitor driver and
carrier insurance and safety performance, which impact carrier selection. As a result of these and other changes, margins for van loads have been pushed down. Higher profits are available for niche/specialized services like flat beds.

Industry representatives provided significant input to key needs throughout the region focused largely on curves, weaves, inclines, congestion chokepoints, and truck restrictions. Oversize/overweight regulations vary by state. This complicates multi-state movements for some heavy/oversized industries. Significant fines result for those not in compliance. The regional roadway network is severely congested in AM and PM peaks periods. The majority of drivers that completed a short survey reported that congestion is the worst problem they experience on the roadways followed by poor pavement condition, and a lack of truck parking facilities.

**TRUCK DRIVER SURVEYS**

In addition, an online truck driver survey was distributed to further identify issues with the freight system. Ten drivers completed the entire survey, roughly half of the people who began it. 100% responded that congestion is the worst problem they experience on the roadways; 80% have issues with pavement conditions; and 50% indicated issues with truck parking. None stated issues with enforcement, signage, turn pocket storage, distance between signals, HAZMAT routing, or the availability of CNG refueling.

- Drivers provided a variety of locations where they experience issues:
  - Oxmoor Road at Barber Court/Montevallo Road SW (pavement conditions, dangerous);
  - Industrial Drive/Oxmoor Road – pavement conditions/markings;
  - Oxmoor Road as a whole – dangerous intersections/merge lanes;
  - I-459 bypass overpasses between Hoover and Bessemer – bumpy;
  - I-65 from exit 250 – 261 – rough pavement, often congested;
  - Alabaster exit and on ramp to I-65 – bottleneck;
  - I-20/I-59 interchange;
  - Congestion on I-65 from Calera to Birmingham – 4 lane;
  - Merging traffic congestion on I-65 – need ramp meters;
  - US 280 from Chelsea to I-459 – heavy congestion; and
  - Highway 79 as a whole – pavement conditions/markings, lights/signals.
RAIL INDUSTRY

Rail service in the Birmingham area includes intermodal, carload, unit train. Facilities include classification yards, intermodal ramps, transload terminals, and direct carload service via sidings. Eastern and Western railroads interchange with each other and local short lines in the Birmingham region providing connections and access to regional and more distant markets and seaports. Sites with sidings typically have contracts requiring minimum volumes with penalties assessed if those volumes are not met. While there are limited opportunities for new rail served customers, there is unused capacity available at sites currently served.

The railroads’ primary focus in the region is intermodal although there are a significant number of transload customers for bulk products (e.g., plastic pellets, hazmat chemicals). Railroads are always looking for direct siding dependent customers. Limestone is key outbound flow by rail with high quality limestone shipped to sites based on construction activity.

As the region continues to grow, planners need to keep freight in mind to ensure the industrial landscape is balanced with quality of life for residential communities. It is critical that rail served sites be protected for rail dependent industries. Urban development adjacent to rail corridors and yards creates conflicts. Municipal zoning can be an issue as industrial areas are being redeveloped into residential lofts. Separating bike and pedestrian projects from heavy rail corridors would also be helpful.

Grade crossing projects are always a priority. Grade crossing closures benefit rail operations but are hard to accomplish given the desire for auto mobility. Rail traffic is anticipated to grow in the future in Birmingham area.

AIR INDUSTRY

The region’s primary airport is the Birmingham-Shuttlesworth International Airport (BHM), which is a category 2 facility with a 12,000 foot runway and a secondary 7,100 foot runway. FedEx and UPS operate daily service. An unleased cargo apron provides capacity for growth and the airport has significant land available to develop although access to vacant land is limited. The East cargo area will require new roadway access. Cargo marketing is limited today. Integrators (FedEx, UPS) are the primary operation. Airlines serving the airport have consolidated schedules bringing in larger plans but offering less direct flights. Future success will be driven by business and population growth, and available disposable income.

The airport’s master plan is largely driven by mitigating Village Creek, which runs through the airport. Options to remove this obstacle face environmental issues. Several key improvements are dependent on this mitigation. For example, the primary runway and taxiway are too close together, impeding operations in bad weather. This cannot be fixed until Village Creek is covered or relocated.

The designated reliever airport is the Bessemer Municipal Airport (EKY) located in the City of Bessemer. EKY currently supports small scale air-freight operations serving the Mercedes-Vance Automotive Corridor. The Bessemer Airport Authority anticipates that its role in this service will expand as the recently announced $1B Mercedes expansion comes on line in the future. Connector challenges include congestion along CR-52 (Morgan Road) and an at-grade rail crossing on Aviation Road.

(Source: Birmingham-Shuttlesworth International Airport)
The region has a network of industrial parks. Development authorities (county, city, etc.) locate and develop land, recruit businesses, and maintain common elements. The majority of industrial parts are full and authorities are always looking for more land to develop. Redevelopment of brownfield sites is expensive with liability issues and the region’s topography limits land availability for new warehouse and distribution center developments. Preferred locations are near interstates, have rail service, and access to utilities. Size and operation varies by location. Companies range from light manufacturing, to warehouse and distribution facilities. Many suppliers to auto manufacturing plants outside the region locate in these parks.

The State could improve at supporting economic development activities. Competition drives everything. Municipalities have access to funding grants to help attract and support business partners and economic development tool kits are useful. Improved marketing is critical to ensure the region consistently gets short listed when competing for new projects. The region needs to provide a variety of industrial parks (premium as well cheaper options) and last mile connections to the sites is a critical part of development. The region’s economic development community has identified target businesses (automotive, aerospace, chemicals, finance, life sciences, and manufacturing). Technology is a major focus (Tech Birmingham, Innovation Depot) and warehouse and distribution will always be a priority.

The region should capitalize on transportation assets. Time to market and access to market is critical and the region has a strong transportation system. As a result, many national trucking firms have operations in the region. The Birmingham-Shuttlesworth International Airport has potential to grow its cargo operation but it must overcome key challenges. The airport has limited space and handles limited cargo. Redevelopment opportunities exist (unused hangers at airport offer 1.2 million square feet). The airport also is host to FTZ 98. The FTZ status is not used extensively. Expansion of the FTZ to cover Port Birmingham would be helpful.

Birmingham should continue to work to improve its image as a place companies and workers want to locate and live. Workforce training programs exist and should be used effectively to develop qualified workers. Regional leaders are pro-business and fiscally responsible to help drive growth.
SHIPPERS + MANUFACTURERS

The limestone aggregate industry is a major industry in the region and serves a variety of businesses (concrete, asphalt, road and home construction). Growth is driven by key factors including population, tax base, etc. Birmingham is not a high growth market. Product movement is complicated by weight restrictions on bridges and trucks often are prohibited from using the Interstate System. Rail is used for some movements.

The automobile manufacturing and assembly industry produces variety of models in the larger region. Components come from domestic and international suppliers. Supplier shipments are time sensitive. Order fulfillment requirements can be within hours from time of order. Suppliers often serve multiple companies and product lines. Seaports, railroads, trucks, and air are used for inbound and outbound shipments. Carriers (and modes) are selected based on service and ease of negotiations/price.

The manufacturing and distribution industry relies on efficient movement of goods (inbound and outbound). Specialized transportation services are required for project specific materials. Intermodal rail service and seaport connections are important. E-commerce has resulted in smaller shipments and faster delivery times, which can change sourcing decisions, warehouse locations, and puts pressure on transportation system reliability. Effective use of technology (artificial intelligence, autonomous vehicles, and drones) will also impact competitiveness of companies and regions.