



ST LOUIS REGIONAL FREIGHTWAY

Your Gateway to the World

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Executive Director
St. Louis Regional Freightway

St. Louis Regional Freightway

- **Business unit of Bi-State Development**
- Launched in September 2014
- Executive Director in July 2015
- Support from both sides of the river



Bi-State Development: Five Business Enterprises



- Established in 1949 through an interstate compact between Missouri & Illinois
- Can cross local, county and state boundaries to plan, construct, maintain, own and operate facilities and infrastructure
- Authorized to issue revenue bonds, collect fees and receive federal, state and private funds
- Long history as a regional development authority

Mission and Goals

Mission: To **optimize** the region's freight transportation network through public and private partnerships.

Goals: To produce results that **strengthen the St. Louis Region** by increasing job growth through manufacturing and logistics, and improving the local economy.

- **Regional Freight Needs Analysis and Development Plan** - Maximizing funding opportunities through public-private partnerships and improving multimodal capabilities
- **Develop and implement a Marketing Plan** – St. Louis Region is recognized as national and global premier freight hub.

St. Louis Regional Freightway

Members include manufacturing, logistics, industrial real estate, workforce development, economic development organizations, academia, all modes of transportation both the IDOT and MoDOT and the East-West Gateway Council of Governments.

- **Needs Analysis and Freight Development Committee**

Terminal Rail Association of St. Louis – President Mike McCarthy

- **Marketing Committee**

America's Central Port - Executive Director Dennis Wilmsmeyer

- **Policy Committee**

MO Baptist University Dean of Graduate Studies



Successes in the Two Years

- **Public and private sector partnership** *(multimodal list of projects, improving the region's overall competitiveness, supporting economic and new business development)*
- Launched **Thefreightway.com website** *(the premier source of information and point of contact regarding regional logistics capabilities and site selection)*
- **Engaging potential partners** throughout the Midwest and into the Gulf of Mexico
- Hosting regional meeting on critical freight and logistics opportunities including the USDOT FHA *(unique model for the country)*
- Gaining critical support from **congressional delegations from IL and MO**
- Developed **marketing and advocacy** plans for the regional effort

Freight Development Committee (FDC)

Primary criteria included the following:

- **Economic Impact:** *How closely does the project align to the Freightway's goals?*
(Improving the region's overall competitiveness and create jobs throughout the region)
- **Multimodal Impact:** What is the potential for the project to improve the flexibility, reliability, and connectivity of the region's freight network?
- **Efficiency Impact:** To what extent does the project increase the efficient use of the St. Louis region's freight assets? Increasing the speed of freight, lowering the cost to move freight and improved reliability within the system.
- **Safety and Security in Travel**



Nationally significant projects include:

- Merchants Bridge (TRRA) over the Mississippi River
- Improvements to Interstate 270 in IL and MO

Projects that improve access to the transportation network include:

- North Riverfront Commerce Improvement Project in North St. Louis
- Illinois Route 3 Improvements in East St. Louis and Sauget, IL

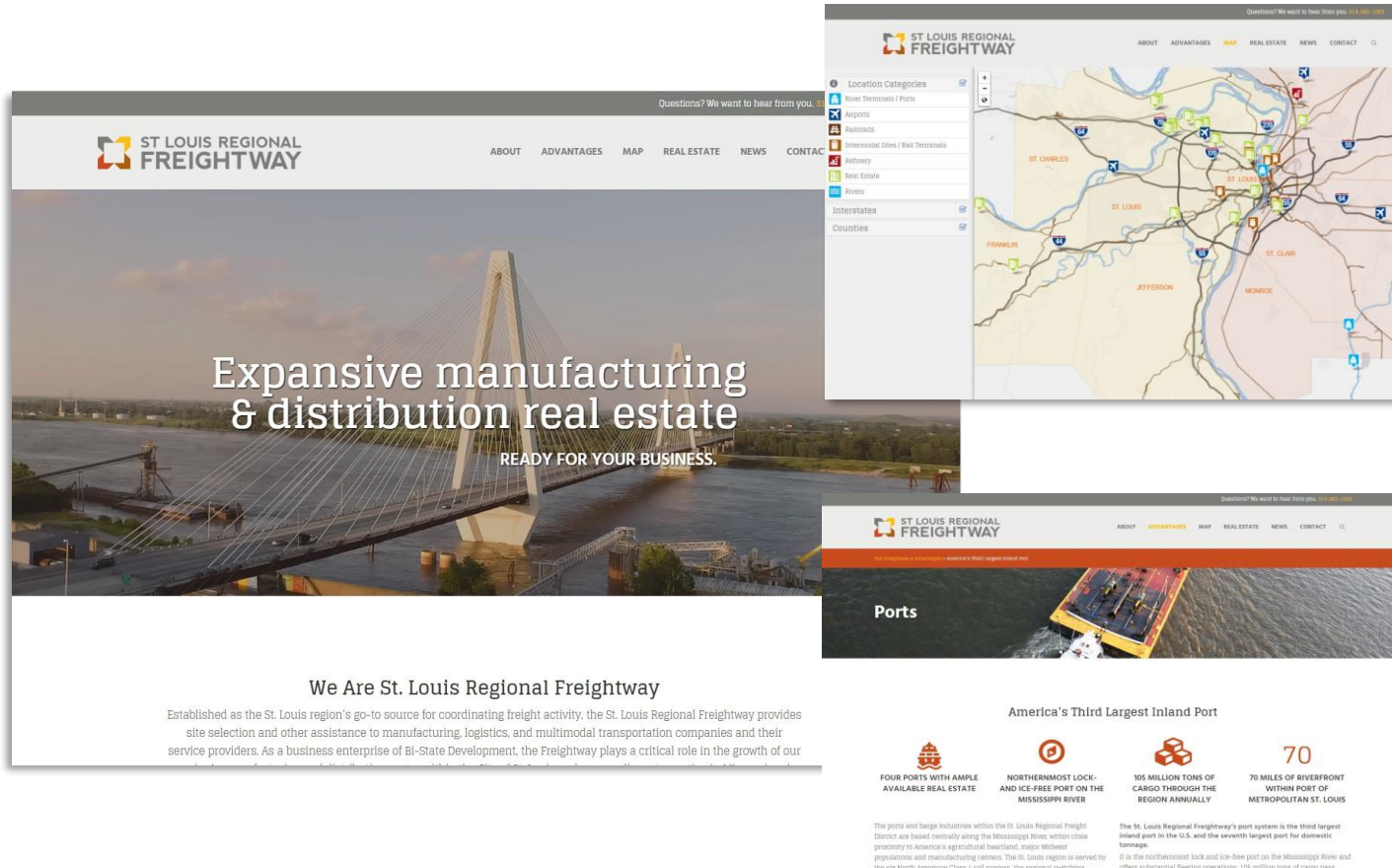
2016 FDC Accomplishments

- **Project list**
 - presented to the USDOT FHA Administrator Gregory Nadeau
 - highest priority projects were discussed with the Administrator & his staff
- **St. Louis Region included with the 24 USDOT Freight Economic Roundtables**
- **Responsible for letters of support for FASTLANE projects submitted by the region**
- **Engaging discussions with MPO, DOTs and manufacturers, logistics, shippers and carriers**

2016 FDC Accomplishments

- **Freight Development Project List presented, referenced and discussed during critical freight and logistic meeting with key decision makers – IDOT, MoDOT, elected leaders and business leaders**
- **MoDOT will incorporate MO projects with the MO State Freight Plan**
- **Member of IDOT State Freight Advisory Committee**
- **October 2016 Freight Development Project List was unanimously endorsed by the East-West Gateway Council of Governments**

Region's Digital Presence-April 2016

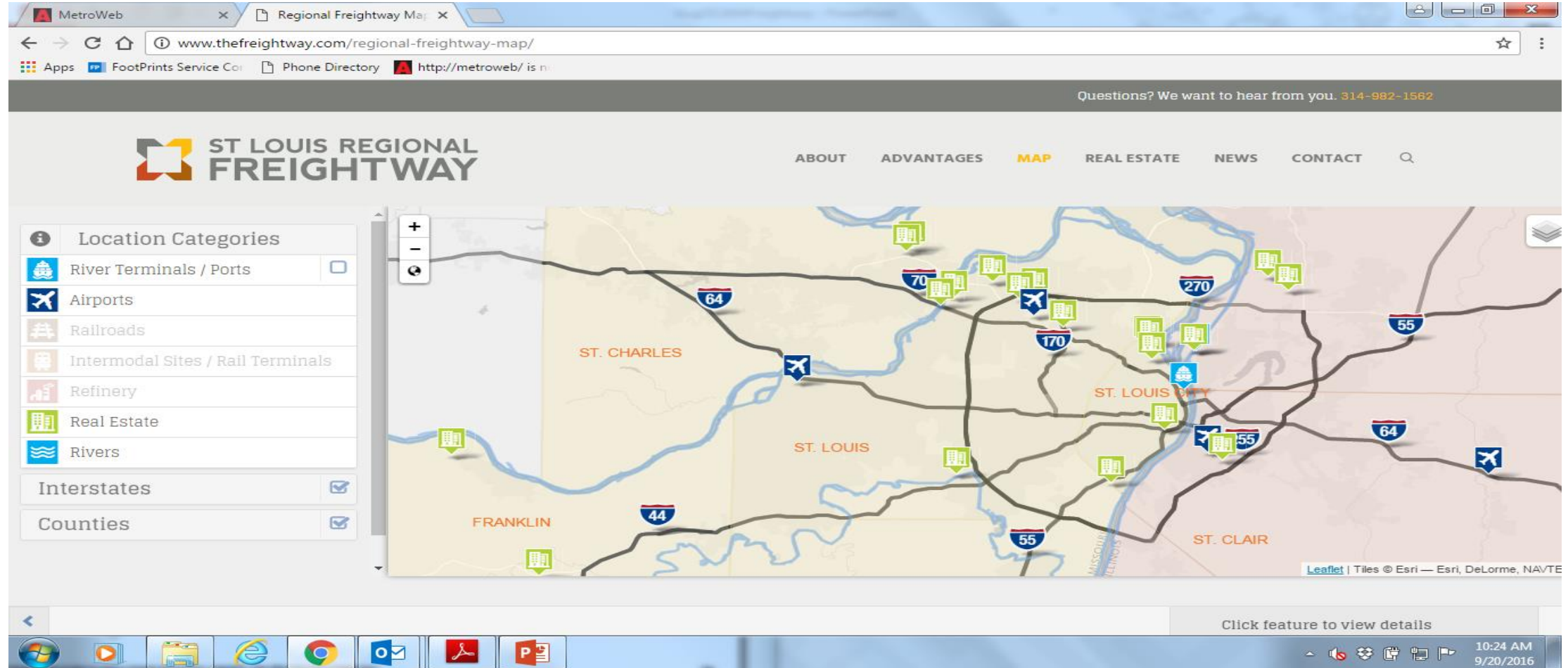


TheFreightway.com is our front door for attracting businesses, investors and real estate speculators to the region

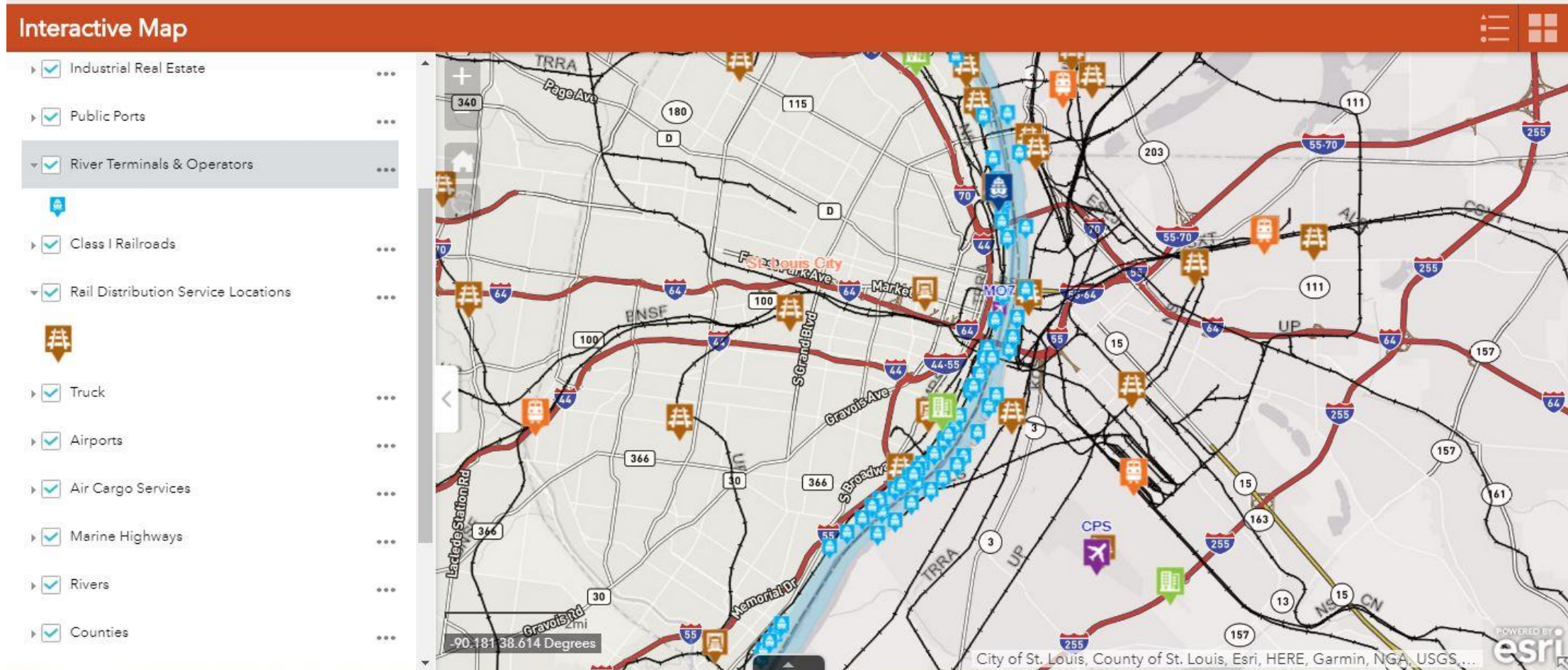
The fact sheet and comprehensive real estate resource are **tools for the entire region**



Top Industrial User Real Estate Sites



Updates to “Thefreightway.com” Map



Freightway Website: Rail Distribution Service Companies & River Terminal Information

The new information includes the following:

☐ River Terminal Information:

- Company contact
- Terminal specialty
- Commodities handled
- Site infrastructure
- Transportation access

☐ Rail Distribution Service Locations:

- Company contact
- Rail carrier
- Mode type

New ag and fertilizer barge transfer facilities

Most recent ag and fertilizer barge transfer facilities came on line.

- **COFCO** (2016) – New facility
- **America's Central Port** –Madison Harbor (2015, \$50 mil) – New facility
- **Louis Dreyfus** (2013) – New facility
- **Municipal River Terminal** - (2013) - Existing facility w/ \$20 mil -new dock and (2017) \$8.5 mil –rail unit train improvements
- **Bunge** (2011) – New facility
- **Consolidated Grain & Barge** (2010) – New facility

A permit (2017) for an additional barge transfer facility was recently submitted to the USACE.



ACP (Photo by Nelson Spencer Jr.)



Ag Coast of America



Cheaper train rates to large barge-loading facilities

Unit train capabilities

- Offer cheaper rates to large barge-loading facilities
- Carry 110 – 125 rail cars often with only one commodity, typically for bulk goods like ag, fertilizer and coal
- Grouping of cars reduces the time to assemble and disassemble the train
- The Region's rail switching carrier, Terminal Railroad Association (TRRA) of St. Louis and six Class I RRs supports the region's intermodal capabilities and provides national access



U.S. Agribusiness

China

United States Department of Agriculture
Foreign Agricultural Service 

\$21.4 billion U.S. Agricultural Exports, 2016

Top 5 U.S. Exports

- 1 Soybeans (\$14.2 billion)
- 2 Course Grains* (\$1.0 billion)
- 3 Hides & Skins (\$949 million)
- 4 Pork (\$578 million)
- 5 Cotton (\$550 million)

*Excluding Corn

Export Growth

2006-2016

\$6.7 billion

219%
Increase

\$21.4 billion

#1

Among U.S.
Agricultural Export
Markets, 2016

Source: FAS Global Agricultural Trade System (GATS) BICO HS- 6

- COFCO International/Nidera is one of China's state-owned food processing holding companies.
- China's largest food processing, manufacturer and trader

St. Louis Region's Barge Traffic Growth

- **Geographic advantage**
 - Centered in America's agricultural
 - Northernmost ice-free and lock-free access on the Mississippi River to and from the Gulf of Mexico
- **Intermodal connectivity**
- **Excess capacity at river terminals and high concentrations of barges**



Regional Economic Impact - Inland Water Transportation

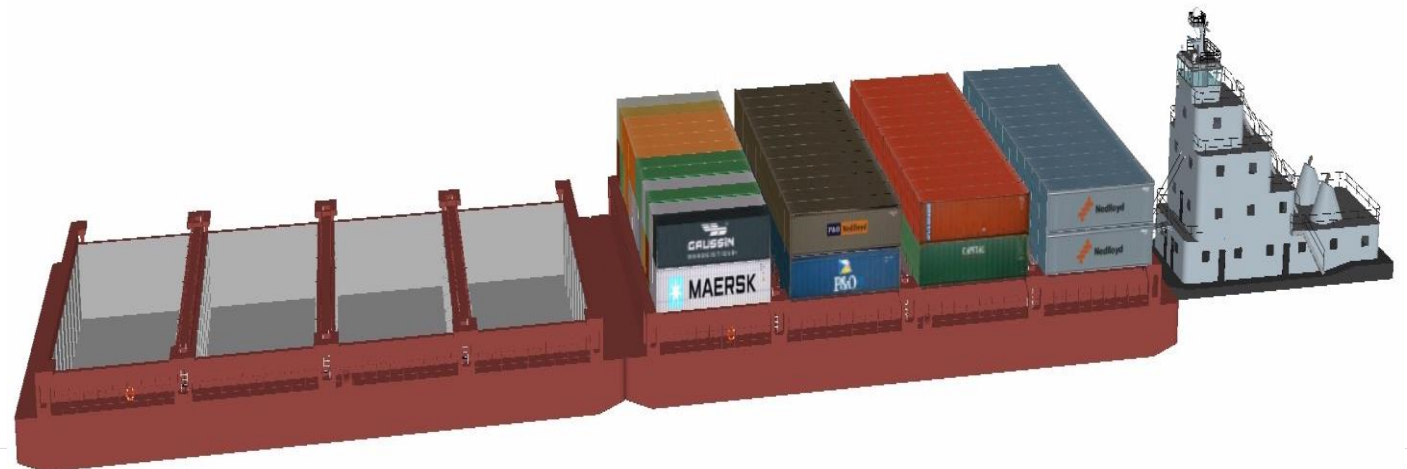
Inland Water Freight Transportation	Port and Harbor Operations
Marine Cargo Handling	Supportive Activities Water Transportation
Tow boat operators	

Average Annual Wage	\$ 75,000
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Total industry inputs 2015	\$750,000,000
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Container on Barge is a Hot Topic!

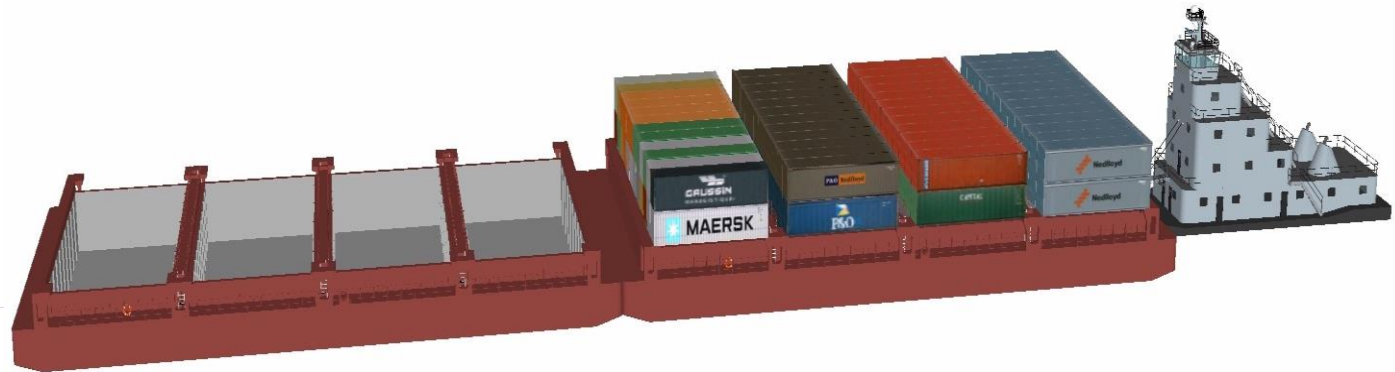
- **Container on barge (COB)** is a form of intermodal freight transportation
- Containers are stacked on a barge and towed to a destination on the inland waterway
- In recent years, Mississippi River COB services have been focused on operations from Memphis south or the lower 600 miles of the Mississippi River



Container on Barge is a Hot Topic!

Goal: Expand commerce & trade through containerized cargo growth through intermodal rail and container on barge.

- Alternative mode of transportation that allows the Nation to better compete in global markets
- Could serve as viable alternate option in the event of supply-chain disruption



Moving forward with Container on Barge

- **St. Louis Region has the infrastructure** - Three ports with COB capacity
- **Identify commodities that can withstand the additional transit times**
Metal scrap - Tires - Construction Supplies - Appliances - Automotive Parts
Specialized Grain - Fabricated Steel - Seasonal Outdoor Furniture - Animal Feed
- **Demonstrate COB service feasibility between inland cities in the Midwest and the Port of New Orleans via the Mississippi River system**
- **Coordinate with intermodal logistic companies**



Container on Barge-What is next?

Partnering with other regions in the Mid-West and into the Gulf of Mexico

- “Hub and Spoke” Container on Barge (COB) service to/from Mobile, AL and New Orleans connecting the Heartland region
- A “Hub and Spoke” service will allow for the inland ports to couple volume and barges located along the waterway system
- Also, combining the inland river container volume into a single main line operation, the shipper’s cost would be reduced by lower operating cost of the movement

Gain a better understanding of industry demand drivers and identify/support opportunities for investment

- **Academia** – 4 year Colleges/Universities, Community Colleges, and Trade Schools/Colleges
- **Shippers and Carriers**
- **Public Agencies**



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