Freight Railroad Infrastructure Improvement Program

Intermodal Facility Grant Application

I-41 & I-43 Northeast Wisconsin Intermodal Freight Grant Application

Background: New North, Inc., hosted an Intermodal Rail Summit on November 11, 2019. This forum provided an opportunity to hear from customers as to why intermodal matters, learn from a panel of transportation service providers, and review intermodal business models from partners of Class I rail operations, global liner service, and domestic intermodal and truck drayage. It also reviewed the results of the Wisconsin Freight Advisory Committee's Intermodal subcommittee final report. While this report presented an appraisal of the current status of intermodal shipping in Wisconsin, it also identified the large potential for undocumented opportunity. Thus the intent of this grant application is to conduct extensive outreach and validation of the potential volume and balance of inbound and outbound containerized shipments to and from Wisconsin both domestically and internationally, the potential growth in business demand for containerized freight service, and appraisal of any long-term commitments by shippers (Phase 1). The result of this study will identify potential efficiencies for containerized freight shipping, including decreased shipping costs, greater predictability of delivery times, and reduced roadway congestion. The study area of this request will include the geographical location included in the regional planning commission's territories of Southeast Wisconsin, East Central Wisconsin, and Northeast Wisconsin (Map 1).

4.1.1 **Identification of Parties and Projects**

(a) Lead: The East Central Wisconsin Regional Planning Commission (ECWRPC), the Metropolitan Planning Organization (MPO) for the federally designated Appleton (Fox Cities) transportation management area (TMA), in partnership with the Green Bay TMA, the New North economic development corporation and the Port of Green Bay.

Supporting: The Bay-Lake Regional Planning Commission, North Central Wisconsin Regional Planning Commission and Southeast Wisconsin Regional Planning Commission and other key stakeholders would advise the project.

These partners would serve on a Steering Committee to oversee a consultant assisted study to identify the volume of products being shipped domestically and internationally into and out of eastern Wisconsin associated primarily with the Interstate 41 and Interstate 43 corridor and available freight rail services.

ECWRPC would be the primary point of contact for fiscal administration of the project as part of the agencies ongoing MPO, state and federal transportation planning program.

Walt Raith, Assistant Director/MPO Director,
East Central Wisconsin Regional Planning Commission
400 Ahnaip Street, Suite 100,
Menasha WI 54952 Phone 920-751-4770

The proposed study will help inform the required Long Range Transportation Plans for the Appleton MPO, the Fond du Lac MPO, the Oshkosh MPO, the Green Bay MPO, and would evaluate the containerized freight demand in eastern Wisconsin, upper Michigan and beyond. More specifically the study would determine inbound and outbound trade lanes for exports and imports to evaluate the balance and determine the feasibility of establishing an intermodal Freight Facility with the potential to serve eastern Wisconsin from upper Michigan to Milwaukee.

(b) It is proposed that that the Steering Committee would include representation from at least 3 railroads, including Brian Buchanan from CN, that serves the larger described region. Other railroad providers and Stakeholders will include Ken Lucht with the Wisconsin and Southern (WSOR), Tom Klemek, Rail Consultant, LLC, representing the Escanaba/Lake Superior Rail, and John Duncan Varda, representing the Wisconsin Central Group and the Lakes States Shippers Association. The WCG and LSSA have already prepared information about rail corridors and service areas that is consistent with this study proposal and significant freight data has already been collected. (Map 1 the study area).

(c) Assembling information and data from producers and shippers will be the focus of the project to determine if there is enough demand to justify an anchor to build an Intermodal Freight Facility. **Options for the specific location of the facility would be explored after the study results are known and collaboration and planning begins with the railroad(s) and potential anchor(s) (Phase II). At the request of WisDOT a few locations have been provided based on major highways and port access.**

- **PORT OF GREEN BAY**

  In 2019 the East Central Wisconsin Regional Planning Commission provided a letter of support to the Port of Green Bay in their efforts to evaluate and establish an intermodal freight facility at the Port. The letter (Attached) was signed by the Fond du Lac County Board Chair and Commission Chair Martin Farrell on behalf of all eight member counties. County Board chairs serve as the Commission Steering Committee. The idea was that the Port could provide waterborne containerized freight transportation in addition to good rail and highway access, with I-41, I-43, USH 41 and WIS 29. Shipping freight by water would be the most cost effective for about 9 months out of the year.

  As a follow-up in 2019 a resolution was passed by the Outagamie County Board supporting the establishment of an intermodal facility at the Port of Green Bay (Attached). A resolution supporting the establishment of an Intermodal Facility was also passed by Brown County (Attached) further demonstrating the commitment from local governments to work with potential shipper anchors and make it happen.

- **NEENAH/OSHKOSH**

  Other locations that have been discussed are south of Neenah through Oshkosh or west of Neenah, somewhere along the CN Mainline that would have excellent access to I-41, USH 10 and USH 45 and would serve eastern Wisconsin directly.

- **FOND DU LAC**

  Just south of Fond du Lac at the new industrial park should also be considered based on the proximity to the CN Mainline and shops, good access to I-41, USH 151 and WIS 23 with a soon to be completed 4-lane connection to Sheboygan and the Lakeshore and I-43 businesses.

Again, the location of a proposed intermodal facility would be considered after the completion of the demand study (Phase 1) with collaboration and cooperation with the railroads and potential anchor tenants or shippers.

(d) The study would be overseen by the proposed Steering Committee that would be organized and chaired by the 18 County economic development organization, New North Incorporated;

Barb LaMue, Director
The New North, Inc.
600 N. Adams St
Green Bay, WI 54307

Phone 920-336-3860

Cell: 920-676-1960

The Steering Committee would also include various stakeholders representing regional and metropolitan planning, economic development staff and others deemed important for inclusion with the group. The Steering Committee would work with WisDOT to finalize a comprehensive request for proposals for freight industry experts that would be contracted to complete the containerized freight demand study.

Timeline

It is expected that the Steering Committee would hold a kick-off meeting/workshop with the entire group to discuss and finalize the request for proposal (RFP) items that would be provided to possible contractors. Getting the right data back as part of the study will be critical for the process.

After initial work by project leadership to collect and review proposals from potential contractors, another meeting/conference call would be scheduled to discuss and select a contractor(s) based on the scope of work and cost.

Project leadership would work with the consultant to identify a schedule for the project and appropriate times for updates to the Steering Committee. After work is underway it is expected the Steering Committee would conference call or meet at least monthly and could meet as needed if issues arise. New North and ECWRPC will establish a subcommittee to work with WisDOT and keep the larger group of Steering Committee and Stakeholders appraised and engaged with the project. **This phase of the project will be completed prior to December 31, 2021.**

4.1.2 Estimated Project Cost

(a) The estimated project cost would be approximately $260,000 that would all be available to hire a team of freight industry experts to inform the study and provide the needed demand information. Stakeholders will assist with grant administration and provide oversight, along with numerus in-kind hours from the various agencies and organizations to staff the Steering Committee.

(b) The method to complete the project would be determined by the contractor with direction and collaboration of the Steering Committee; with the goal of obtaining the often proprietary information needed to identify potential demand and balanced trade lanes.

4.1.3 Proposed Project/Study Financing

Preliminary Budget Table

Wisconsin FRIIP Analysis (Uses)	**Budget Estimate**	**% of Overall Budget**	**Source of Funds**
Task - 3rd party consultant(s) fees			
Demand Validation - 3rd party	$100,000	38%	FRIPP grant
Supply - terminal requirements	$75,000	28%	FRIPP grant
Site evaluation	$25,000	11%	FRIPP grant
Business Plan Development	$24,000	9%	Non-state match
Implementation Plan	$24,000	9%	Non-state match
Meeting Expense & Coordination	$12,000	5%	New North-in-kind
Total Project Cost	**$260,000**	**100%**	

*Note - ECWRPC & New North not taking any administration fees

(a) Currently, ECWRPC has completed the process of securing the non-State match for the project with $48,800 in federal funding that will be used on behalf of the Appleton and Green Bay MPO designated transportation management areas (TMA). However, it is the intent of the Steering Committee and Stakeholders to supplement this with private sector funds as the process unfolds and an intermodal facility is identified for this region. In addition New North is contributing up to $12,000 with staff time and meeting convening expenses. **It should be noted that either ECWRPC or New North is taking any administration dollars for this grant coordination and administration.**

(b) No Financing would be part the study.

(c) It is the goal of the group to secure private sector funding for the project. Additional funding could be added depending on the consultant selection process, negotiations and cost estimates.

4.1.4 Intended Benefit and Cost Items

The benefit of this could be significantly reduced shipping cost and time, with an additional benefit of attracting more industry to take advantage of the improved services and local transportation system capacity.

Foreign Trade Zone #167 and secure areas under U.S. Customs supervision for the territory of the United States is also another benefit for facility location. The FTZ #167 includes over 2,300 acres and has been expanded to oversee three subzone tenants outside of the region. This has the potential to significantly reduce shipping cost like drayage to Chicago, fees and tolls, while reducing travel emissions, crashes, injuries and road congestion that would definitely benefit manufactures and industry in Wisconsin.

No matter where the facility would be located in eastern Wisconsin, businesses and industries that ship by or would be interested in shipping overseas by container could potentially eliminate the trans load portion of the trip in this country.

4.1.5 Intended Environmental and Economic Enhancement Items

Clearly taking a significant number of trucks off the highway would enhance environmental conditions. A proposed Intermodal facility in association with the powerhouse manufacturing sector adjacent to the I-41 corridor in northeast Wisconsin would likely make the region even more attractive for economic growth.

Supporting Industry Data that could utilize an intermodal facility:

Transportation & Logistics: Just in the 18-counties of the New North region there are over 1,000 companies that are categorized in the transportation & logistics industry, supporting over 22,000 jobs. The New North region has the 18th largest employment concentration in the Transportation & Logistics industry in the United States and contributes to approximately $2 Billion in the regional economy.

Forest Products: Wisconsin is the top state in paper production, with the largest concentration in the New North region. Over 58% of all related industry jobs reside in the New North region. Pulp, paper and converting operations support over 18,000 direct jobs within 110 establishments. The forest products industry contributes approximately $4.5 Billion annually to the New North economy.

Manufacturing: New North manufacturers comprise more than 30% of all the manufacturing jobs in Wisconsin and over 24% of all manufacturing operations in the state. The New North region has a 2.66 greater manufacturing concentration than the national average, contributing $18 Billion to the regional economy.

4.1.6 Wisconsin Containers

The study should identify the number of comparable containers or TEUs that could be expected inbound and outbound at such a facility. The study would need to determine the trade lanes of each commodity, the potential volumes and if a balance can be supported for inbound and outbound. It can be said that plenty of containers are already seen and are parked at various locations and many of these likely rolled right through the Fox Cities on rail in-route to Chicago where they are put on a trucks and hauled right back to the area. The study may evaluate the time and cost savings if the containers were off-loaded somewhere near the region.

The potential number of both domestic and international containers inbound and outbound from and to Wisconsin would be a focus of the study. Results of the study would include the number of inbound containers destined for this area, the carrier or steam ship line, the shipment origin country and the port of entry. The study would identify where the containers are currently being transferred to truck and the destination city and commodity. The study would identify the annual volumes and units by size.

Equality important is the volume of potential outbound containers, the commodities, city of origin, where the freight is currently being transloaded from trucks to containers, the current commodities and volumes (In units or TEUs), the port of departure, ocean carrier and destination country.

The group will continue work to identify the data needed to determine demand of the inbound and outbound freight lanes.

4.1.7 Access to Warehouse Space

Warehousing with adequate rail-door-side amenities is already available in the region due to the high concentration of manufacturing in the region and industries move from stored products to just-in-time delivery. Regional Planning Commissions and Metropolitan Planning Organizations would assist stakeholders with compiling and mapping various items including types and locations of warehousing that might be scoped as part of the second phase project development process.

MAP 1 GENERAL AREA that May Utilize an Intermodal Freight Facility

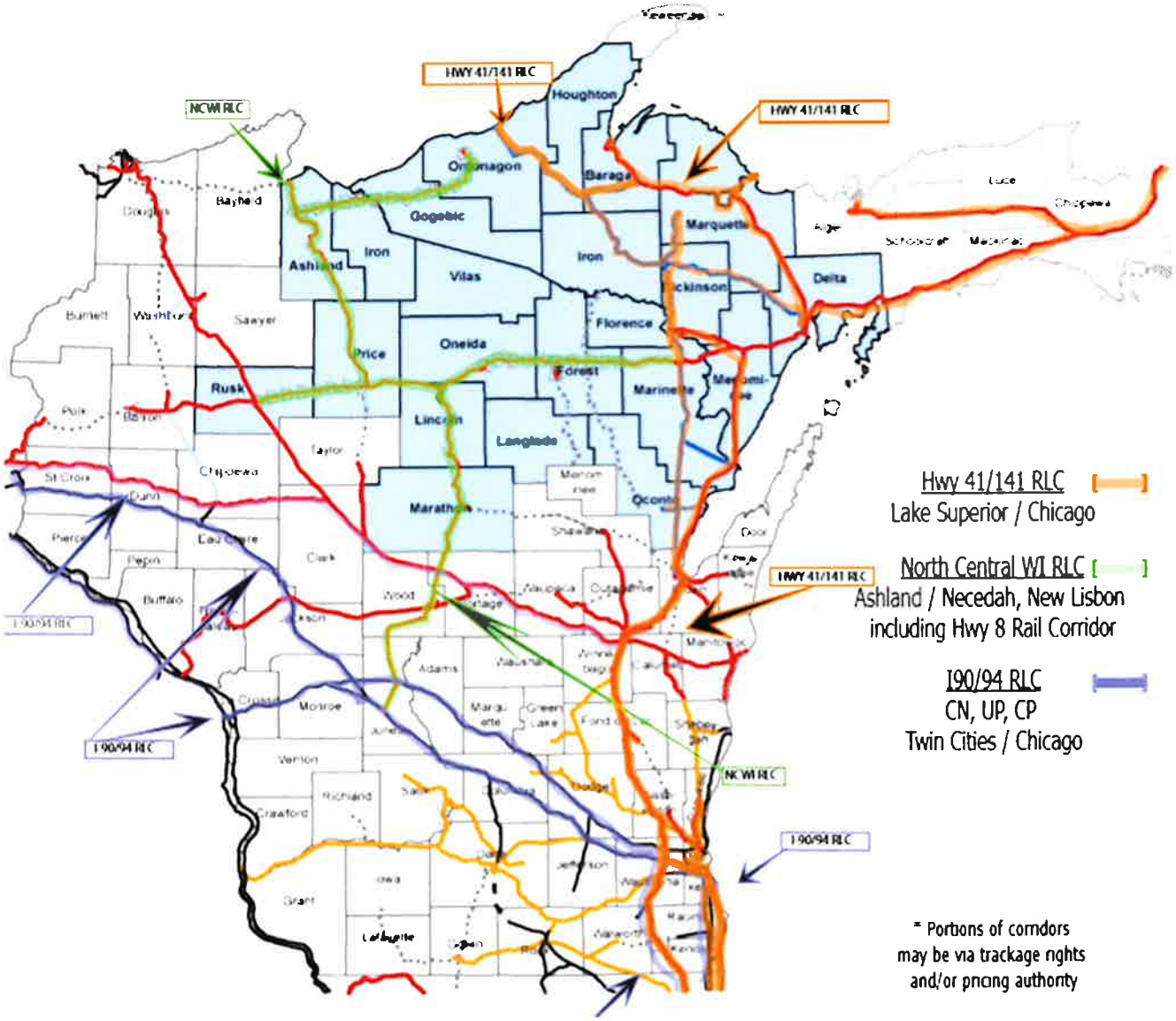
The "Service Area" would closely reflect the areas under consideration by other rail stakeholders specifically the Hwy 41/I-41/RLC Lake Superior to Chicago. A long list of counties could potentially benefit by establishing another Intermodal Freight Facility.

Lake States Shippers Association
A Classic Co-op Shippers Association

www.centralcorridors.com/lssa/

Wisconsin / Upper Michigan Rail Line Corridors
Looking at the Region as a Rail System
and from a Corridors Perspective*

January 23, 2020



* Portions of corridors may be via trackage rights and/or pricing authority

East Central Wisconsin
Regional Planning Commission
ECWRPC
Calumet • Fond du Lac • Menominee • Outagamie
Shawano • Waupaca • Waushara • Winnebago

June 3, 2019

Troy Streckenback, Brown County Executive
305 East Walnut Street
Green Bay, WI 54305-3600

Re: Port of Green Bay Intermodal Freight Facility Support

Dear Executive Streckenback,

This letter from the East Central Wisconsin Regional Planning Commission is in support of establishing an intermodal freight facility at the Port of Green Bay. At the May 29, 2019 Steering Committee meeting it was brought to our attention that the County is currently negotiating to acquire the Pulliam Power Plant site for the proposed facility.

This is a tremendous opportunity for all of northeast Wisconsin, the Upper Peninsula of Michigan and beyond to establish future freight transportation options. Currently, intermodal or containerized freight must first find its way to Chicago to have access to world markets. An intermodal container facility at the Port could be a game changer for area manufactures and shippers, especially for the I-41 corridor communities.

The Commission Steering Committee comprised of the County Board Chairs from Calumet, Fond du Lac, Menominee, Outagamie, Shawano, Waupaca, Waushara and Winnebago counties recognize the benefit of creating this facility at the Port of Green Bay. Clearly, transporting intermodal freight to the Port of Green Bay for shipping would be more appealing than navigating the congested roadways around and through Chicago. The intent of the County Board Chairs will be to request supervisors and community leaders in the Region to also demonstrate support for this project.

We hope that showing this support from northeast and east central Wisconsin will assist in your efforts to make this proposal a reality.

Sincerely,

Martin F. Farrell

Martin F. Farrell, Fond du Lac County Board Chair
ECWRPC Chair

cc ECWRPC Membership
Dean Haen, Green Bay Port Director
Cole Runge, Green Bay MPO Director

RESOLUTION NO.: 31—2019-20

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN: ***MAJORITY***

Outagamie County understands that freight movement is critical to Wisconsin's economic competitiveness at regional, national, and global scales. Intermodal shipping is the movement of cargo in shipping containers or trailers by more than one mode of transportation and is an increasingly important part of the global movement of freight. Use of intermodal shipping can create efficiencies, reduce transportation costs, and be a key factor for sustained economic growth and development. Currently, intermodal or containerized freight must first find its way to Chicago in order to have access to world markets.

Brown County is currently negotiating to acquire the Pulliam Power Plant site for an intermodal container facility which would allow barges and other shipping containers to be transferred by boat either onto rail or onto the interstate highway system. This is a tremendous opportunity for all of northeast Wisconsin, the Upper Peninsula of Michigan and beyond to establish future freight transportation options.

This resolution supports the establishment of an intermodal freight facility at the Port of Green Bay and urges the State Legislature to retain a provision in the 2019-2021 State Biennial Budget to help with studying, geotechnical engineering, and environmental investigations of the Pulliam Power Plant site as an intermodal freight facility.

NOW THEREFORE, the undersigned members of the Property, Airport, Recreation and Economic Development Committee recommend adoption of the following resolution.

BE IT RESOLVED, that the Outagamie County Board of Supervisors does support the establishment of an intermodal freight facility at the Port of Green Bay which will offer an opportunity for all of northeast Wisconsin, the Upper Peninsula of Michigan and beyond to establish future freight transportation options, and

BE IT FURTHER RESOLVED, that the Outagamie County Board of Supervisors does go on record in support of retaining a provision in the 2019-2021 State Biennial Budget to help with studying, geotechnical engineering, and environmental investigations of the Pulliam Power Plant site at the Port of Green Bay as an intermodal freight facility, and

February 25, 2020

TO THE HONORABLE CHAIRMAN AND MEMBERS
OF THE BROWN COUNTY BOARD OF SUPERVISORS

Ladies and Gentlemen:

RESOLUTION SUPPORTING THE ESTABLISHMENT OF AN INTERMODAL FREIGHT FACILITY AT THE PORT OF GREEN BAY

WHEREAS, the Brown County Board supports the establishment of an intermodal freight facility at or near the Port of Green Bay along the nationally recognized I-41 freight network, which will offer an opportunity for all of northeast Wisconsin, the Upper Peninsula of Michigan and beyond to establish future freight transportation options resulting in lower shipping costs and providing an advantage to regional manufacturers; and

WHEREAS, an established intermodal freight facility that will be truck and train based and located near the Port of Green Bay, will best service the region by providing the opportunity to have a domestic and international marine component; and

WHEREAS, the New North region comprises more than 30% of all the manufacturing jobs in Wisconsin and supports more than 24% of all manufacturing operations in Wisconsin; and

WHEREAS, the New North region supports the 18th largest employment concentration in the Transportation & Logistics Industry in the U.S. and is the #1 industry for growth in the New North region.

NOW THEREFORE, BE IT RESOLVED that the Brown County Clerk be directed to forward a copy of this resolution to the NEW North requesting NEW North pursue passage of a similar resolution from all County Boards in the NEW North region. Wisconsin Counties Association, Wisconsin Manufacturer's and Commerce, Wisconsin Transportation Development Association, Wisconsin Department of Transportation, Governor Tony Evers and all regional state legislators.

Respectfully submitted,

Planning, Development and Transportation Committee

Approved by: