

Rail Service at Brookley Aeroplex

WHAT

The Mobile Airport Authority, hopes to attain improved rail infrastructure to advance economic performance and job growth.

I. Background

The Mobile Airport Authority's goal for Brookley Aeroplex is to improve the economic performance of the Mobile region by intensifying quality industrial development; growth that will substantially improve jobs and investments attracted to the Mobile region. Brookley Aeroplex has the unique strength of bringing together all four modes of transportation: a major freight transportation hub that includes Interstate 10 and 65 corridors, direct access to five Class 1 railroad lines, Mobile Downtown Airport (cargo airport) with one of the longest runways in the state and direct access to the ninth largest port. Close proximity to multiple modes of transportation decreases costs for businesses and is considered a key site location factor. Thus Brookley Aeroplex consistently attracts local, regional, national and international attention from site selectors and industrial users. Rail service is a critical part of the backbone infrastructure on which Brookley survives.

The Mobile Airport Authority had a strategic master plan developed for Brookley Aeroplex in 2005 by a nationally recognized firm, Economic & Planning Systems. Used as an operational guide, the master plan has three (3) objectives:

- Define current and potential market framework in which development at Brookley will occur by identifying regional trends, key industries in the region, and the status of current and future industrial real estate.
- Build a vision for the future Brookley Aeroplex that defines the appropriate type of development that should occur and the level of infrastructure, circulation and improvements required to make quality advancements.
- Provide a set of strategic recommendations for implementing the vision for Brookley with specifics geared to a phasing strategy and goals.

This research and data has positioned the Mobile Airport Authority to better understand the necessary upgrades needed for redevelopment opportunities.

II. Introduction

Brookley Aeroplex sits in a strategic location with 1,700 acres adjacent to the Alabama State Port Authority. Recently the Alabama State Port Authority has built an intermodal container facility at Choctaw Point. This facility heightens the industrial activity in the region by providing cost savings to existing businesses, expanding or bringing additional businesses to Mobile, thus enhancing Mobile's access to domestic, national and international markets. An intermodal rail facility between the Port and Brookley provides significant rail support for both operations.

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Brookley's rail network must be upgraded to meet the Port's level of infrastructure for our community to continue to benefit from the ever expanding global marketplace. Below are just two (2) examples of the Port's vast improvement projects:



Mobile Container Terminal opened in September 2008 as the Port of Mobile's newest, state-of-the-art marine terminal. The Alabama State Port Authority and Mobile Container Terminal LLC jointly invested \$300 million in the new container terminal that expands capacity to 800,000 TEUs in the initial two phases of build out. Mobile Container Terminal LLC is a joint venture between APM Terminals North American, a subsidiary of Maersk Inc., and Terminal Link, a division of CMA CGM. Together Mobile

Container Terminal will provide containerized cargo shippers with access to global networks covering all possible trade routes to and from the Port of Mobile.

Pinto Island Terminal is the Alabama State Port Authority's newest investment at the Port of Mobile. The \$100 million import terminal is capable of handling in excess of five million tons of semi-finished steel slabs annually. The 20-acre terminal consists of 1000 ft. of deep water dock dredged to 45-feet, as well as an automated barge loading system positioned between the ship berth and the shoreline. The new terminal is equipped with three wide-span gantry cranes manufactured by Zhenhua Port Machinery Co. Ltd. (ZPMC). Each crane has an outreach of 150 feet and a back reach of 165 feet. The cranes are able to unload steel from ships to waiting barges or to the terminal storage yard possessing 150,000 metric tons of storage capacity. Each crane has a maximum lift capacity of 74 Metric Tons under hook.



As land near the Port becomes scarce, market pressures are influencing demand for industrial space at Brookley, particularly in relation to warehouse and distribution uses. In order for Brookley to build an employment intensive economic base, these value-added warehouse distributions, assembly and logistic industries must have the rail infrastructure in place to provide needed services.

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Brookley Aeroplex currently has more than 75 businesses located on its campus which employs more than 3,000 Mobilians. An estimated 45% of the existing tenant base interacts with Port related logistic functions.

III. Project Scope

The bordering of the Brookley Aeroplex on the north by CSX Railway along I-10 corridor provides the capability of bringing rail spurs into Brookley to serve individual tenant needs and to provide a spine service into individual facilities. The intermodal rail terminal immediately to the east provides a unique capability for even more flexible rail service. Some of the current rail spurs inhibit parcel assembly and efficient circulation. The entire complex has the possibility of access to a new rail system that enhances development rather than limits it.

In order to attain the proper railroad infrastructure needed for Brookley Aeroplex, a consultant with transportation expertise would be engaged. Initial meetings have taken place with Tran Systems, a logistics firm with notable strengths along the entire supply chain. These strengths include ocean-going and rail freight; process, logistics and material handling simulation; site planning and site design; and strategic planning. Tran Systems has worked with the Alabama State Port Authority in assisting with its rail planning and can quickly expand on that design to encompass Brookley's objectives.

WHY

The infrastructure of rail improvements are needed to support existing industry as well as attract new business to the area.

I. Opportunities, Threats, Needs

In addition to the existing businesses that utilizes the existing rail, it is a distinguishing factor in new businesses locating on the Brookley campus. In 2005, Brookley Aeroplex was chosen as the site of choice for EADS to build state-of-the-art tanker aircraft at the country's newest aviation production center. The company will also produce a commercial freighter based on the same platform, for a combined production of as many as 40 aircraft annually. This project is expected to produce 48,000 direct and indirect jobs in the region once the notice-to-proceed is received from the U.S. Department of Defense. The final assembly line for the tanker will benefit greatly from the having a new rail system to provide a means of delivering oversized

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components. These super sized tanker parts will arrive through Alabama State Port Authority and be transitioned to Brookley Aeroplex.

There are many other site selectors and economic development projects, some which may be suppliers for the tanker, that will require updated railroad. The rail on Brookley today is mostly an antiquated 85 lbs. system on tracks that were installed by the U.S. Government when Brookley was an active military base more than sixty (60) years ago. Over the years, the progression of rail cars have evolved to transport and carry more weight with today's current standard to be a 112 lbs. system. Brookley's outdated system is often times seen as a deficiency for a multi-use industrial park of 1,700 acres.

II. Resiliency, Transformational, Regionalism, Economic Diversification

A feasibility study to fully understand the current and future railroad needs and upgrading the rail infrastructure to support those needs will attribute to this area's resiliency. The infrastructure would allow industry to continue functioning and recover quicker from a disaster by reducing the probability of failure, reduce consequences from failures and time to recover.

The infrastructure improvements will provide the region with more capacity and ability to develop and implement a better quality of commerce and environment. Additionally, it will assist in powering the diverse economic engine of this community, allowing it to be more capable of better sustainability.



The vision for a regional strategic plan would be enhanced by the expanded rail capacity leading from the Alabama State Port Authority to the Brookley Aeroplex. As a logistic and distribution hub on the Gulf Coast, the complex is best positioned to capture economies of scale, and better develop and implement this area's growth through a diversification of industry. This brooding of our economic basis can be achieved at Brookley without compromising the character,

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environment and quality of life in Coastal Alabama; yet would leverage the existing strengths of our bay, port, transportation hub and industrial base.

WHO / HOW

The Mobile Airport Authority respectfully submits this project request for rail infrastructure improvements totaling \$8,000,000.00.

As a partner in the regional economic development engine, the Mobile Airport Authority respectfully requests an \$8,000,000.00 fund for the needed railroad improvements. This project is anticipated to take two (2) years to analyze, engineer and implement the plan set forth. This time line takes into consideration working around existing user flow plus any approvals (CSX, terminal Railway and/or Norfolk Southern) that may be required. Upon completion, an annual preventive maintenance program would be established with an outside company to preserve the system which would entail conservation of the rail bedding and ties, and identify fouled ballast to avoid potential derailments.