

THE

FREIGHT INTERCHANGE

Alabama Railway Association

Port Birmingham expansion

Page 2

Norfolk Southern's relocation

Page 3



Happy New Year! I hope you had a wonderful holiday season. It's hard to believe that we're already beginning 2019.

The Alabama Railway Association ended 2018 with a great annual meeting at The Grand Hotel in Point Clear, Alabama. We heard from several interesting speakers and enjoyed meaningful conversations.

2019 starts off with a bang for the state of Alabama, with The University of Alabama playing in the National Championship game against Clemson on January 7, and later with the Inauguration of the state's Governor and other statewide public officials on January 14.

The legislative session begins March 5, and ARA will be advocating for freight rail and educating legislators on its impact on the state.

Maeci Walker | Executive Director
334.264.0598 | mwalker@christistrategygroup.com

2018 Annual Meeting on Alabama's Coast

The Alabama Railway Association held its 2018 Annual Meeting at The Grand Hotel in Point Clear December 3 - 4.

ARA members gathered in beautiful Point Clear, Alabama for the 2018 annual meeting in early December. The weather was perfect, and we were all sad to only have two days on Alabama's beautiful coast.

We began the meeting with a delicious dinner at The Wash House where we invited the Baldwin County legislative delegation to join us and had six out of seven Baldwin County legislators dine with us.

The meeting began in full on Tuesday with an update from Oretta Clemons, the ALDOT Rail-High-

way Programs Manager. Oretta emphasized the importance of maintaining open lines of communication between ALDOT and the railroads.

Kristine Storm, the VP of Purchasing for Genesee & Wyoming, ed-

ucated the group on G&W's wide footprint around the world and the company's procurement process. We really appreciate Kristine taking the time to present to our members.

Suzanne Banks-Russell, and Alabama Operation Lifesaver board member, spoke to the group about ALOL's impact and need for more financial support. If you are interested in supporting the mission of ALOL, please reach out to Executive Director, [Nancy Hudson](#).

Finally, Alabama State Port Authority Director/CEO, Jimmy Lyons, spoke on the impact of the Port and the plans for expansion and growth.

We always have a great time together at the meetings and appreciate the support from the members who join us each year.





Public-private partnership plans development of Port Birmingham

By Jay Benedict

Years of declining demand for coal in the Birmingham, Alabama, market led to declining shipments for Port Birmingham. In response, the recently formed Birmingham-Jefferson County Port Authority (BJCPA) and Watco Companies, LLC have entered into a public-private partnership to revitalize and repurpose the port.

"The idea is to take this old, coal-focused facility and repurpose it into something that is attractive, still to coal, but also to a new commodity base. We want to create Alabama's inland port," said Watco commercial manager KR McKenzie.

The current proposal outlines roughly a five-year plan. Phase I is currently in development and includes constructing a 50,000 square foot warehouse with overhead cranes, capable of storing weather-sensitive bulk and break bulk commodities. Future phases will continue to develop the port, making any necessary upgrades to the five barge docks and rail and truck access infrastructure, and create additional storage capacity and industry-specific build outs. Eventually, they plan for further developments along the Birmingham Terminal Railway.

The 184-acre Port Birmingham has one-half mile of frontage on the Black Warrior River, part of the Tenn-Tom Waterway, just a few miles west of Birmingham,

Ala. It long served as a coal and steel hub for the area. As the market changed, it became clear that Port Birmingham needed to change as well.

As the waterways continue to expand their capacities, Port Birmingham is in a good position to secure container on barge service as Alabama's container trade is expected to grow substantially in the next 12 to 18 months.

Watco Companies, based in Pittsburg, Kansas, is the parent company of the BHRR. The BHRR is the short line railroad that connects the port to Class I railroads BNSF, CSX Transportation, and Norfolk Southern. The company also provides transloading and other services at the port. They took over operations of both in 2012, and through local partnerships in the area, are making positive changes to Port Birmingham.

"We want to continue to grow our relationship with the BJCPA, and through that, Port Birmingham," McKenzie said. "This area will see the benefits through job creation and tax revenues, and we're going to end up with a more diversified port location in central Alabama."

Port Birmingham is located at 8250 Birminghamport Road Mulga, Alabama.

UPCOMING EVENTS

ARA Legislative New Member Orientation: Feb. 13

2019 Alabama Legislative Session Begins: March 5

ASLRRR Annual Convention: April 6 - 9

AL OAR Safety Training: Sept. 10 - 12

FEDERAL UPDATE

The Association of American Railroads (AAR) filed comments with the U.S. Department of Transportation (USDOT) urging the agency to extend the same pro-innovation regulatory approach to private freight railroads that is afforded to highway vehicles. The filing, which also offers regulatory reform principles and calls for autonomous-vehicle technology to account for highway-rail grade crossings, is in response to USDOT's request for comment on its recent publication, "Preparing for the Future of Transportation: Automated Vehicles 3.0" ("AV 3.0").

For more information, click [here](#).

MEMBER NEWS

A. Stucki Co. acquires Birmingham Company

Birmingham Rail & Locomotive is pleased to announce a new partnership for our company. We are now part of A. Stucki Company.

After 119 years of continued contribution and growth in the railroad, manufacturing, and industrial communities, we are excited for the opportunity to reach new levels to meet our customer's needs. A Stucki is an established part of our network and will provide increased value to our business through investment in existing processes, facilities, and capabilities.



Norfolk Southern's relocation to Atlanta is official

Norfolk Southern confirmed Wednesday its plans to relocate from Virginia to Atlanta at a press conference at the State Capitol.

The company's move will lead to 850 new and relocated jobs to the city over the next several years, and retain some 2,000 existing corporate jobs in Midtown.

Norfolk Southern Chairman and CEO said in a news release the move to Atlanta will allow the Fortune 500 railroad to have all its decision-makers together when its new Midtown campus opens in 2021.

"Alignment, collaboration, and accountability are the hallmarks of Norfolk Southern's plan to transform this company and its culture. Our new headquarters in Atlanta advances these key elements of success," Squires said in a news release. "Our potential has always been great and now is greater still, as we bring together all of our headquarters functions into a single, integrated team."

The new headquarters campus at West Peachtree Street and Ponce de Leon Avenue will be developed by Atlanta-based Cousins Properties. Norfolk Southern recently was awarded nearly \$24 million in property tax breaks by Invest Atlanta, the city's development arm, and state tax credits could raise the value of incentives by millions more.

Gov. Nathan Deal called Georgia, a major transportation and innovation hub, "a fitting home for Norfolk Southern's new headquarters."

"This announcement also reinforces Georgia's distinction as the Southeast's gateway to global commerce," he said. "We appreciate Norfolk Southern's significant investment in Fulton County and look forward to celebrating the company's future growth and continued success."

Norfolk Southern is Georgia's 21st Fortune 500 company.

ARA to hold new member legislative orientation

On February 13, the Alabama Railway Association will hold a legislative new member orientation for all newly elected legislators and other transportation stakeholders at the Norfolk Southern Norris Yard.

Attendees will hear from AL Operation Lifesaver, GoRail, ALDOT, the Alabama Department of Commerce, the Alabama State Port, and ARA board members.

If you are interested in attending or participating, please let [Maeci Walker](#) know.



CSX Cross-Departmental team

Georgia Pacific launches production at new \$100M Alabama facility

A Koch Industries Co. has wrapped up work on one of its plants in the Yellowhammer State.

Atlanta-based Georgia-Pacific launched production at its \$100 million lumber facility in Talladega.

Currently, 130 employees work at the 300,000-square-foot plant, which is expected to generate an estimated annual payroll of \$5 million.

The company's new facility will produce around 230 million board-feet of lumber per year. Georgia Pacific plans to extend the production to 300 million board-feet of lumber at this dual served location via CSX and NS in the near future.

For more information, click [here](#).

Alabama Railway Association Executive Committee

President: [Joe Arbona](#), Genesee & Wyoming

Vice President: [Jane Covington](#), CSX Transportation

Secretary/Treasurer: [Elizabeth Lawlor](#), Norfolk Southern

At-Large Member: [Jeremy Cole](#), Southern Electric Railroad

At-Large Member: [Cliff Melton](#), Terminal Railway

Associate Voting Members: [Steve Faulkner](#), Birmingham Rail & Locomotive; [Eddie Horton](#), Stella-Jones

did
you
know?

Nationwide, in 2017, major U.S. railroads supported approximately 1.1 million jobs (about eight jobs for every railroad job), nearly \$219.5 billion in annual economic activity, \$71 billion in wages, and almost \$26 billion in tax revenues.