

BUFFALO STAKEHOLDER FORUM – APRIL 29, 2010

As part of the Niagara Frontier Urban Area Freight Transportation Study a regional “stakeholder forum” was hosted by the Greater Buffalo-Niagara Regional Transportation Council. The forum was held at the Buffalo Marriott Niagara from 8:00 am – 12:00 pm on April 29, 2010.

The purpose of the freight forum was three fold:

1. Review the study purpose and progress to date
2. Review issues and potential projects that had been identified from previous data analysis and stakeholder outreach
3. Obtain feedback and a sense of priorities from regional stakeholders regarding the issues and projects identified.

The meeting started with a slide presentation that provided a brief overview of the study efforts to date, as well as a list of projects and issues identified. The presentation is provided as Attachment 1. Following the presentation, the stakeholders were broken out into two small groups for the purpose exploring issues by mode. A list of the stakeholder attendees is provided in Attachment 2.

Small Group Discussion: Air Cargo, Ports and Highways

AVIATION TOPICS

- Niagara Falls International Airport (NFIA) would like to see the report look at ways to expand air cargoes at the airport. A representative stated that the airport considers its potential cargo catchment area to be a 500 mile radius. Many companies use Toronto Pearson Airport, but the cost of using NFIA is one-tenth that of Toronto Pearson. NFIA is within a 12 hour drive time of 60 percent of the Canadian population and 40 percent of the U.S. population. NFIA would like to see the study assess the air cargo needs, not only of Buffalo and Erie counties, but also within the Toronto area.
- NFIA has a long runway that can accommodate any size aircraft, including those that would likely come to or from locations overseas. There are a number of sites that are available for development nearby, such as the Niagara Industrial Air Park, the U.S. Army Reserve site to the south of the locations, and the Bell Plant site, which is on the market adjacent to the runway.
- However, some infrastructure would need to be added. Facilities for warehousing and processing cargo would need to be added. Direct access to runways is needed. Lighting is not up to transcontinental standards. While customs officers are available, NFIA is not an international customs port. These individuals must be called. While customs officials are generally responsive in the Buffalo/Niagara region, it may be difficult to convince carriers that they will not be likely to face customs delays. Another issue is outbound lift. Air carriers usually prefer to have some reassurance that they will have outbound cargo if they bring cargo inbound. The response from a representative from NFIA was that the Greater Toronto Area (GTA) is a potential source of backhaul freight. For example, significant volumes of perishable commodities are shipped from Southern Ontario by air freight. Usage of the Buffalo-Niagara

Airport by Canadians is growing. If Canadians use the region's passenger services, perhaps they could also use freight service. The Buffalo-Niagara region has a cross-border culture where whether a location is in the U.S. or Canada is less important.

- Some challenges to expanding air freight at NFIA were mentioned. Since most cargo is carried in the bellies of passenger aircraft, the large international cargo hubs tend to also be the large international passenger aviation hubs. It was suggested that the NFIA could pursue all-cargo aircraft service. However, this could pose some issues as well, since this is highly competitive. The airport at Huntsville, AL was able to establish itself as a significant hub for all-cargo aircraft service, but few other examples exist of airports outside of major passenger hubs establishing themselves as major cargo hubs.

GENERAL MARKETING OF AVIATION AND MARITIME

- It was mentioned that for both aviation and marine cargo, the infrastructure is available in the region to increase freight transportation activities, but there has been some difficulty in successfully marketing the infrastructure. One suggestion was to create an organization that would have the responsibility to help market Buffalo's logistics assets. Presumably, this organization would not only help to market logistics assets, but also recommend improvement that would make these assets more marketable.
- One possibility could be to create a permanent logistics advisory committee. This could be made up of government, private industry officials, as well as university faculty. It was mentioned that the Buffalo Niagara Partnership currently has a logistics council. This organization could be a part of a new freight advisory council. The University of Buffalo has a regional institute. The study should propose specific steps needed to establish a logistics advisory committee, as well as carefully describe the need for such an organization.
- There was a wish that the analysis of freight in the Buffalo-Niagara region would be more inclusive to include parts of Canada. While population and employment forecasts for the Buffalo-Niagara region are basically stagnant, the GTA is forecast to grow significantly and will represent a growth area for the Buffalo-Niagara region's trade.
- One issue brought up was whether one should: 1) build the infrastructure first to provide better marketing leverage; or 2) whether one should market and then build in response to the marketing success. The approach suggested was to develop a strategy first, and build later.
- Stakeholders suggested that the Freight Study should do more than simply propose that the region market itself. The study should propose specific implementation steps.

ROADWAY ISSUES

- Tifft Street is located near the Bethlehem Steel site. There is a plan to connect this street to I-90 in two phases.
- A representative from Continental I mentioned that the Buffalo-Niagara region has poor north/south connectivity. The largest arterial to the south is US 219, the Southern Expressway. However, this shrinks to a two lane road at Springville, and there are no other good alternatives to travel south from Buffalo toward Pennsylvania. Continental I would like to see this corridor included in the freight study.

- Cross-border delays reduced significantly due to improvements in technology. Several shippers at the meeting mentioned that when they do encounter delays, it is usually due to the inexperience of some agents at the border.
- Rail cross-border issues seem to be more significant than truck

OTHER

- A truck freight study is currently underway in Canada. This should be incorporated into the report.

KEY DISCUSSION FINDINGS

- Final Report should be structured like a business plan with specific action steps
- The Final Report should recommend steps to establish a regional freight forum. The report should recommend steps to enhance collaboration.
- The Final Report should recommend market research and promotion needs with specifics
- North South access is an important issue

Small Group Discussion - Rail

Rail Topics

- It was expressed that there is a need in the area for truck to rail transfer facilities – the two possible locations that were brought up were Lehigh Valley Yard and the former Bethlehem Steel location. Both possible locations have their pros and cons – with the big plus for both sites is the possibility of water access and the cross-border availability, which is very unique. Lehigh Valley Yard is also located near the airport, which would add an additional modal opportunity. Though the conversations have been centered on intermodal containers, there is opportunity for carload traffic as well, but will need further study. Carload traffic could be steel, lumber or bulk commodities.
- In conjunction with the need for a transload location, is the need to ensure that the international connections to/from the facility remain open. The International Bridge that is maintained by the Canadian National is in suspect condition. If this connection is shut down due to catastrophic failure the opportunity for Trans-border freight transloaded in the area is lost. This bridge is the only direct connection between Detroit, Montreal and Buffalo. The other international option is the Whirlpool Bridge, which is owned by the Niagara Falls Bridge Commission, a public entity. This bridge is also suspect and currently is only used for AMTRAK traffic.
- When Conrail separated into CSX and NS, this caused many problems in the area in terms of access. Though the majority of the industries are open to reciprocal switching, service levels to and from the service districts have deteriorated. An additional issue with the breakup of Conrail is with the access between the shortlines and the Class I carriers – lack of direct connections and interchange trackage. This issue is being addressed and is on the State of New York's radar screen for funding. The other impediment in the area in relation to connections is

the CP Draw Bridge – this bridge is also in disrepair and is shared by the CSX and the NS – though the CSX is responsible for maintenance. Estimated are needed for the repair/replacement of the CP Draw bridge.

- Many questions were asked regarding the age of the data used in the study and whether the data would be revisited. GBNRTC/CHA said that would have to be in a future study. Since our study began, Frontier Yard closed, economy changed, etc.
- There is an interest from the attendees on the creation of a freight form to help promote the region's freight assets. This will also allow them to form a consensus and Stakeholder Agreement.
- There are also other bridges in the area that are in need of repair – Portage Bridge and Falls Road Bridge.