MID-STATES CORRIDOR

APPENDIX CC – PURPOSE AND NEED

Mid-States Corridor
Tier 1 Environmental Impact Statement

Prepared for
Indiana Department of Transportation
Mid-States Corridor Regional Development Authority

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INDIANA DEPARTMENT OF TRANSPORTATION INDOT

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INTRODUCTION

The following substantive changes have been made to this Appendix since the Draft Environmental Impact Statement (DEIS) was published:

- In response to comments on the DEIS, an additional performance measure was added to Goal 1 of the Purpose and Need. See **Section 5.8** and **Section 6.1**.
- Text was added to **Section 3.1** to describe the use of engineering assessments from earlier studies as input to the Mid-States project.

This Purpose and Need was issued in draft form on August 13, 2019. It is based upon:

- A review of multiple federal and state plans and policies (See **Section 2**).
- Previous planning studies (See **Section 3**).
- A technical needs assessment of transportation and economic development needs in a 12-county Study Area (See **Section 4**).
- A robust public and agency input/review process (See **Section 5**).

The resulting project goals and performance measures are shown in **Section 6**. These support the summary Statement of Purpose and Need in Section 1. The rationale for identifying the project's 12-county Study Area is provided in **Section 4**.

This final statement of Purpose and Need is based upon the draft Purpose and Need, as modified to reflect public and agency input. **Section 3** and **Section 4** document how the input supports the statement of Purpose and Need, as well as how the draft Purpose and Need was modified to incorporate input. **Section 5** details the key elements of public and agency input.

1. STATEMENT OF PURPOSE & NEED

The Purpose of the Mid-States Corridor project is to provide an improved transportation link between the US 231/SR 66 and I-69 (either directly or via SR 37) which addresses two main purposes. These were identified by technical analyses conducted for this project, interviews with business leaders and economic development officials, a series of planning studies (both publicly and privately funded) and public input. These two main purposes are:

- **Improve business and personal regional connectivity in Dubois County and Southern Indiana**. There is a need for improved personal and business connectivity across a nearly 5,000 square mile Study Area. **Section 6.1** provides seven performance measures to evaluate alternatives' ability to satisfy this need. These performance measures for Goals 1 and 2 assess travel time reduction between four important business and population centers and key destinations, improved labor force access to regional employment centers and improved freight efficiencies.
- **Improve highway connections to existing multimodal locations from Southern Indiana**. There is a need for improved connections to six important intermodal centers. Five of these

intermodal centers are outside of the project's 12-county Study Area. The Study Area, especially Dubois County, has multiple large businesses which obtain business inputs and serve customers across the nation. **Section 6.4** provides two performance measures for Goal 7 to evaluate alternatives' ability to improve access to these important intermodal centers.

In addition, there are three secondary purposes which represent other desirable outcomes. These also were identified through the processes described above. These include:

- **Reduce localized congestion in Dubois County.**
- **Reduce crashes at key locations in Southern Indiana**.
- **Support economic development in Southern Indiana.**

2. POLICY FRAMEWORK

The planning for major transportation projects must conform to relevant federal and state transportation planning laws and policies. This section documents these laws and policies, and describes at a high level how the Mid-States Corridor project supports these laws and policies. This section extensively uses material in the Indiana Department of Transportation (INDOT) *Long-Range Transportation Plan, 2018-2045 Transportation Needs Report* (https://www.in.gov/indot/3714.htm).

The Mid-States Corridor will address multiple federal and statewide transportation planning considerations described below. **Section 4, Needs Assessment** provides a robust assessment of needs in the Project Study Area. In addressing these needs, the Mid-States Corridor project will support these federal and state policy goals.

2.1 Federal Transportation Planning Requirements

The Moving Ahead for Progress in the 21st Century (MAP-21) Act established national goals in the areas of safety, pavement and bridge infrastructure, congestion reduction, system reliability, freight movement, environmental sustainability, and project delivery. These national goals were carried forward into the Fixing America's Surface Transportation (FAST) Act, which further requires INDOT and Indiana MPOs to have federally-funded transportation projects support national goals. These national goals include:

- **Safety**. To achieve a significant reduction in traffic fatalities and serious injuries on all public roads.
- **Infrastructure Condition**. To maintain the highway infrastructure asset system in a state of good repair.
- **Congestion Reduction.** To achieve a significant reduction in congestion on the national highway system.
- **System Reliability.** To improve the efficiency of the surface transportation system.
- **Freight movement and economic vitality.** To improve the national freight network, strengthen the ability of rural communities to access national and international trade markets, and support regional economic development.

- **Environmental sustainability.** To enhance the performance of the transportation system while protecting and enhancing the natural environment.
- **Reduced project delivery delays.** To reduce project costs, promote jobs and the economy, and expedite the movement of people and goods by accelerating project completion through eliminating delays in the project development and delivery process, including reducing regulatory burdens and improving agencies' work practices.

2.2 Blue Ribbon Panel on Transportation Infrastructure – Final Report to Governor Pence (July 9, 2014)

On July 9, 2014, the Governor's Blue Ribbon Panel on Transportation Infrastructure recommended to Indiana Governor Michael Pence a set of priority projects for the short term and provided a vision of transportation in Indiana for the long term. Based on a detailed technical analysis of costs and benefits, it identified priority projects to enhance Indiana's transportation system across all modes of transportation for both freight and passengers. It evaluated and prioritized highway, rail, port, and air projects.

The report identified four projects as Tier 2[1] statewide priorities (p. 63). These included:

- **I-69 (north) added travel lanes.** This project consists of widening of I-69 between Indianapolis and Muncie.
- **Southwest Indiana Port connections.** This project consists of construction of a four-lane connection between I-69 and the Port of Mount Vernon, Indiana.
- **Mid-State Corridor.** The project consists of a new four-lane connector between the Ohio River near Rockport and I-69. For analytical purposes, a connection to I-69 at Petersburg was assumed.
- **US 30 Fort Wayne to Valparaiso.** Convert US 30 to a fully access-controlled freeway between Valparaiso and Fort Wayne.

The detailed analysis supporting the Mid-State Corridor (Project Appendix, Project 12) cites the following forecasted project benefits. These benefits were provided by INDOT staff, using the Indiana Statewide Travel Demand Model (ISTDM), Major Corridor Investment Benefit Analysis System (MCIBAS), and Transportation Economic Development Impact System (TREDIS) (pp. 66 – 72).

- **Better access for goods from manufacturing centers in Huntingburg and Jasper to Nashville, TN, and to northern Michigan.**
- **Improved access to Indiana ports and rail facilities providing direct links to international markets.**
- **Significant transportation and economic benefits.**

[1] The four Tier 1 projects include added travel lanes on I-65 to provide at least six travel lanes throughout Indiana, added travel lanes on I-70 to provide at least six travel lanes throughout Indiana, I-69 Ohio River Bridge between Evansville and Henderson (KY) and the Commerce Connector from I-65 north of Indianapolis to I-69 northeast of Indianapolis.

2.3 INDOT 2045 Long-Range Transportation Plan

On June 28, 2019, INDOT issued its long-range transportation plan, entitled *2018 – 2045 Future Transportation Needs Report*. The Plan was finalized based upon public and agency input received on a draft Plan issued earlier in 2019. This document guides INDOT in the development, management, and operation of a safe and efficient transportation system for the next 25-plus years. It is an up-to-date assessment of the transportation needs in Indiana, and conforms to Federal and state transportation planning requirements. The page reference is to the Plan which is available at https://www.in.gov/indot/3714.htm.

The Plan is guided by seven overall policy goals (p. 8). These are:

- **Safe and Secure Travel.** Move Indiana toward zero deaths and reduction of serious injuries by applying proven strategies and enhancing the safety and security of our transportation system for all users.
- **System Preservation.** Going beyond taking care of what we have and maintain our multimodal transportation system and infrastructure in a state of good repair.
- **Economic Competitiveness and Quality of Life.** Enhance the competitiveness of Indiana's economy as the "Crossroads of America" through strategic multimodal transportation investments, reducing transportation costs, and the safe and efficient movement of people and goods.
- **Multimodal Mobility.** Maximize the performance of our transportation system, ensuring efficient movement of people, goods, and regional connectivity by enhancing access to different modes of transportation.
- **Environmental Responsibility.** Minimize the potential impacts of the transportation system on the natural and human environment.
- **New Technology and Advancements.** Develop and deploy advanced transportation technologies and embrace a broad-based, comprehensive research program to plan for the future.
- **Strategic Policy Actions.** Address multiple goal areas through key policy initiatives.

3. PREVIOUS STUDIES

These previous studies are cited from among 26 documents provided by INDOT with its solicitation 1812s1, for NEPA Documentation Preparation Services for the Mid-States Corridor project. They document the history (spanning a period of decades) of the need for a major north-south transportation project in Southern Indiana. Several of these projects emphasize major transportation enhancements in the US 231 corridor. Four of these studies have been completed since 2014.

3.1 Draft Environmental Impact Statement, US Highway 231, Dubois County Indiana (March 5, 2004) & Supplemental Draft Environmental Draft Impact Statement (January 2011)

A Draft Environmental Impact Statement (DEIS) was published in March 2004 to provide a US 231 bypass either to the west or east of Jasper and Huntingburg. The DEIS documented a planning history for such a project extending back to 1993. The Purpose and Need for the project documented the need to address substandard capacity/level of service on existing US 231 in Jasper and Huntingburg. It identified two alternatives carried forward for detailed study (designated as Alternative 27 and Alternative 28). It did not identify either as a single preferred alternative.

Both Alternative 27 and Alternative 28 consisted of a four-lane divided rural highway with 12-foot travel lanes, 4-foot paved inside shoulders, 10-foot paved outside shoulders and an 80-foot median. In addition to highway alternatives, the DEIS considered but dismissed Transportation System Management (TSM) and transit alternatives. It also considered and dismissed a widening of existing US 231. This widening alternative would have required a five-lane section impacting over 600 residential and commercial properties, including 16 structures eligible or potentially eligible for the National Register of Historic Places.

The 2004 DEIS was never finalized. A Supplemental DEIS was issued in January 2011. This SDEIS updated the previous purpose and need analysis based upon more recent traffic forecasts and other technical studies. It reaffirmed the inadequate capacity of the existing facility for a 2035 design year. It also documented continuing high crash rates throughout Dubois County on US 231.

On January 27, 2014, a Federal Register Notice withdrew both the 2004 DEIS and the 2011 SDEIS. It stated, “Due to a reevaluation of the traffic information, the project is no longer warranted and the Notice of Intent is rescinded.” This earlier project focused on local needs within Dubois County. The Study Area[2] was approximately 50 square miles, consisting of a two-mile wide band within Dubois County. The Mid-States project’s goals and performance measures are broad and regional in scope. The Mid-States Study encompasses a 12-county Study Area with an area of approximately 4,779 square miles, nearly 100 times larger than the US 231 project Study Area. Although the Mid-States project is very different from the Dubois County US 231 project, some of its information will be useful for the Mid-States project. In particular, information compiled about key environmental resources will be helpful in evaluating alternatives for this project.

The engineering and environmental assessments from these studies provided input into the Mid-States alternative design. The alignments around Jasper from the 2004 study were used as the starting point for the Dubois County alternative alignments. Alignments in the current study deviated from the 2004 alignments north of Jasper, because the 2004 alignments connected to existing US 231 south of Haysville.

[2] **Figure 1-1**, *US 231 Dubois County Indiana, Supplemental Draft Environmental Impact Statement*, January 2011.

3.2 I-67 Corridor Study Feasibility Study (October 2, 2012)

This consultant study was prepared by Cambridge Systematics for the I-67 Development Corporation.[3] It supported the development of a limited access highway corridor between I-65 at Nashville, Tennessee and I-196 in Western Michigan. Many portions of this corridor exist or were planned for upgrades at that time. The report focused on the portion of the corridor between Bowling Green, Kentucky and Indianapolis.

For analysis purposes, this study assumed the facility would follow the Natcher Parkway (since designated as I-165) from Bowling Green to Owensboro, Kentucky; US 231 from Owensboro to I-64; bypass Huntingburg and Jasper to the east; and connect to I-69 at Washington.

The study included:

- Public and private stakeholder outreach
- Travel demand forecasts assuming both tolled and toll-free scenarios
- Current and forecasted highway safety
- Economic impact analysis
- Recommendation for implementation and next steps

Forecasted benefits included up to 910 reductions in annual crashes, up to $1,300 million increases in regional economic input over 20 years and up to 10,000 added job-years[4].

The study concluded that the project would provide significant growth to existing businesses and attract a significant number of new businesses. Supporting factors included the region's highly skilled labor force, available land, synergy with existing industries and availability of electrical power.

3.3 Conexus Indiana Southwest Regional Logistics Council – A Plan for Growing Southwest Indiana's Logistic Sector (June 2015)

Conexus Indiana is a not-for-profit organization which seeks to accelerate, promote, and grow Indiana's advanced manufacturing and logistics economy by leading innovative collaborations among industry, academic, and public-sector partners. It created a panel of leading members of the logistics community in Southwest Indiana to identify and prioritize major transportation investments which are needed to support the logistics and manufacturing economy in Southwest Indiana. It considered and prioritized capital investments in highway, port, air and rail facilities.

This report identified the Mid-States Corridor as a "Tier 1" (top level) priority for the region. It defined two possible alternatives for the Mid-States Corridor. One alternative is an upgrade of US 231 from I-69

[3] The I-67 Development Corporation was a private entity advocating better transportation connections for Southern Indiana to both Indianapolis and Kentucky. Its members primarily represented regional businesses.
[4] A "job-year" corresponds to one induced job in existence for one year. For example, a job which is added in the 6th year of a 30 year analysis period would produce 25 added job-years.

at NSA Crane to I-64 at Dale. It would include an eastern bypass of Loogootee, Jasper, and Huntingburg. The other alternative is a new highway between the Ohio River at Rockport and I-69 at Washington. Both alternatives are fully access-controlled freeways.

3.4 Midstate Corridor White Paper (August 2017)

This report was authored and funded by the Lochmueller Group. It reviewed the studies described in **Section 2.2**, **Section 3.2**, and **Section 3.3**. It also summarized the widespread support for the Mid-State Corridor project by business leaders and government officials throughout Southern Indiana.

This document reviewed studies over a number of years about the concept of a north-south corridor improvement in southern Indiana. The Lochmueller Group prepared this white paper to Governor Holcomb and INDOT Commissioner McGuinness to describe the project development process to follow in assessing a regionally significant project of this magnitude. The process described in the white paper was similar to that followed for the delivery of the Interstate 69 Project.

The report recommended that a Tiered EIS approach be used to advance the project. These recommendations were based upon the potential range of alternatives, the overall complexity of studying both a range of alternatives and facility types and the flexibility of a tiered study structure to accommodate multi-year federal and state funding.

The report identified the following key issues which would be addressed by a Tier 1 study.

- **Where will the project connect with I-69?** Previous studies and input from project advocates recommended a variety of routes connecting with I-69 (either directly by going to the west or north, or via SR 37 by going to the east).
- **What will the facility type be**? Possible facility types include a fully-accessed controlled freeway, divided highway with partial access control and a "super-2" rural arterial.[5]
- **How would the project be staged?** A tiered study includes identification of Sections of Independent Utility (SIUs) which would have independent Tier 2 NEPA studies.

3.5 US 231 Corridor Assessment (November 2018)

The report was prepared by WSP for INDOT. It compiled, examined and summarized historic information related to the US 231 corridor from the Ohio River to I-69 at Crane. It identified potential next steps to address needs in the US 231 corridor. These included the following:

- **Potential technical studies.** These included updating a vehicular O-D study documented in the US 231 2011 SDEIS, updated traffic modeling with a more detailed zone structure in Dubois County, updated cost estimates for a Mid-States Corridor and completion of a Planning and Environmental Linkages study for the US 231 Corridor.
- **Potential short-term improvements in the existing US 231 Corridor.** These included the construction of some passing lanes, as well as Road Safety Assessments (RSAs) at spot locations.

[5] A "super-2" road is constructed to serve as one direction of a future multi-lane, divided highway. Initially, it serves two way traffic in adjacent, opposing lanes. As funds become available, the second, parallel roadway is constructed, and the initial roadway serves two lanes of traffic operating in the same direction.

The Introduction to this assessment noted that it was not connected to and was independent of the Mid-States Corridor project and the September 2018 agreement between INDOT and the Mid-States Corridor Regional Development Authority (RDA) to fund the Mid-States Corridor EIS.

3.6 Summary of Previous Studies

The follow key themes are prominent in these earlier studies:

- There is a longstanding identification of the need for major north-south highway in the region.
- This highway is identified as a multi-lane facility. That facility could be either a freeway with full access control or an expressway with partial access control.
- Freight and logistic needs are major drivers for the project.
- These studies support the primary importance of freight/economic needs in a project Purpose and Need.

4. NEEDS ASSESSMENT

The needs assessment uses a 12-county Study Area depicted in **Figure 4-1**. This Study Area consists of counties bounded by I-69 on the west and north, SR 37 on the east, and the Ohio River on the south. The Study Area includes the entirety of all counties through which either I-69 or SR 37 pass. It is specified on a county basis due to the widespread availability of economic and transportation data on the county level. This is the area within which the Mid-States Corridor project is expected to provide transportation and economic benefits. This is also the area within which highway alternatives will be located.

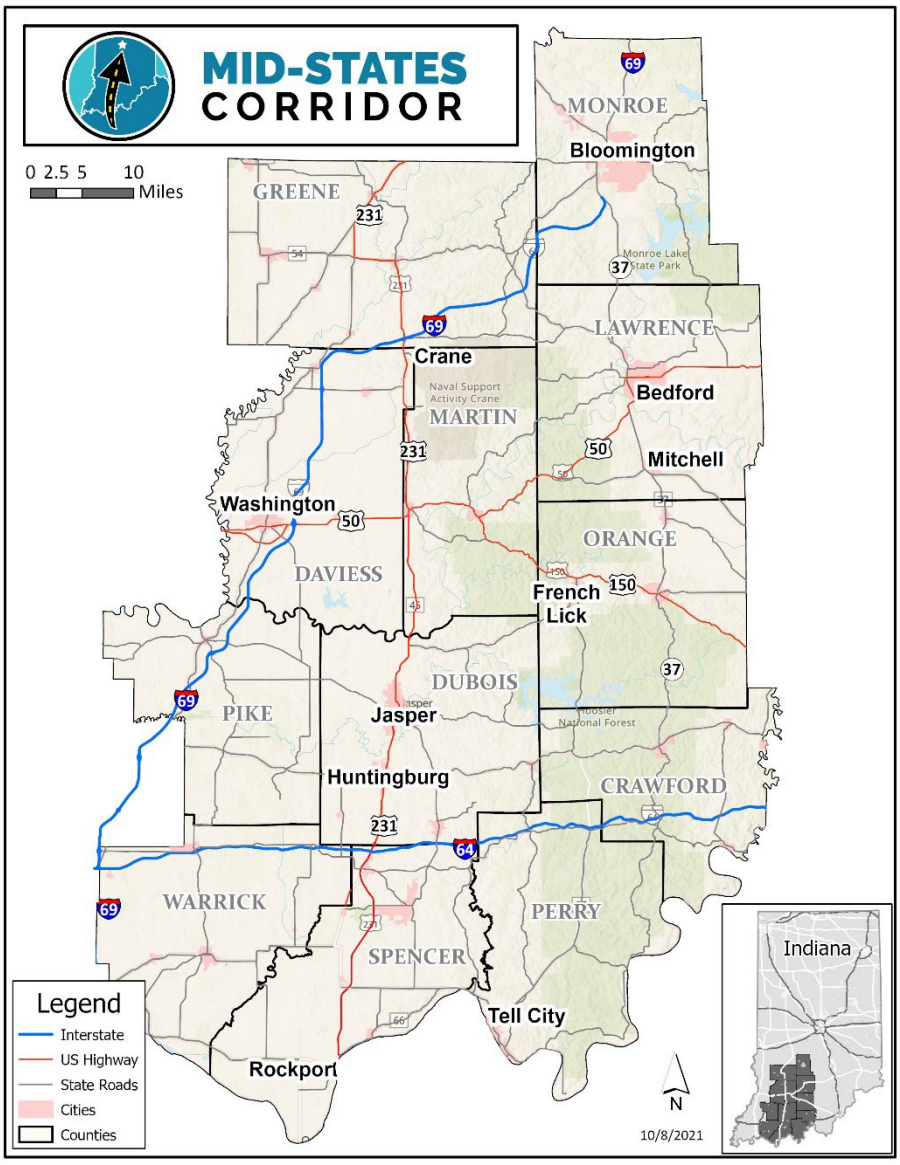


Figure 4-1: Mid-States Corridor Study Area

The extent of the Study Area also illustrates that this is a regional project. Comments (see **Section 5.3**) noted that a bypass project of Jasper and Huntingburg was the subject of an earlier Environmental Impact Statement (EIS). These comments also stated that EIS was withdrawn. That earlier project was confined to portions of Dubois County. As this Study Area illustrates, the Mid-States Corridor is a large regional undertaking, substantially different from this earlier local project.

4.1 Transportation Needs

This section analyzes transportation needs within the project area. It assesses the level of need for improved safety, improved accessibility, and congestion relief. As described in **Section 5.1**, the analysis in **Section 4.1.1** has been revised to incorporate tools best suited to identifying safety needs in a large geographic area. The RoadHAT analysis previously presented to agencies and the public has been replaced by a higher-level analysis which compares crash rates on area highways with statewide averages.

4.1.1 Regional Safety

A safety analysis of roads in the 12 counties of the Project Study Area was performed using crash data from INDOT's Traffic Safety Office from the Automated Reporting Information Exchange System (ARIES) database. Total crashes on all state jurisdictional roads (other than Interstate Highways) were tabulated for a five-year period (2014 to 2018). Details of this analysis are provided in the Safety Appendix to this document.

INDOT provides statewide crash rates (urban and rural roads combined) for all US-designated and all SR-designated highways. These statewide crash rates are not available separately for rural and urban roads.[6] While fatal crash rates tend to be higher in rural areas (due to the higher speeds involved in collisions) rates for other crashes are consistently lower in rural areas. **Table 4-1** shows these statewide crash rates for 2016 – 2018.[7]

Table 4-1: Indiana Statewide Crash Rates by Road Type, 2016 - 2018[8]

	Total Crashes/100 M VMT			
Road Category	2016	2017	2018	Average
US Highways	200.76	189.69	185.88	192.11
SR Highways	243.58	232.81	231.78	236.06

[6] Based on email and telephone conversations with INDOT's Traffic Safety Office.

[7] Source: !State 2014 to … Crash Summary Rates.pdf. INDOT tabulations indicated that there were inconsistencies in reporting by type of crashes in 2015 and earlier, compared to methods using starting in 2016. The guidance provided indicated that this was not expected to affect data for total crashes. To avoid any possible issues, data was used only for 2016 going forward.

[8] INDOT annual statewide average crash rates are reported separately for US-designated and SR-designated state highways. Generally, US-designated highways have higher functional classifications and serve higher traffic volumes. During the three-year period analyzed, US-designated routes had crash rates 19 percent lower than SR-designated routes. This analysis considers all crashes, including Property Damage Only (PDO) crashes. PDO crashes accounted for 79 to 81 percent of all crashes reported on US- and SR-designated highways during this analysis period. Analyses of crash savings provided in **Chapter 2** and **Appendix V** quantify crash savings by severity of crashes avoided. Crashes avoided are calculated separately for fatal/serious injury crashes, other injury crashes, and PDO crashes.

NCHRP Report 7-12, *Microcomputer Evaluation of Highway User Benefits*, found that urban crash rates for property damage only (PDO) crashes and injury crashes were much greater than urban crash rates. This may be attributable in part to the relative lack of roadway access in rural areas. **Table 4-2** compares crash rates for two-lane urban and rural roads from this report.

Table 4-2: Crash Rates for Two Lane Roads – NCHRP 7-12

Microbencost Crash Rates for Two Lane Roads - Tables A.38 and A.39							
Volume Range (AADT)		PDO Crash Rates/100 M VMT			Injury Crash Rates/100M VMT		
		Rural	Urban	Urban/Rural	Rural	Urban	Urban/Rural
0	3,999	99	215	117%	82.5	126.8	54%
4,000	7,999	100	312	212%	90.8	175.5	93%
8,000	15,999	130	373	187%	107.3	214.5	100%
16,000	23,999	130	401	208%	107.3	256.8	139%

Source: NCHRP 7-12

These crash rates are dated (from the 1990s). They do provide authoritative illustration of overall trends for higher PDO and injury crash rates in urban areas.

INDOT's estimates of rural and urban vehicle miles traveled (VMT) statewide show that approximately 64 percent of all travel in Indiana occurs in urban areas, and 36 percent in rural areas.[9] Nearly all travel in the Study Area occurs on rural roads. Applying statewide average rates which predominantly reflect urban travel would not provide an accurate benchmark for rural crash rates.

An extensive online search identified a five year analysis (2011 – 2015) by the Kansas Department of Transportation (KDOT).[10] It provided separate crash rates for urban and rural roads throughout the state. It showed the following total crashes, VMT and crash rates.

- **Rural Roads**. 51, 934 million VMT, 54,955 total crashes, crash rate 105.8 crashes/100 million VMT.
- **Urban Roads**. 34, 823 million VMT, 53,114 total crashes, crash rate 152.4 crashes/100 million VMT.

This analysis shows urban crash rates in Kansas are 44 percent higher than rural crash rates. This ratio of urban to rural crash rates is low by comparison with other analyses presented in **Table 4-2.**

Accordingly, this analysis makes the conservative assumption that in Indiana, urban crash rates are 50 percent higher than rural crash rates, for all crashes. **Table 4-3** shows the estimated statewide average crash rates for rural and urban road for 2016 – 2018. This calculation is detailed in the Safety Appendix. It is based upon the statewide rates in **Table 4-1**, urban rates being 50 percent higher than rural rates and a 36 percent/64 percent split of rural and urban VMT.

[9] INDOT's Traffic Statistics Supervisor provided estimates of total VMT statewide for 2020 and 2021 (estimated). The two-year average was 28.8 billion VMT in rural areas and 50.9 billion VMT in urban areas.

[10] https://www.ksdot.org/Assets/wwwksdotorg/bureaus/burTransPlan/prodinfo/2015FactsBook/HWY_AccidentRates.pdf

Table 4-3: Estimated Indiana Statewide Crash Rates by Road and Area Type, 2016 – 2018

	Estimated Total Crash Rates/100 Million VMT	
Category	Urban	Rural
US Routes	220	145
SR Routes	270	180

These estimated average crash rates were used to identify state highways in the 12-county Study Area which have above-average crash rates. Generally, crash rates on roads were compared to the estimated statewide crash rates for rural roads to identify whether they have above-average crash rates. Some roads in Warrick, Monroe and Dubois County were evaluated using the higher urban average crash rates. These are detailed in the Safety Appendix.

Table 4-4 lists, by county, roads which were found to have higher than average crash rates. **Table 4-5** calculates the overall percentages of roads in the Study Area with higher than average crash rates. **Figure 4-2** displays these roads. The figure uses color coding to display separately roads with crash rates over 100 percent above statewide averages.

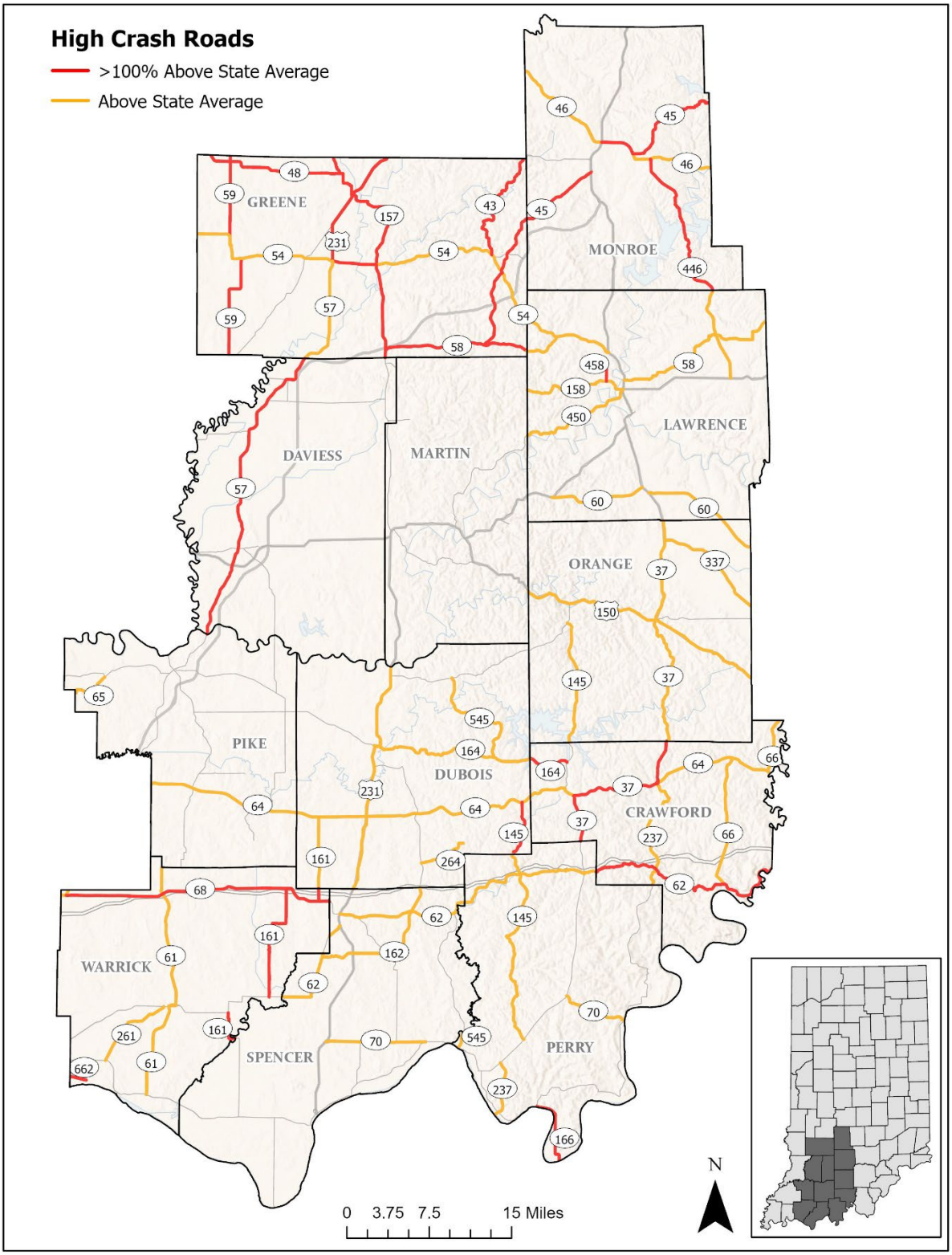
Table 4-4: Roads with Above-Average Crash Rates, by County

County	Roads With Above-Average Crash Rates
Crawford	SR 37, SR 62, SR 64, SR 66, SR 164, SR 237
Daviess	SR 57
Dubois	SR 64, SR 145, SR 161, SR 164, SR 264, SR 545, US 231
Greene	SR 43, SR 45, SR 48, SR 54, SR 57, SR 58, SR 59, SR 157, US 231
Lawrence	SR 54, SR 58, SR 60, SR 158, SR 446, SR 450, SR 458
Martin	None
Monroe	SR 45, SR 46, SR 446
Orange	SR 37, SR 60, SR 145, SR 337, US 150
Perry	SR 62, SR 70, SR145, SR 166, SR 237, SR 545
Pike	SR 64, SR 65
Spencer	SR 62, SR 70, SR 162
Warrick	SR 57, SR 61, SR 68, SR 161, SR 261, SR 662

Table 4-5: Study Area Enumeration of State Highways with High Crash Rates

Crash Rate Category	Rural Highways		Urban Highways		All Highways	
	Number	Percentage	Number	Percentage	Number	Percentage
>100% Above Average	18	21%	1	8%	19	20%
Above Average	32	38%	4	34%	36	37%
Below Average	34	41%	7	58%	41	43%
Total	84		12		96	

Figure 4-2: Study Area State-Jurisdictional Highways with Above Average Crash Rates



Rural roads represent 88 percent (84 of 96) roads evaluated in the Study Area. It shows that nearly 60 percent of these rural roads have crash rates above statewide averages. Further, more that 20 percent of rural roads have crash rates more than double the statewide average for rural roads.

The draft Purpose and Need identified crash reductions as a core goal of the project. Agency input noted that these crash issues are spread throughout the Study Area. This input also cited the limited ability of a single alternative to address these area-wide issues. In addition, on October 23, 2019, FHWA provided project staff with training in Indianapolis on Purpose and Need statements for transportation projects. This training emphasized that safety goals in Purpose and Need statements should focus on specific locations with safety deficiencies. Similar input was received from INDOT staff in late 2021 (see **Section 5.1**). Balancing these findings with FHWA and INDOT guidance, improved safety is retained, but as a secondary project goal focusing on specific highway upgrades. During the development of alternatives, general locations were identified where safety improvements may be warranted. These are described in **Appendix V**. These locations are illustrative. Exact locations for these safety improvements will be identified in Tier 2 studies.

4.1.2 Regional Accessibility

Accessibility refers to the ease with which private motorists and freight shippers can make personal and business trips between population and employment centers, as well to and from other important destinations (e.g., health care facilities, educational institutions, airports, and cultural venues). High-quality roads are the primary means to provide accessibility to rural areas, even though those roads serve lower traffic volumes than similar roads in urban areas.

This analysis measures accessibility within the 12-county Study Area in the future year "no build" case. It includes the existing transportation network, as well as other committed projects. It does not assume that the Mid-States Corridor is built.

This analysis was conducted using a 2045 forecast year network for the Indiana Statewide Travel Demand Model (ISTDM). This network was prepared by the Lochmueller Group (with INDOT oversight) for the I-69 Tier 2 Section 6 EIS.[11] A future-year "no build" ISTDM was used to calculate actual travel time between the major travel pairs shown in **Table 4-6**. These were identified based upon input received during 18 interviews of Study Area businesses and associations conducted in June 2019. The analysis of these interview summaries which identified these travel pairs is provided in the **Accessibility Analysis Appendix.**

This and other model-based analyses incorporated future-year assumptions which showed I-69 as a completed project between Evansville and Indianapolis. These analyses also assumed the completion of the I-69 Ohio River bridge between Evansville and Henderson. These assumption address comments requesting that this project's needs analysis reflect the completion of I-69. See **Section 5.2**.

[11] The I-69 Section 6 model was used prior to the development of the Mid-States Corridor Regional Travel Demand Model. It was considered appropriate to assess regional accessibility for the Purpose and Need analysis.

Table 4-6: Accessibility Analysis Origin-Destination Pairs

Accessibility O-D Pairs	
From	To
Jasper	Crane
	Bloomington
	Indianapolis
	Rockport
	Bedford
	French Lick
	Chicago
	Washington
Rockport	Crane
	Bloomington
	Indianapolis
	Chicago
Tell City	Crane
	Washington
	Bloomington
	Indianapolis
From interviews with Study Area businesses and associations, June 11 - 27, 2019	

These forecasted times were compared with a "straight line" travel time. These straight line travel times are calculated assuming a "straight line" trip between the two locations at a range of highway speeds (50 to 60 miles per hour). The higher the ratio of actual to straight line travel times between the travel destinations, the greater the need to increase accessibility within the project area.

The accessibility analysis for the region is summarized in **Table 4-7**. It shows a need for increased accessibility between many major origin-destination pairs with one or both ends within the Study Area. Constructing the Mid-States Corridor has the potential to shorten these trips. For example, the need for improved access between Jasper and Crane/I-69 was cited in many of the interviews summarized in **Section 4.2.2**. The forecasted one-way travel time between Jasper and Crane of 54 minutes could be reduced by 12 to 20 minutes (one-way) by a high-quality highway connecting the two locations. The potential round-trip savings would be 24 to 40 minutes.

Table 4-7: Accessibility Analysis

Origin	Destination	Actual 2045 Travel Time (Minutes)	Straight Line Distance (miles)	Straight Line Travel Time at		Travel Time Ratio (Present/Ideal) at	
				50 mph	60 mph	50 mph	60 mph
Jasper	Crane	54	35	42	35	1.3	1.6
	Bloomington	89	58	69	58	1.3	1.5
	Indianapolis	142	104	124	104	1.1	1.4
	Rockport	51	36	43	36	1.2	1.4
	Bedford	75	41	49	41	1.5	1.8
	French Lick	36	20	24	20	1.5	1.8
	Chicago	330	226	272	226	1.2	1.5
	Washington	40	22	27	22	1.5	1.8
Rockport	Crane	100	70	84	70	1.2	1.4
	Bloomington	135	93	111	93	1.2	1.5
	Indianapolis	188	138	166	138	1.1	1.4
	Chicago	360	261	313	261	1.2	1.4
Tell City	Crane	103	65	78	65	1.3	1.6
	Washington	93	53	64	53	1.5	1.7
	Bloomington	135	85	102	85	1.3	1.6
	Indianapolis	180	129	155	129	1.2	1.4

Forecasts of 2045 point-to-point congested travel times using traffic assignments for Indiana Statewide Travel Demand Model (ISTDM) for 2045. Assigned network assumes that Mid-States Corridor project is ***not*** built.

These comments all are described in **Section 5.8**. They are cited in bulleted format.

- **Multiple public comments cited the need for improved accessibility throughout the Study Area. Many of these comments cited the need for better access to Jasper and Crane. Some of these specifically cited the need for improved access between Jasper and Indianapolis.** This input is reflected by the emphasis given to improved accessibility to Jasper and Crane, as well as between Jasper and Indianapolis.
- **The term "congested" travel time is confusing.** Wording has been modified to refer to "actual" travel time.
- **How can accessibility be a need in the absence of significant congestion in the Study Area?** Accessibility can be a need in the absence of congestion. This is the case when major travel destinations can be reached only by lower-classification, indirect routes with design inadequacies. Such inadequacies were cited in multiple economic development interviews.

4.1.3 Regional Congestion

Forecasted congestion for the "No Build" network in the project area was forecasted for 2045 using the ISTDM Version described in **Section 4.1.2**. **Figure 4-3** shows facilities in the project area forecasted to be

congested in the 2045 forecast year. Other than roads in the urbanized areas of Bloomington and Evansville, the only congested facilities are in Jasper, Washington, Loogootee and Tell City. There is no congestion forecasted elsewhere in the Study Area.

The need for congestion relief on US 231 within central Dubois County (Jasper and Huntingburg) was identified in the Draft Environmental Impact Statement for US Highway 231 in Dubois County, Indiana (March 5, 2004) and Supplemental DEIS (January 2011). See **Section 3.1** for further discussion. The congestion analysis conducted for this study supports the need for congestion relief on US 231 within the Jasper/Huntingburg area.

Several comments (see **Section 5.6**) addressed the role of congestion relief in the draft Purpose and Need. These comments made the following points:

- Congestion in the Study Area is confined to Dubois County.
- Congestion in Dubois County is such that congestion relief should be designated as a core goal.

While there is a need to address forecasted congestion in Dubois County, these needs are localized. Throughout most of the Study Area, there is little or no forecasted congestion in the Year 2045. Accordingly, this goal is retained as a secondary project goal, focusing on congestion relief in Dubois County.

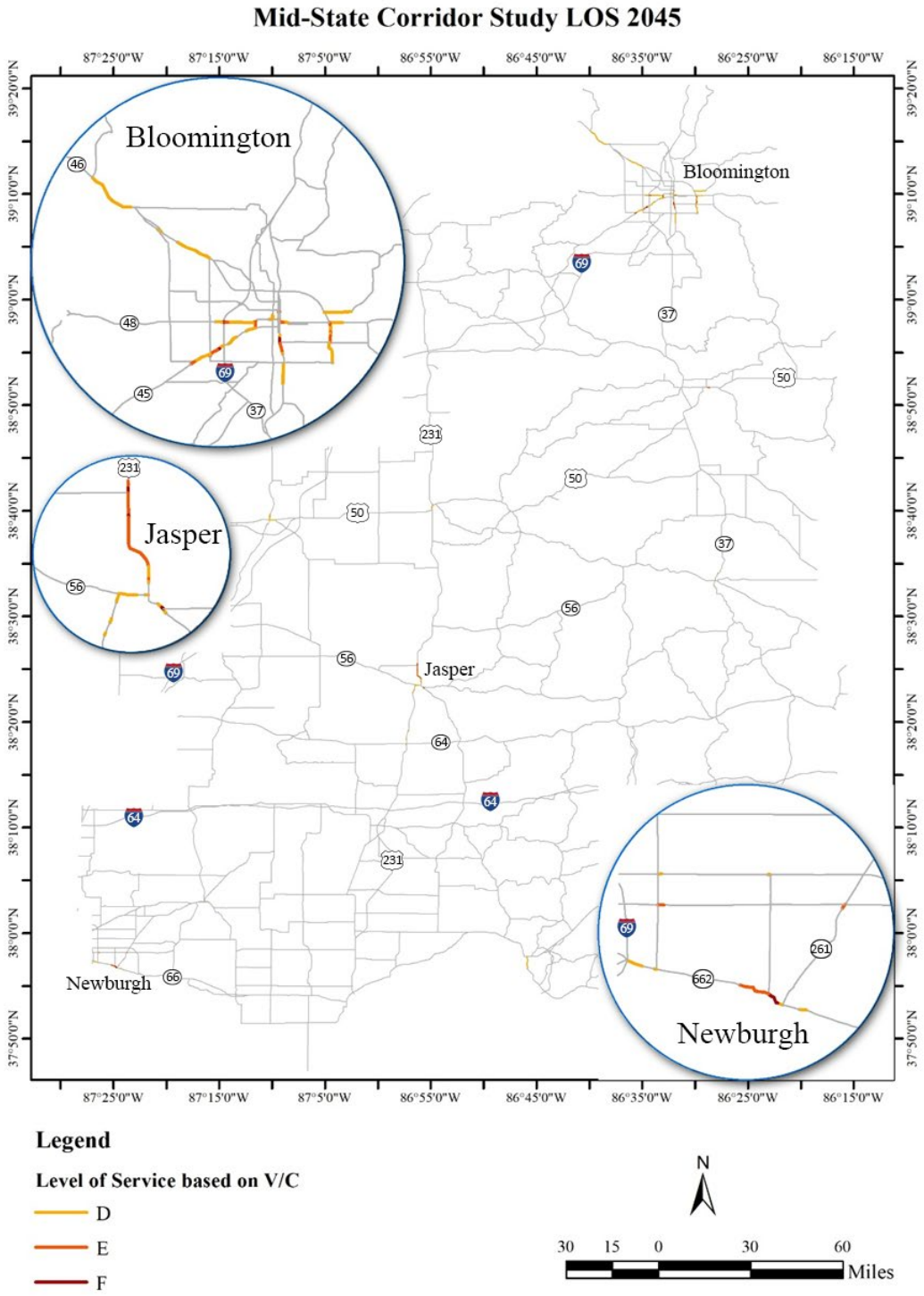


Figure 4-3: Forecasted Study Area Congested Facilities (2045 Forecast Year)

4.2 Economic Development Needs

Economic development needs were identified by a time-series analysis of economic indicators for the project area. Economic data for the project Study Area were compared to data from Indiana and the United States over a period of up to 30 to 50 years (**Section 4.2.1**), depending upon the availability of data. This review showed that the economic performance of the Study Area has lagged for several decades compared with both Indiana and the entire United States.

In addition, 18 one-on-one interviews with major businesses and economic development associations were conducted to identify major logistical and freight transportation needs within the project area. These interviews (**Section 4.2.2**) identified serious shortcomings with north-south access for freight and personal travel in the project area. These shortcomings are acute to and from points north of Dubois County.

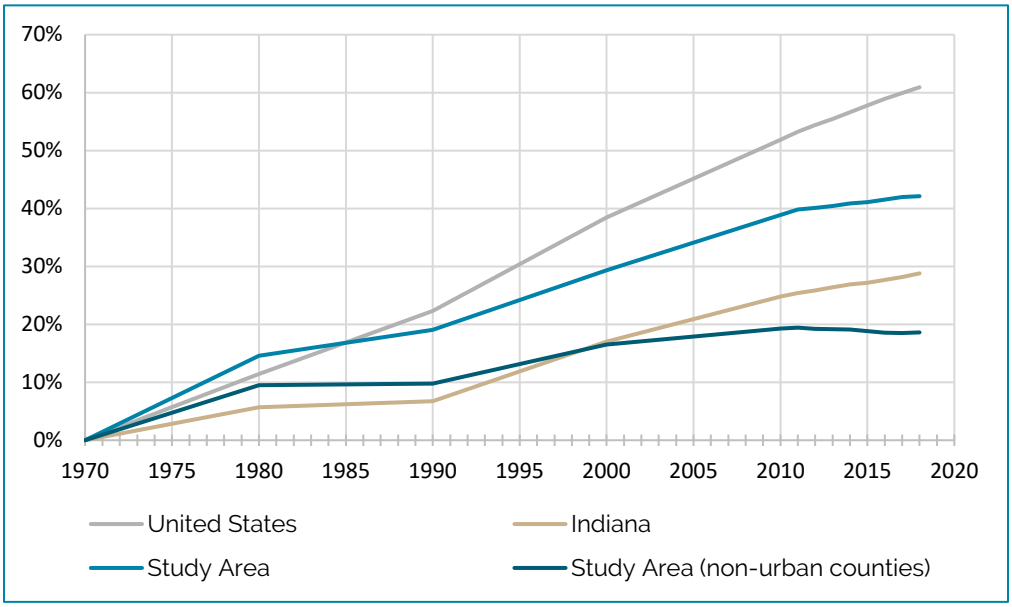
4.2.1 Study Area Economic Conditions

This section reviews a range of robust economic indicators for the 12-county Study Area. These show that economic activity in Southern Indiana has lagged the rest of Indiana and the United States for the last several decades.

4.2.1.1 Population Trends

Population trends are perhaps the single most meaningful indicator of the presence or lack of economic opportunity. Over the course of decades, people are attracted to live and remain in areas with good economic prospects. In the last half century (since 1970), Indiana as a whole has fallen behind the rest of the United States in population growth. These trends are shown in **Figure 4-4**. Between 1970 and 2018, U.S. population grew at an average decennial (per decade) rate of 10.4 percent. By contrast, between 1970 and 2018, the population of Indiana grew at an average decennial rate of 5.4 percent. The population of the Study Area grew at an average decennial rate of 7.6 percent, which was well below the national rate but exceeded that of the rest of Indiana. However, the non-urban counties in the Study Area (those other than Monroe and Warrick counties) had their populations increase at an average decennial rate of only 3.1 percent.

Figure 4-4: Cumulative Percent Change in Population, 1970 – 2018



The Study Area, especially outside of urban regions near Bloomington and Evansville, has shown significantly less population growth for more than one-half century.

4.2.1.2 Net Migration

Table 4-8 shows the Study Area had only half the rate of net migration (4 percent) as the state of Indiana (8 percent) between 1990 and 2018. Net migration is the number of people moving out of a region subtracted from those moving into a region. "Migration" does not include births or deaths. A region's population will tend to grow due to the tendency of births to exceed deaths. Thus, a region's population can grow even when more people are moving out than are moving in. In that case, population growth will be slower than the average for other areas, or for the nation as a whole. Net migration is negative when more people move out of a region than move into it.

Table 4-8: Study Area Net Migration, 1990 - 2018

County	Net Migration 1990-2018	1990 Population	Cum. Net Migration as a % of 1990 Population
Crawford	293	9,914	3%
Daviess	-722	27,533	-3%
Dubois	1,052	36,616	3%
Greene	768	30,410	3%
Lawrence	1870	42,836	4%
Martin	-1,304	10,369	-13%
Monroe	14,761	108,978	14%
Orange	631	18,409	3%
Perry	-586	19,107	-3%
Pike	-452	12,509	-4%
Spencer	-487	19,490	-2%
Warrick	11,642	44,920	26%
Study Area	30,255	381,091	8%
Study Area without Warrick and Monroe	3,852	227,193	2%
Indiana	208,603	5,544,159	4%

Source: STATS Indiana (www.stats.indiana.edu)

As in the case of population, positive net migration in the Study Area has been concentrated within Monroe and Warrick counties, reflecting growth in the Bloomington and Evansville urban areas. The other 10 Study Area Counties had net migration of 2 percent, which is half of that for Indiana as a whole.

Figure 4-5 graphically depicts the cumulative net migration of all counties in the Study Area as a percentage of the Study Area's 1990 population. It shows that during this 28-year period, five of the 12 Study Area counties had negative net migration, with more people moving out than moving in.

Figure 4-5: Study Area Cumulative Net Migration by County (1990 – 2018) as Percentage of 1990 Population

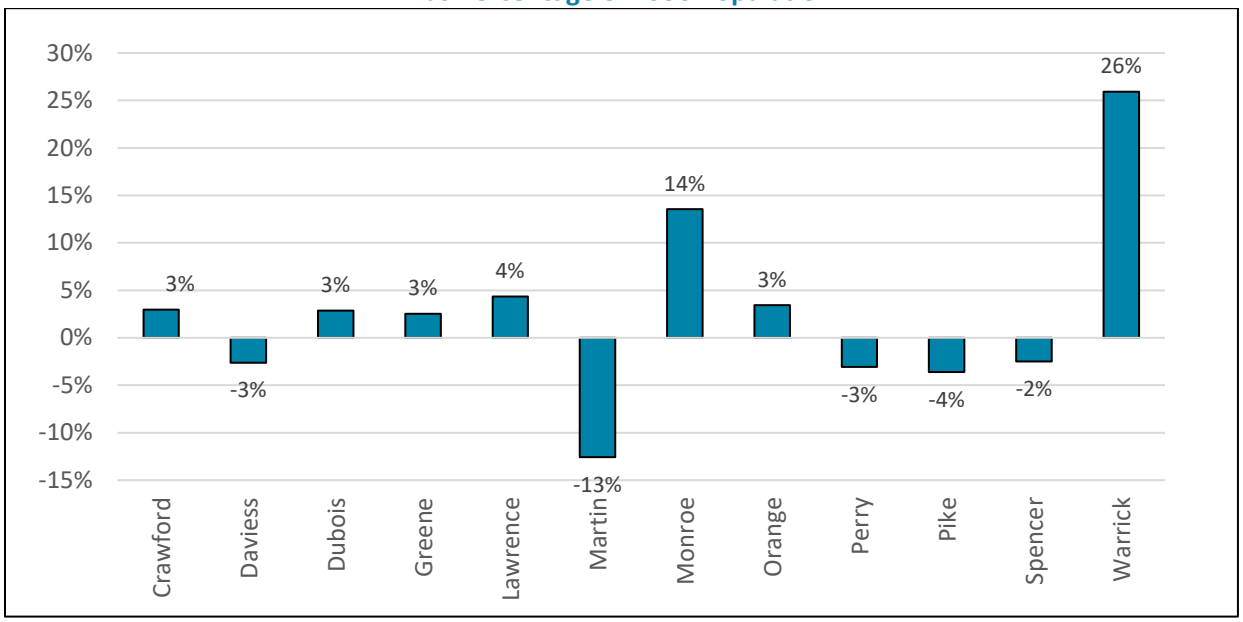
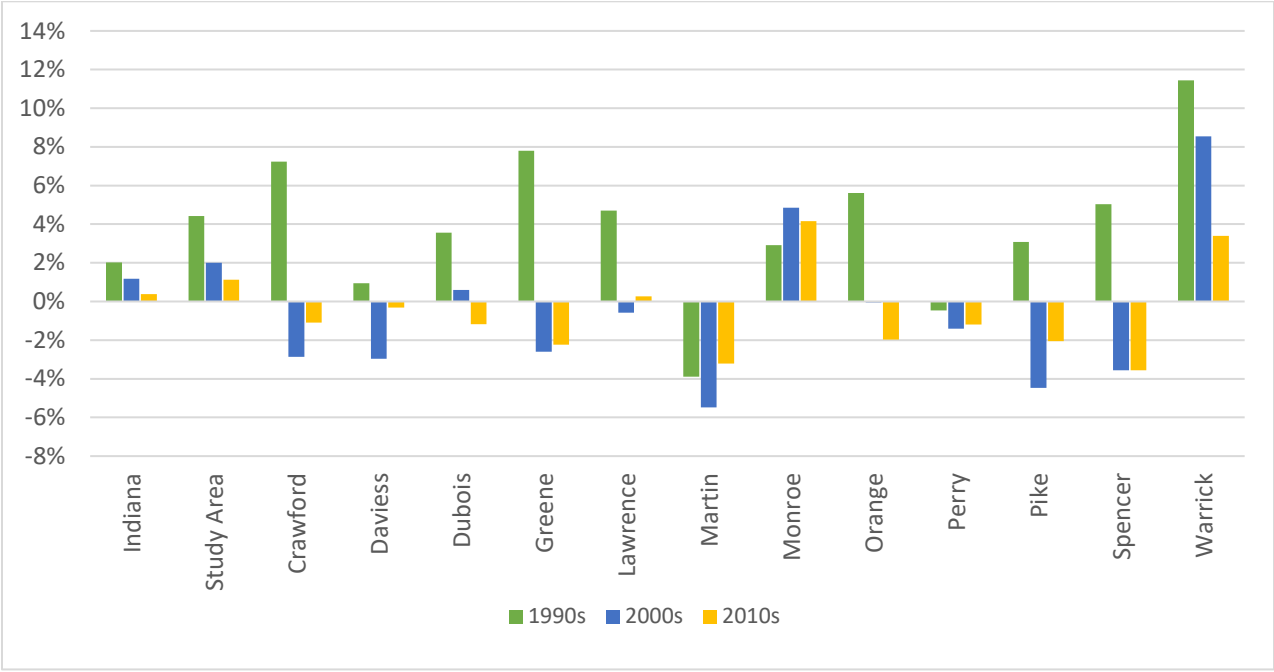


Figure 4-6 shows the cumulative net migration for counties in the Study Area by decade as a percentage of the population for the decade year (1990, 2000, 2010). Most counties in the Study Area as well as the state of Indiana experienced positive net migration in the 1990s. Only Martin County saw negative net migration in this decade. In contrast, 10 of the 12 Study Area counties experienced negative net migration in the 2000s and 2010s. Only Monroe and Warrick counties experienced positive migration, and those numbers were high enough to reflect as a positive net migration for the Study Area as a whole in these decades.

Figure 4-6: Cumulative Net Migration by Decade and Population



The statistics on net migration show that over a 30-year period, the Study Area (outside of Monroe and Warrick counties) has had one-half the net migration of Indiana as a whole. Within the last two decades, this trend has turned ***downward*** for the Study Area outside of Monroe and Warrick counties. For these 10 counties, ***more people moved out than moved in between 2000 and 2010, and between 2010 and 2018***. This consistent trend in net outmigration is consistent with the lack of economic opportunity.

4.2.1.3 Per-Capita Income

Figure 4-7 shows that the per-capita income of the Study Area (expressed in constant year 2017 dollars) tracks with statewide trends, but is consistently lower than state and national per-capita income. Currently it is $26,700, compared with the national average of $31,200. Both the Study Area and Indiana per-capita income were higher than the US figures until the mid-1990s where they began falling. The Study Area and Indiana both had per capita incomes which exceeded the national average until the 1990's. Within recent decades the Study Area per-capita income has fallen far below national averages.

Table 4-9 compares county-level per-capita incomes to statewide averages. In both 1980 and 2017, all except Dubois and Warrick counties are below statewide averages. Spencer County is above the statewide average in 2017 only. Crawford has the lowest per-capita income ($19,400), averaging nearly 29 percent lower than the statewide average in 2017. Spencer had the largest increase (24 percent) between 1980 and 2017. The average per-capita of the entire Study Area ($26,600) is below the state average ($27,300), but this gap has narrowed between 1980 and 2017.

Figure 4-7: Per-Capita Income Trends, 1980 – 2017 (in Constant Year 2017 Dollars)

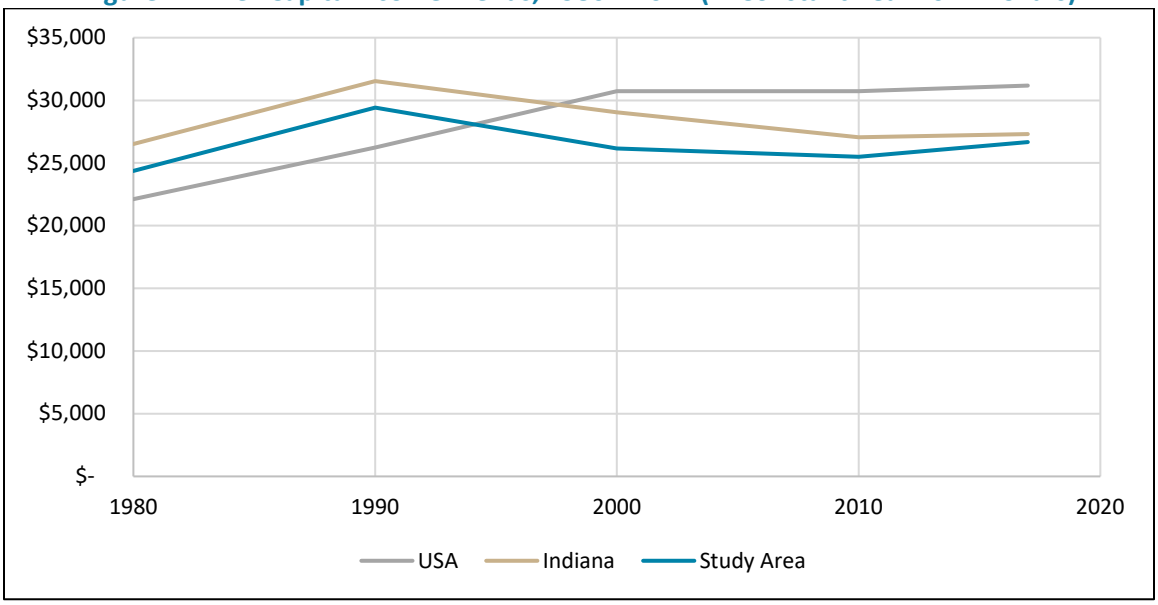


Table 4-9: County Level Per-Capita Income Comparisons (in Constant Year 2017 Dollars)

County	Per-Capita Income 1980	Per-Capita Income 2017	% Change in Per-Capita Income
Crawford	$19,839	$19,424	-2%
Daviess	$23,191	$21,794	-6%
Dubois	$27,207	$28,302	4%
Greene	$23,483	$24,744	5%
Lawrence	$24,917	$25,036	0%
Martin	$20,969	$25,138	20%
Monroe	$22,772	$26,738	17%
Orange	$21,573	$22,715	5%
Perry	$24,006	$23,003	-4%
Pike	$25,952	$25,648	-1%
Spencer	$23,408	$29,114	24%
Warrick	$30,057	$ 33,528	12%
Study Area	$24,370	$26,673	9%
Indiana	$26,517	$27,305	3%
United States	$22,117	$31,177	41%

Source: STATS Indiana (www.stats.indiana.edu), US Census, InfoPlease

In addition to being lower than Indiana, the Study Area has shown a significant decrease in per-capita income relative to the rest of the United States. In 1980, Study Area per-capita income was **10 percent higher** than the United States Average. In 2017, the Study Area per-capita income was **14 percent lower** than the United States average.

Per-capita income trends in the Study Area have been below average over the past three decades. Several counties have had decreases in real (inflation-adjusted) per-capita income during the past three decades. The Study Area lags the rest of Indiana and is far behind the United States as a whole. This is another finding which supports the need for economic development within the region.

4.2.1.4 Poverty

Figure 4-8 shows that poverty rates[12] in the Study Area were higher than those of the state for the entire period of 1980 -2017, and higher than the US rate after 2005.

[12] Poverty rates provided by US Census Bureau. The Census Bureau compares each person or family to one out of 48 possible poverty thresholds. Thresholds vary by family size and age of its members. Thresholds are updated annually using the Consumer Price Index for All Urban Consumers (CPI-U).

Figure 4-8: Poverty Rates, 1980 - 2017

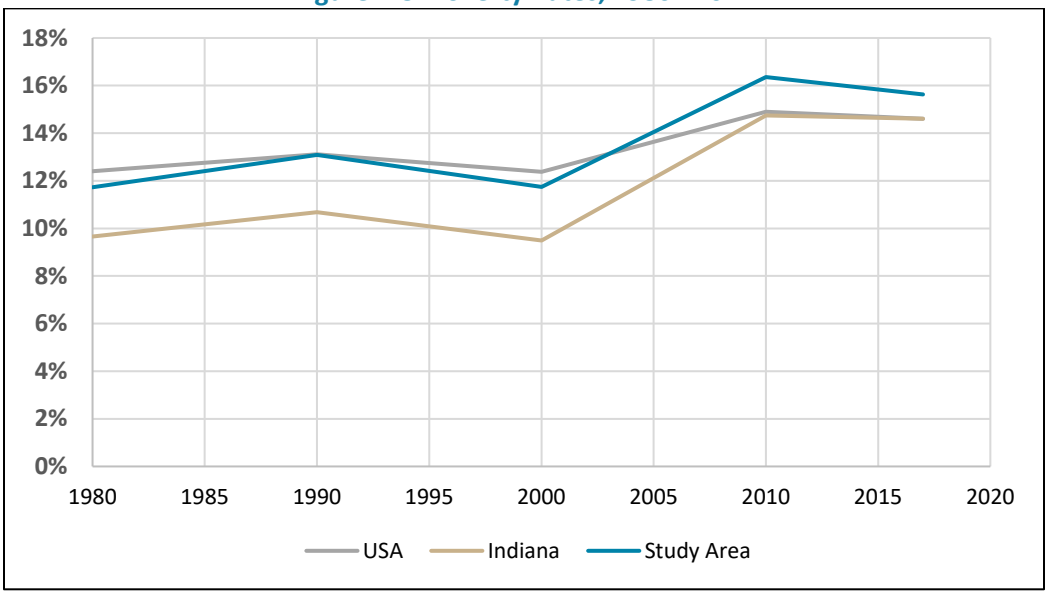


Table 4-10 shows poverty rates by Study Area county in 1980 and 2017. Counties where the poverty rate stayed nearly flat or decreased include Daviess, Martin, Spencer, and Warrick. Spencer had the largest drop in poverty, by 3.7 percent. Pike County had the largest increase in poverty at 9.7 percent.

Table 4-10: Poverty Rates by County, 1980 - 2017

County	Poverty (%) 1980	Poverty (%) 2017	Change in Poverty %
Crawford	6.7%	10.0%	3.3%
Daviess	6.9%	7.7%	0.8%
Dubois	8.8%	11.5%	2.7%
Greene	9.4%	10.6%	1.2%
Lawrence	10.6%	14.5%	3.9%
Martin	10.9%	9.7%	-1.2%
Monroe	12.2%	12.9%	0.7%
Orange	12.2%	13.3%	1.1%
Perry	14.8%	15.0%	0.2%
Pike	15.0%	24.7%	9.7%
Spencer	16.7%	13.0%	-3.7%
Warrick	18.8%	17.8%	-1.0%
Study Area	11.7%	15.6%	3.9%
Indiana	9.7%	14.6%	4.9%
United States	12.4%	14.6%	2.2%

Source: STATS Indiana (www.stats.indiana.edu), US Census, InfoPlease

While there is a range of county-level poverty rates within the Study Area, as a whole its poverty rates have consistently exceeded those for Indiana as a whole. Further, in the last 15 years, the poverty rate in the Study Area has become higher than the United States' rate. This further illustrates the need to support economic development within the Study Area.

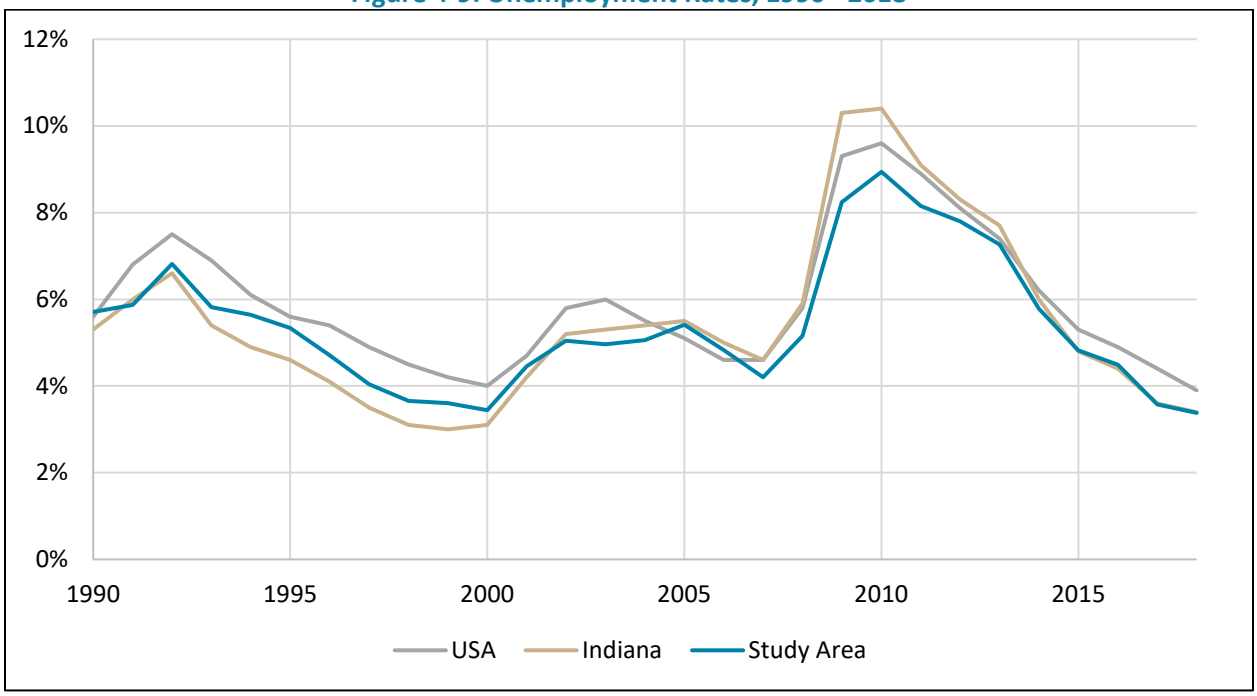
4.2.1.5 Unemployment

Currently unemployment statistics offer fewer insights into regional economic differences within the United States than in the past. Unemployment rates for the United States, Indiana, and the Study Area all are at or below 4 percent, which U.S. Federal Reserve economists characterize as "full employment."[13]

Figure 4-9 shows trends in unemployment rates in the Study Area, compared with all of Indiana and the United States. The Study Area unemployment rate was higher than that of the state until the mid-2000s. Since that time, unemployment in the Study Area has been lower than both the state and national averages. However, area business and development leaders (**Section 4.2.2.4**) consistently cite workforce availability as the single largest barrier to business development and economic growth.

Recent year unemployment data reflect national trends toward "full employment" in the economy. Economists generally regard "full employment" as the rate which the economy can sustain without experiencing wage-related inflation.

Figure 4-9: Unemployment Rates, 1990 - 2018



4.2.1.6 Study Area Economic Conditions – Summary

A range of economic indicators show the need to support economic development within the project Study Area.

- **Population trends have lagged behind those in Indiana and the United States.** In the Study Area counties outside of the urban regions of Evansville and Bloomington, population has increased at a rate of 3.1 percent per decade since 1970. By comparison, population in all of

[13] https://www.bloomberg.com/quicktake/full-employment. US. Federal Reserve economists currently put the natural rate of unemployment (which corresponds to full employment) at 4.1 percent -- 4.7 percent.

Indiana and the United States increased at rates of 5.4 percent and 10.4 percent per decade, respectively.

- **Net migration (people moving into the Study Area less those leaving) has been much less than Indiana's rate.** In the Study Area counties outside of the urban regions of Evansville and Bloomington, net migration has been only 2 percent since 1980, versus 4 percent in all of Indiana. Five Study Area counties (Daviess, Martin, Perry, Pike, and Spencer) had ***negative*** net migration since 1980. This means that more people moved out of these counties than moved in.
- **Per-capita income trends in the Study Area have consistently worsened since 1980.** The Study Area lags behind the rest of Indiana, and lags far below the United States per-capita income. Four Study Area counties (Crawford, Daviess, Perry, and Pike) experienced ***decreased*** per-capita income over the last four decades, even as the United States saw a 41 percent increase in per-capita income.
- **The Study Area has higher poverty rates than Indiana and the United States.** Between 1980 and 2017, poverty rates increased in nine of the 12 Study Area counties.

The ability of transportation improvements to support economic development is well-understood. Federal policies support transportation planning to improve the economic development of rural areas (**Section 2.1**). The current INDOT Statewide Transportation Plan supports transportation investments to improve economic competitiveness and quality of life (**Section 2.3**).

The Mid-States Corridor will support economic development in Southern Indiana. The interview summaries in **Section 4.2.2** describe lack of accessibility as the region's primary transportation obstacle to economic development. Highway capacity is not a significant issue (see **Section 4.1.3**).

4.2.2 Regional Business & Economic Input

This section discusses key themes from 18 interviews spanning from June 11 – June 27, 2019 with both businesses and economic development organizations in the 12-county study region. A more detailed summary, including individual interview summaries, are provided in the **Economic Development Appendix**.

These narratives summarize the input provided by interviewees. As such, they are used in conjunction with the technical analyses in the Purpose and Need to determine project goals and performance measures.

Three of these key themes do not directly support Purpose and Need for this project. These are provided here to document input provided during multiple interviews. These include the input provided in **Sections 4.2.2.4**, **4.2.2.5** and **4.2.2.7**. These are not discussed in **Chapter 1 – Purpose and Need**.

4.2.2.1 Economic Significance of Dubois County

Dubois County is a major economic center in Southern Indiana. Several large national corporations are located here, including large furniture manufacturers (OFS Brands, Masterbrand Cabinets, Best Home Furnishings, Jasper Group and Kimball International), two of the nation's leading poultry producers (Wabash Valley Produce and Farbest Foods, Inc.), and other industries with significant employment and economic impacts (Jasper Engines and Transmissions, Jasper Rubber, Meyer Distributing and Kimball Electronics). Access to northern and southern markets has logistical handicaps due to design and capacity of US 231. Access to I-64 is inefficient, also due to congestion and unreliability of US 231. Current logistical inefficiencies inhibit business growth and business attraction, lead to unpredictability in delivery times, increase freight costs and inhibit access to Crane Naval Surface Warfare Center and its

supporting contractors. Access is limited to intermodal facilities such as large airports, the FedEx center in Indianapolis, the UPS center in Louisville and rail operations in Indianapolis and Chicago.

4.2.2.2 Poor Safety, Unreliability & Inadequacy of US 231

The existing north/south transportation "spine" for the study region is US 231 from Crane to US 231/SR 66 intersection in Rockport. Seven of the 18 interviewees described this road as having poor safety, speed, congestion and travel time predictability. The majority of US 231 in the study region is a 2-lane road with narrow shoulders, hilly topography, unrestricted county road access and the presence of slow-moving seasonal farm equipment. These features lead to reduced speed and travel time variability. This severely restricts its use for motor freight.

Concerns also were expressed regarding US 231 in Spencer County. Anticipated development near the current US 231/I-64 interchange at Dale is a safety concern due to nearby at-grade crossroad access. The safety analysis (**Section 4.1.1**) showed US 231 in Spencer County has elevated crash rates, even though it was recently upgraded.

4.2.2.3 Lack of North-South Connectivity throughout 12-County Study Area

Counties east of I-69 and west of I-65 generally lack adequate access to northern and southern markets. Dubois County faces challenges due to US 231 constraints outlined previously. Many businesses choose to avoid using US 231 to reach northern markets, and instead go south to I-64 to then go north on I-69 or I-65. This added travel time raises freight costs for businesses. Orange County also faces constraints from visitors traveling from the north and west. The area receives 1,100,000+ visitors a year, a large portion of whom are traveling from within Indiana. Other comments noted that a north-south connection in this region could serve as the "missing link" in a major transportation artery connecting Southern Indiana with Kentucky, Nashville and as far south as Mobile, Alabama.

4.2.2.4 Workforce Availability Issues

Workforce availability and workforce attraction were issues that were cited in nearly every interview. Many stated it was the number one issue which limits business growth and economic development. With one of the lowest unemployment rates in Indiana (2.1 percent), representatives from Dubois County consistently stated that it has more jobs than people available to work. Similar issues were also cited in Perry County, Daviess County and at Crane.

Presently commuter access is constricted by the same accessibility issues businesses face in freight deliveries. Increasing the commuter shed expands workforce availability. Decreasing commuting time not only helps in workforce attraction, but also improves the quality of life for those already commuting and aids in workforce retention. Quicker access to urban centers such as Bloomington, Indianapolis and Evansville are also important in improving quality of life and workforce retention.

4.2.2.5 Housing Availability Issues

Housing availability and workforce attraction are inseparable issues in this region. Manufacturing employers require large numbers of entry-level workers. These entry-level workers typically look for apartments or single-family homes. However, such housing is in short supply due to the lower profit margins and higher financial risks for builders. While it is outside the scope of a transportation project to address, this need is described here because it was cited repeatedly in interviews.

4.2.2.6 Importance of Improved Intermodal Access to Business Expansion & Attraction

Access to large airports capable of providing air freight services, such as FedEx in Indianapolis or UPS in Louisville, provides advantages to businesses. Currently, air freight opportunities for this region are limited by poor connections to intermodal centers. Improved access to rail centers such as Indianapolis and Chicago also would be advantageous to businesses. In addition, there are two major Ohio River ports (Tell City River Port and the Port of Indiana in Jeffersonville). Major businesses in the Study Area both source their business inputs and serve customers throughout many parts of the nation. Access to a range of transportation options is an important part of business operations.

4.2.2.7 Effects of Implementation of Electronic Trucking Logs

In December of 2017, trucks made after 2000 were required to switch from paper logs to electronic logging devices. This was intended to keep exhausted drivers off the road and eliminate paperwork costs for motor carriers and law enforcement agencies. This implementation has affected businesses with freight operations differently. Some regional representatives expressed that it has made travel safer because many drivers were running more miles than they should have been. It also is easier to manage and view fleet data. Other businesses expressed that the electronic logs have had unintended consequences. Due to the stricter enforcement of hours of service and required rest time, drivers are traveling more during weekday peak periods, which has led to an increase in serious trucking accidents. Rest time requirements are also forcing drivers to pull off on the side of the road, regardless of how close they are to a rest station or their homes. There is no flexibility with shutdowns or short moves. There also has been an increase in retirements by older, experienced drivers, leading to a relative increase in inexperienced drivers. Some businesses, especially those with unpredictable shipping locations and smaller fleet contractors, saw as much as a 50 percent cost increase in freight shipping.

Added costs and operating constraints have occurred due to this initiative. These costs and constraints make access to multi-lane roads with predictable travel time even more important to business success.

4.2.2.8 Importance of Transportation for Business Attraction

Indiana has an attractive business climate due to relatively low taxation and flexible regulatory practices. The region also is attractive due to its eight-hour travel distance from two-thirds of the US population. Business development specialists attempt to leverage this proximity as a recruiting tool for business attraction.

However good infrastructure is necessary to attract both business and workforce. One of the first considerations in business location decisions is the presence of high-level, multi-lane roads. Regional representatives stated that the combination of poor access/logistics to the north and the competitive labor market presently discourages business attraction.

4.2.3 Input Summary

The majority of public input on the Purpose and Need (see **Section 5.7**) focused on supporting economic development within the Study Area. This input cited locations throughout the Study Area as needing support for economic development. These locations include Jasper, Huntingburg, Washington, French Lick, Mitchell, Bedford and Crane NSA. Support for a broad range of industries, including tourism, was cited as a need. While this support was widespread, transportation is one of many components required to support economic development. Accordingly, economic development goals are shown as secondary goals.

5. PUBLIC & AGENCY INPUT

This document was issued in draft form for public and agency input on August 13, 2019. Major opportunities for input included:

- **Initial Agency Coordination, June 25, 2019.** Agencies received a "hold the date" email. This email notified them of a Scoping meeting to be held in Jasper on August 20, 2019.
- **Public Information Meetings held on August 5, 6 and 8, 2019.** At these meetings, the major components of the Purpose and Need were presented to 431 registered attendees. A Purpose and Need station was provided at each meeting, where attendees could discuss the elements of the Purpose and Need with project staff. Attendees were encouraged to provide written comments in person or via the project web site.
- **Agency Early Coordination Letter, August 5, 2019.** An Early Coordination Letter was sent to agencies to invite them to an August 20 Scoping meeting in Jasper.
- **Draft Purpose and Need Statement, August 13, 2019.** The draft Purpose and Need Statement was made available on the project web site. All agencies were provided with an electronic copy of the draft Purpose and Need. Agency comments on the draft Purpose and Need were requested by September 12, 2019.
- **Additional Public Comment Period for Purpose and Need Statement, November 21, 2019.** Email and text messages were sent to approximately 700 members of the public who had provided email addresses to the project. They were invited to provide input on the Purpose and Need statement. The comment period for this input extended to December 22, 2019.

Significant input was provided which was used to finalize this Purpose and Need Statement. The following sections summarize this input, and describe how it was addressed in finalizing this Purpose and Need statement. This enumeration highlights agency input on the Purpose and Need.

In addition, 244 public comments regarding the project Purpose and Need were received and archived in the project's Comment Tracking Database (CTD). Each public comment was reviewed. Many public comments repeated comments provided by agencies. Where they offered comments not otherwise provided by agencies, these are so noted. The comment numbers cited are their accession number in the CTD.

5.1 Safety Goal

The draft Purpose and Need Statement issued on August 13, 2019 designated crash reduction (Goal 4) as a core goal. Based on input received and follow up discussions with FHWA, Goal 4 has been retained as a secondary goal. Key input provided includes the following.

- **Purpose and Need analysis does not make convincing case for the need for crash reduction (Indiana Department of Natural Resources (IDNR) September 12, 2019 Comment Letter).** The letter questioned whether the Purpose and Need analysis clearly showed that crash rates in the Study Area are appreciably different than other regions of Indiana.
- **Federal Highway Administration (FHWA) Purpose and Need Training, October 23, 2019.** This day-long training was conducted by FHWA in Indianapolis and attended by project team staff.

This training discouraged the use of safety as a primary goal for larger regional projects. It is more appropriate for site-specific improvements.

- **Meeting with Evansville MPO (EMPO), December 4, 2019.** This meeting was held to discuss the draft Purpose and Need with EMPO. Its input included a lack of information on causes for crashes and questioning designation of "high crash" counties. Most of the MPO's input questioned the emphasis given to safety improvements in the draft Purpose and Need.
- **Verbal discussion with FHWA, March 4, 2020.** Input received on the safety component of the draft Purpose and Need was discussed with FHWA . This occurred during the agency field tour of the Mid-States project area. During this discussion, the project team suggested that in view of the input received on the safety goal, that it would be appropriate to retain crash reduction, but only as a secondary goal. FHWA indicated its support for this modification.
- **INDOT Staff Input on Technical Safety Analysis.** INDOT staff in late 2021 commented that the use of the RoadHAT analysis tool was not appropriate for a larger regional application. It was suggested that a higher-level analysis which considered overall crash rates would be more appropriate. Accordingly, **Section 4.1.1** was rewritten to remove the RoadHAT-based safety assessment. It was replaced with a high-level review of crash rates on non-Interstate state highways in the Study Area. It shows that for rural roads in the Study Area, 59 percent had above average crash rates compared with estimated statewide crash rates for rural roads, and 21 percent had crash rates more than double statewide rural road crash rates. Of the 96 state highway segments evaluated in this analysis, 84 (88 percent) are rural roads. Accordingly, this analysis serves as the basis for considering safety benefits in the Study Area as a secondary goal.

5.2 Role of I-69

- **Hasn't I-69 already addressed regional transportation needs (United States Environmental Protection Agency, Region V (USEPA) – August 20, 2019 Scoping meeting, US Fish and Wildlife Service (USFWS) – September 10, 2019 comment letter, USEPA September 12, 2019 comment letter)?** Response: I-69 especially addressed needs in the western counties in the 12-county Study Area (Daviess, Pike and Warrick). The central portion of the Study Area contains major concentrations of businesses with longstanding needs not served by I-69. These are concentrated in Dubois County. The safety traffic and economic effects of I-69 are already considered as part of the No-Build analysis in this Purpose and Need. The 2045 No-Build traffic assignments show the completion of I-69 between Evansville and Indianapolis, as well as the completion of the I-69 bridge between Evansville and Henderson, Kentucky.

5.3 Mid-States Project Already Has Been Evaluated

- **There was a previous project for a Jasper/Huntingburg bypass which was withdrawn (via a Federal Register Notice) (USEPA – August 20, 2019 Scoping meeting, USFWS September 10, 2019 comment letter).** That earlier project was confined to Dubois County, and focused on urban congestion relief and local needs within Dubois County. This project focuses on regional and interstate connectivity. Traffic congestion is a minor element of the Purpose and Need for this project.

5.4 Role of Purpose and Need Goals

- **How will improvements be measured, and what levels of improvement will be sufficient (USEPA – August 20, 2019 Scoping meeting)?** This Purpose and Need identifies core goals. These are listed (along with secondary goals) in **Section 6**. The selected alternative will need to provide adequate benefits on each core goal. Secondary goals will be evaluated, but will not be considered in selecting an alternative.
- **Should Goals 1 and 7 be combined (EMPO Meeting, December 4, 2019)?** Both are core goals measuring system linkage and accessibility between travel pairs. Goal 1 identified access to major business markets, while Goal 7 identifies access to major intermodal centers located primarily outside of the Study Area.

5.5 Needs Identification

- **What problem is the project attempting to resolve? Will it "solve" the identified problems (USEPA – August 20, 2019 Scoping meeting)?** The project needs analysis identified multiple needs. Core need/goals include improved business/employment accessibility, freight accessibility and intermodal accessibility. Secondary needs/goals include reductions in congestion and crashes and increased business activity and personal economic well-being. This wide range of goals is typical for a large regional study. Such studies consider performance across a range of goals, and do not focus on the metric for a single goal/need.

5.6 Congestion Relief

- **Congestion in the Study Area is needed/confined to Jasper/Dubois County (IDNR – September 12, 2019 comment letter, Public comment 181).** Point noted. The Study Area congestion relief needs are focused in the Jasper/Dubois County area. Goal 3 states that congestion relief will be evaluated only in Dubois County.
- **Recommend that congestion relief in Dubois County be made a core goal (USEPA September 12, 2019 Comment Letter).** Dubois County is one of 12 counties in the Study Area. The Purpose and Need analysis shows that congestion is not a widespread issue in the Study Area. As IDNR noted in its comment letter (see previous bullet point), congestion in the Study Area is limited in scope.

5.7 Economic Development

- **There is potential for economic development near the Washington I-69 interchange (Public comment 5).** Economic development goals measure economic growth throughout the 12-county Study Area. Goal 1 measures improved labor force access to Washington.
- **There is a need to retain younger workers in the Study Area (Public comment 11**). Goal 5 measures increases in high-wage and high-growth industries. Such industries are attractive to younger workers.
- **There is a need to support business/tourism/economic development in Daviess, Martin and Orange counties, and Southern Indiana as a whole (Public comments 9, 26, 38, 42, 43, 44, 69, 75, 82, 83, 91, 132, 142, 143, 144, 165, 166, 171, 181, 196, 197, 209, 255, 256).** The economic

development measures in Goals 5 and 6 capture the benefits to all industries, including tourism-related industries, throughout the Study Area.

- **Need to support freight industry in Study Area (Public comments 103, 104).** Goal 2 measures improvements in freight access throughout the 12-county Study Area. These destinations differ enough that these are retained as separate core goals.

5.8 Accessibility

- **Consider the ease of traveling between counties (Public comment 9, 117).** Goals 1, 2 and 7 measure system linkage and accessibility between counties in the Study Area.
- **Provide better connection between Jasper and Washington (Public comment 15).** Locations for improved access to Jasper were determined based upon wide ranging economic development interviews. Improved business flows between Washington and Jasper are captured by Goal 2.
- **Provide better access between Jasper and Indianapolis (Public comments 97, 110, 132, 140, 195).** Goal 1 measures improvements in access between Jasper and Indianapolis. Goal 7 measures improvements in access from Jasper to intermodal centers located at Indianapolis.
- **Provide improved access throughout Study Area (Public comment 110).** Goals 1, 2 and 7 provided multiple assessments of system linkage and accessibility improvement throughout the Study Area.
- **Better access is needed to Crane NSA (Public comments 152, 154, 234).** Goals 1 and 7 measure improved access to Crane.
- **Is accessibility an issue in the absence of congestion (EMPO Meeting, December 4, 2019)?** System linkage and accessibility can be needs in the absence of congestion. This is the case when major travel destinations can be reached only by lower-classification, indirect routes with design inadequacies.
- **Why is Chicago shown as a travel destination for accessibility analyses – isn't measuring access to Indianapolis sufficient (EMPO Meeting, December 4, 2019)?** Access to Chicago was identified as an important travel need during many economic development interviews.
- **The use of "congested" travel time is a confusing term, since the analysis shows a general lack of congestion in the Study Area (EMPO Meeting, December 4, 2019).** The use of "congested" travel time in **Section 4.1.3** has been edited to refer to "actual" travel time.
- **Comments on the DEIS questioned whether travel time savings on Goals 1 and 7 were of sufficient magnitude.** These comments focused on some measures of travel time savings along the US 231 corridor. Upon detailed review of the model-based assessment of point-to-point travel time saving in Goal 1, an additional travel time performance measure is provided in the FEIS. It compares the build and no-build travel time savings between the US 231 interchanges on I-64 and I-69. This added performance measure provides a fuller assessment of comparative travel time savings of alternatives.

6. PROJECT GOALS & PERFORMANCE MEASURES

The following goals and performance measures will be used to evaluate project alternatives in their ability to satisfy the project's Purpose and Need. They are grouped by the individual points in the Statement of Purpose and Need (**Section 1**). The three core goals (Goals 1, 2 and 7) correspond to the two main project purposes listed there. The four secondary goals correspond to the three secondary purposes listed there. **Table 6-1** describes the differences between core and secondary goals, and how each is used to evaluate alternatives.

Core goals 1, 2 and 7 have a regional focus. They assess benefits throughout the 12-county Study Area.

Table 6-1: Comparison of Core and Secondary Goals

Comparison of Core and Secondary Goals		
Descriptor	**Core (Primary) Goals**	**Secondary Goals**
Definition	Outcomes identified as required to be achieved by the project. These are ***fundamental reasons*** for the project.	Represent "other desirable outcomes." The project need not address these goals. To the extent it does, these represent additional benefits.
How Identified	Federal and state transportation planning requirements. Previous planning studies. Technical analyses. Extensive business and stakeholder interviews identified these goals as ***primary*** for the project.	Technical analyses. Stakeholder interviews cited congestion and safety comparatively infrequently. Economic development measures secondary because transportation is one of several necessary components to support economic development.
Role in Alternative Evaluation	Alternatives must have adequate performance in addressing primary goals. Adequacy is defined using an index approach. To have adequate performance, an alternative provides at least half the benefit of the best-performing alternative across all core goals.	Performance on secondary goals is evaluated, but not considered in identifying a preferred alternative. Performance on secondary goals may be considered for decisions about project programming and scheduling.

A comment at the August, 2019 scoping meeting (see **Section 5.4**) asked about the role of the Purpose and Need in identifying a selected project. To be selected, the Preferred Alternative will need to show adequate performance on core goals. Performance on secondary goals is evaluated, but not considered in identifying a preferred alternative.

Another comment (see **Section 5.5**) asked how it will be determined whether the project will "solve" identified problems. This project has a wide range of goals. This is typical for a regional study. Accordingly, this study considers performance across a range of goals.

Another comment (see **Section 5.8**) questioned the use of access to Chicago as a performance measure. This measure is included based upon input received during economic development interviews.

Another comment (see **Section 5.4**) suggested that Goal 1 (Increase accessibility to major business markets) and Goal 7 (Increase access to major rail and air intermodal centers) be combined. There are

several destinations which are used in only one goal. They also measure access for different purposes. They are retained as separate core goals.

Performance measures will be provided using the Mid-States Corridor regional travel model, post-processors which analyze travel model assignments and the TREDIS economic forecasting model.

6.1 Improve Business and Personal Regional Connectivity in Dubois County and Southern Indiana

Goal 1 – Increase accessibility to major business markets (core goal)

Performance Measures

- Reduction in travel time from Jasper to Indianapolis, Chicago and Louisville
- Reduction in travel time from NSA Crane to Jasper, Rockport and Louisville
- Reduction in travel time from Bedford to Rockport and Louisville
- Reduction in travel time from French Lick to Indianapolis, Louisville and Rockport
- Reduction in travel time between I-64/US 231 and I-69/US 231 (added since DEIS)
- Increase in labor force with 30-minute access to Jasper, Crane, Washington, French Lick and Bedford (increase measured separately for each city)

Goal 2 – Provide more efficient truck/freight travel in Southern Indiana (core goal)

Performance Measure

- Reduction in truck vehicle hours of travel (VHT) in 12-county Study Area for trips to, from or within the Study Are

Goal 3 – Reduction in localized congestion in Dubois County

Performance Measure

- Levels of reduced congestion at key locations within Jasper and Huntingburg

6.2 Reduce Crashes at Key Locations in Southern Indiana

Goal 4 – Reduce crashes at key locations in Southern Indiana

Performance Measures

- Reduction in annual crash costs at key locations in Southern Indiana

6.3 Support Economic Development in Southern Indiana

Goal 5 – Increase Levels of Business Activity within Southern Indiana

Performance Measures

- Increase in regional gross domestic product within 12-county Study Area

- Increase in total employment within 12-county Study Are
- Increase in employment in high-wage industries in 12-county Study Area
- Increase in employment in high-growth industries in 12-county Study Area

Goal 6 – Increase Personal Economic Well-Being in Southern Indiana

Performance Measure

- Increase in personal income within 12-county Study Area

6.4 Improve Highway Connections to Existing Major Multi-Modal Locations from Southern Indiana

Goal 7 – Increase access to major intermodal centers from Southern Indiana (core goal)

- Reduction in travel time from Jasper to CSX Avon Yard, Senate Ave. Yard, Tell City River Port, Port of Indiana, Louisville Airport and Indianapolis Airport
- Reduction in travel time from Crane to CSX Avon Yard, Senate Ave. Yard, Tell City River Port, Port of Indiana, Louisville Airport and Indianapolis Airport

MID-STATES CORRIDOR

SAFETY APPENDIX

Mid-States Corridor
Tier 1 Environmental Impact Study

Prepared for

Indiana Department of Transportation
Mid-States Regional Development Authority

FEBRUARY 17, 2022

Prepared by

Mid-States Corridor Project Consultant

INDIANA DEPARTMENT OF TRANSPORTATION INDOT

LOCHMUELLER GROUP
Reinvent Your Future

SAFETY APPENDIX

INTRODUCTION

The analysis of the kind and extent of safety needs in the 12-county Study Area was based upon a comprehensive analysis of all crash data for a five year period (2014 to 2018). Crash rates were calculated for all non-Interstate state-jurisdictional highways in the Mid-States Corridor Study Area. See **Figure 1** for a map of this Study Area. All highways with an SR or US designation were analyzed. For this analysis, all crashes within a county for a given state-jurisdictional highway were counted. An average annual average daily traffic (AADT) for that highway in that county was calculated based upon INDOT traffic counts.[1] The crash rate was expressed as crashes/100 Million Vehicle Miles Traveled (crashes/100M VMT).

These crash rates were compared to statewide averages for rural and urban roads in each category. The overall findings are summarized in **Table 8** (provided at the end of this document). It shows that nearly 60 percent of rural state highways in the Study Area have crash rates above statewide averages. Further, over 20 percent of rural state highways in the Study Area have crash rates which are at least twice as high as statewide rates.

This document also describes how separate statewide crash rates were estimated for rural and urban highway. For non-fatal crashes, rural crash rates tend to be significantly lower that urban crash rates. Important reasons for these differences include:

- Urban roads have many more opportunities for conflicting vehicle movements.
    - Urban areas have many more intersections per mile.
    - Urban roads also have as many more driveways and other access points.
- Urban roads tend to have higher vehicle travel rates (expressed as vehicles/lane/hour).
- These factors create more frequent opportunities for vehicle conflicts.

[1] Counts obtained from https://indot.public.ms2soft.com/tcds/tsearch.asp?loc=Indot&mod.

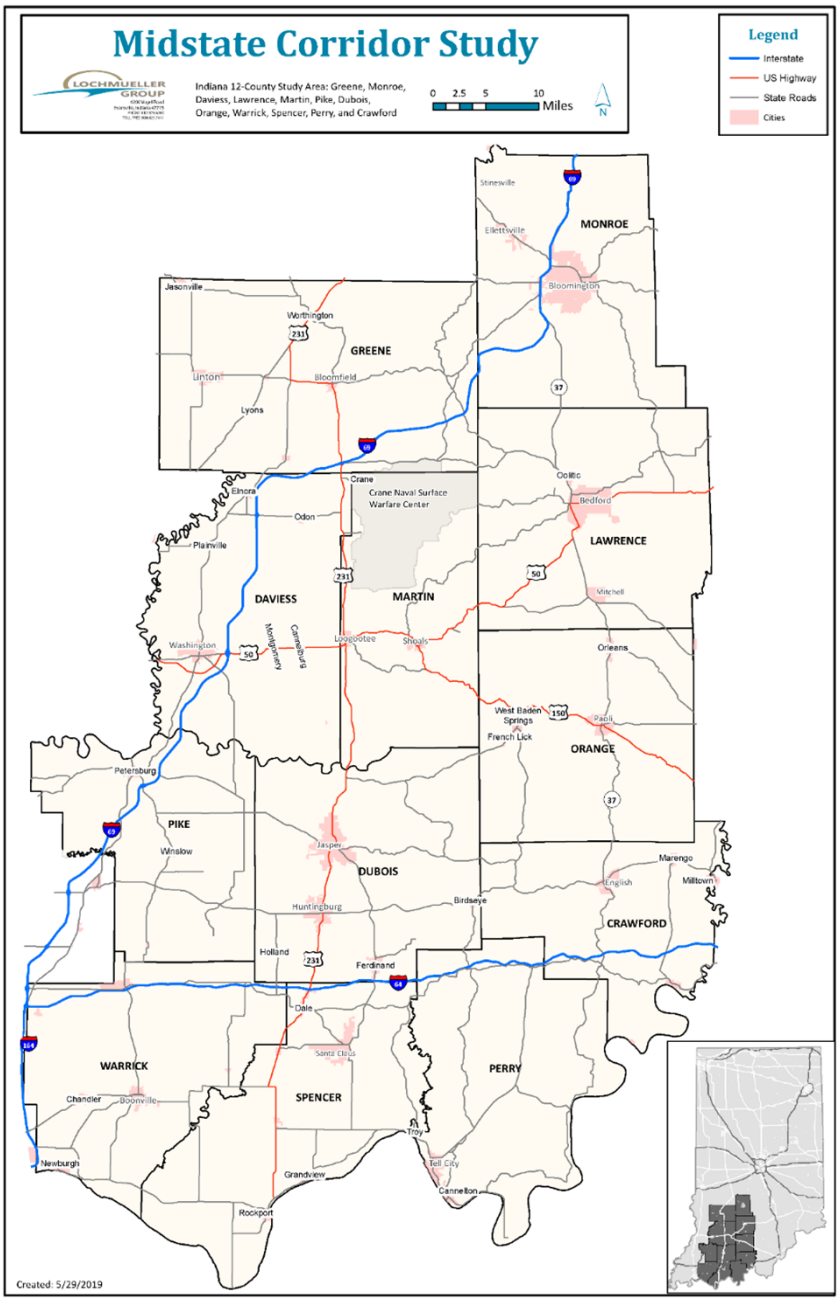


Figure 1: Mid-States Corridor Project Study Area

Nearly all roads within the Study Area serve predominantly rural areas. Subsequent analysis in this document shows that 88 percent of state-jurisdictional highways (84 of 96) in the Study Area are classified as rural. It was necessary to estimate average statewide crash rates separately for rural and urban roads to provide an appropriate point of comparison for crash rates in the Study Area.

CRASH ANALYSIS BACKGROUND

Crash records were obtained from INDOT's ARIES (Automated Reporting Information Exchange System) database. ARIES is the authoritative source maintained by INDOT to provide data on crash records throughout Indiana. Crash records on state highways[2] between 2014 and 2018 were obtained from ARIES. A total of 62,304 crash records were analyzed. An example of the information format provided by the ARIES database is shown in **Table 1** (at the conclusion of this document).

A crash needs analysis requires comparative metrics of typical crash rates to serve as benchmarks. For state-jurisdictional highways, INDOT provides statewide crash rates using only naming conventions. The three categories are Interstate Highways, US-designated highways and SR-designated highways. Separate crash rates by area type (urban/rural) or by functional classification are not available.[3] **Table 2** shows these statewide crash rates for 2016 – 2018.[4]

Table 2: Indiana Statewide Crash Rates by Road Type, 2016 - 2018[5]

	Total Crashes/100 M VMT			
Road Category	2016	2017	2018	Average
US Highways	200.76	189.69	185.88	192.11
SR Highways	243.58	232.81	231.78	236.06

While fatal crash rates tend to be higher in rural areas (due to the higher speeds involved in collisions), rates for other crashes are consistently lower in rural areas. NCHRP Report 7-12, *Microcomputer Evaluation of Highway User Benefits*, found that urban crash rates for property damage only (PDO) crashes and injury crashes were much greater than urban crash rates. This may be attributable in part to the relative lack of roadway access in rural areas. **Table 3** compares crash rates for two-lane urban and rural roads from this report.

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[2] Records were analyzed for all state-jurisdictional highways with a US or SR designation. Interstate highways were not considered in this analysis.

[3] Based on email and telephone conversations with INDOT's Traffic Safety Office, February 2022.

[4] Source: !State 2014 to … Crash Summary Rates.pdf. INDOT tabulations indicated that there were inconsistencies in reporting by type of crashes in 2015 and earlier, compared to methods using starting in 2016. The guidance provided indicated that this was not expected to affect data for total crashes. To avoid any possible issues, data was used only for 2016 going forward.

[5] INDOT annual statewide average crash rates are reported separately for US-designated and SR-designated state highways. Generally, US-designated highways have higher functional classifications and serve higher traffic volumes. During the three-year period analyzed, US-designated routes had crash rates 19% lower than SR-designated routes. This analysis considers all crashes, including Property Damage Only (PDO) crashes. PDO crashes accounted for 79 to 81 percent of all crashes reported on US- and SR-designated highways during this analysis period. Analyses of crash savings provided in **Chapter 2**, **Section 3.4**, **Appendix V** and **Appendix EE** quantify crash savings by severity of crashes avoided. Crashes avoided are calculated separately for fatal/serious injury crashes, other injury crashes, and PDO crashes.

Table 3: Crash Rates for Two Lane Roads – NCHRP 7-12

Microbencost Crash Rates for Two Lane Roads - Tables A.38 and A.39							
Volume Range (AADT)		PDO Crash Rates/100 M VMT			Injury Crash Rates/100M VMT		
		Rural	Urban	Urban/Rural	Rural	Urban	Urban/Rural
0	3,999	99	215	117%	82.5	126.8	54%
4,000	7,999	100	312	212%	90.8	175.5	93%
8,000	15,999	130	373	187%	107.3	214.5	100%
16,000	23,999	130	401	208%	107.3	256.8	139%

These crash rates are dated (from the 1990s). They do provide an authoritative illustration of overall trends for higher PDO and injury crash rates in urban areas.

INDOT's estimates of rural and urban VMT statewide show that approximately 64% of all travel in Indiana occurs in urban areas, and 36% in rural areas.[6] Nearly all travel in the Study Area occurs on rural roads. Applying statewide average rates which predominantly reflect urban travel is not an appropriate benchmark for rural crash rates.

An extensive online search identified a five year analysis (2011 – 2015) by the Kansas Department of Transportation (KDOT).[7] It provided separate crash rates for urban and rural roads throughout the state. It showed the following total crashes, VMT and crash rates.

- **Rural Roads**. 51, 934 million VMT, 54,955 total crashes, crash rate 105.8 crashes/100 million VMT.
- **Urban Roads**. 34, 823 million VMT, 53,114 total crashes, crash rate 152.4 crashes/100 million VMT.

This analysis shows urban crash rates in Kansas are 44% higher than rural crash rates. This ratio of urban to rural crash rates is low by comparison with crash rates presented in **Table 3**.

Accordingly, this analysis makes the conservative assumption that in Indiana, urban crash rates are 50% higher than rural crash rates, for all crashes. **Table 4** shows the estimated statewide average crash rates for rural and urban road for 2016 – 2018. It is based upon the statewide rates in **Table 2**, assuming urban rates are 50% higher than rural rates and a 36%/64% split of rural and urban VMT.

These estimates were made as follows.

RURAL = Average rural crash rates (total crashes/100 million VMT), 2016 to 2018

URBAN = Average urban crash rates (total crashes/100 million VMT), 2016 to 2018

Based on the preceding discussion, URBAN = 1.5 * RURAL for both US- and SR-designated routes.

[6] INDOT's Traffic Statistics Supervisor provided estimates of total VMT statewide for 2020 and 2021 (estimated). The two-year average was 28.8 billion VMT in rural areas and 50.9 billion VMT in urban areas.

[7] https://www.ksdot.org/Assets/wwwksdotorg/bureaus/burTransPlan/prodinfo/2015FactsBook/HWY_AccidentRates.pdf

For US-designated routes

$(RURAL_{US} * 0.36) + (1.5*RURAL_{US}*0.64) = 192.11$

$((URBAN_{US}/1.5)*.36) + (URBAN_{US}*0.64) = 192.11$

Solving for $RURAL_{US}$ gives its value as 145.54, which is rounded to 145.

Solving for $URBAN_{US}$ gives its value as 178.83, which is rounded to 180.

For SR-designated routes

$(RURAL_{SR} * 0.36) + (1.5*RURAL_{SR}*0.64) = 236.06$

$((URBAN_{SR}/1.5)*.36) + (URBAN_{SR}*0.64) = 236.06$

Solving for $RURAL_{SR}$ gives its value as 218.31, which is rounded to 220.

Solving for $URBAN_{SR}$ gives its value as 268.25, which is rounded to 270.

Table 4 shows the estimated average crash rates by road type (US- or SR-designated) for urban and rural areas.

Table 4: Estimated Indiana Statewide Crash Rates by Road and Area Type, 2016 – 2018

	Estimated Total Crash Rates/100 Million VMT	
Category	**Urban**	**Rural**
US Routes	220	145
SR Routes	270	180

These estimated average crash rates were used to identify state highways in the 12-county Study Area which have above-average crash rates. Generally, crash rates on roads were compared to the estimated statewide crash rates for rural roads to identify whether they have above-average crash rates. Some roads in Warrick, Monroe and Dubois County were evaluated using the higher urban average crash rates.

CRASH ANALYSIS

Table 5 (provided at the end of this documents) shows the crash rate calculations for all rural state-jurisdictional highways in the Study Area. Crash rates are calculated for the entire length of a highway in a given county. For state-jurisdictional highways which serve multiple counties, a separate crash rate is calculated for each county. **Table 6** (also provided at the end of this document) shows the crash-rate calculations for all urban state-jurisdictional highways in the Study Area.

The following definitions are used in **Table 5** and **Table 6**.

- **County**. County in which highway is located.
- **Road.** The official INDOT designation for that state-jurisdictional highway.
- **AADT**. This is the average annual daily traffic on this road. It is obtained from INDOT's on-line traffic count database (https://indot.public.ms2soft.com/tcds/tsearch.asp?loc=Indot&mod).
- **Length**. Length of the highway for which the crash data were tabulated.

- **Total Crashes.** Total crashes identified on this highway during the five-year analysis period.
- **Crashes/Year.** Total crashes divided by 5 years (number of years in the analysis period).
- **VMT per 100m.** The calculated 5 year VMT, in units of 100 million VMT ((AADT*Length*365*5)/100,000,000).
- **Crash Rate.** Total five-year average crash rate, all crashes (Total Crashes/VMT per 100m).
- **Road Class.** Identifies whether road has a US or SR designation.
- **Average Crash Rate.** Appropriate value from **Table 4**.
- **CR Difference.** The difference between benchmark crash rate for the road and area type (Average Crash Rate) and the actual crash rate calculated for this highway (Crash Rate).
- **CR Percent.** The ratio of (CR Difference/Average Crash Rate). The more negative this number is, the greater the amount by which this highway has crash rates which exceed statewide averages.
- **CR Difference Magnitude.** The observed crash rate divided by the statewide average crash rate. This also is equal to 1 + (CR Percent).

Table 7 lists, by county, roads which were found to have higher than average crash rates. **Table 8** calculates the overall percentages of roads in the Study Area with higher than average crash rates. **Figure 2** displays these roads. The figure uses color coding to display separately roads with crash rates over 100% above statewide averages.

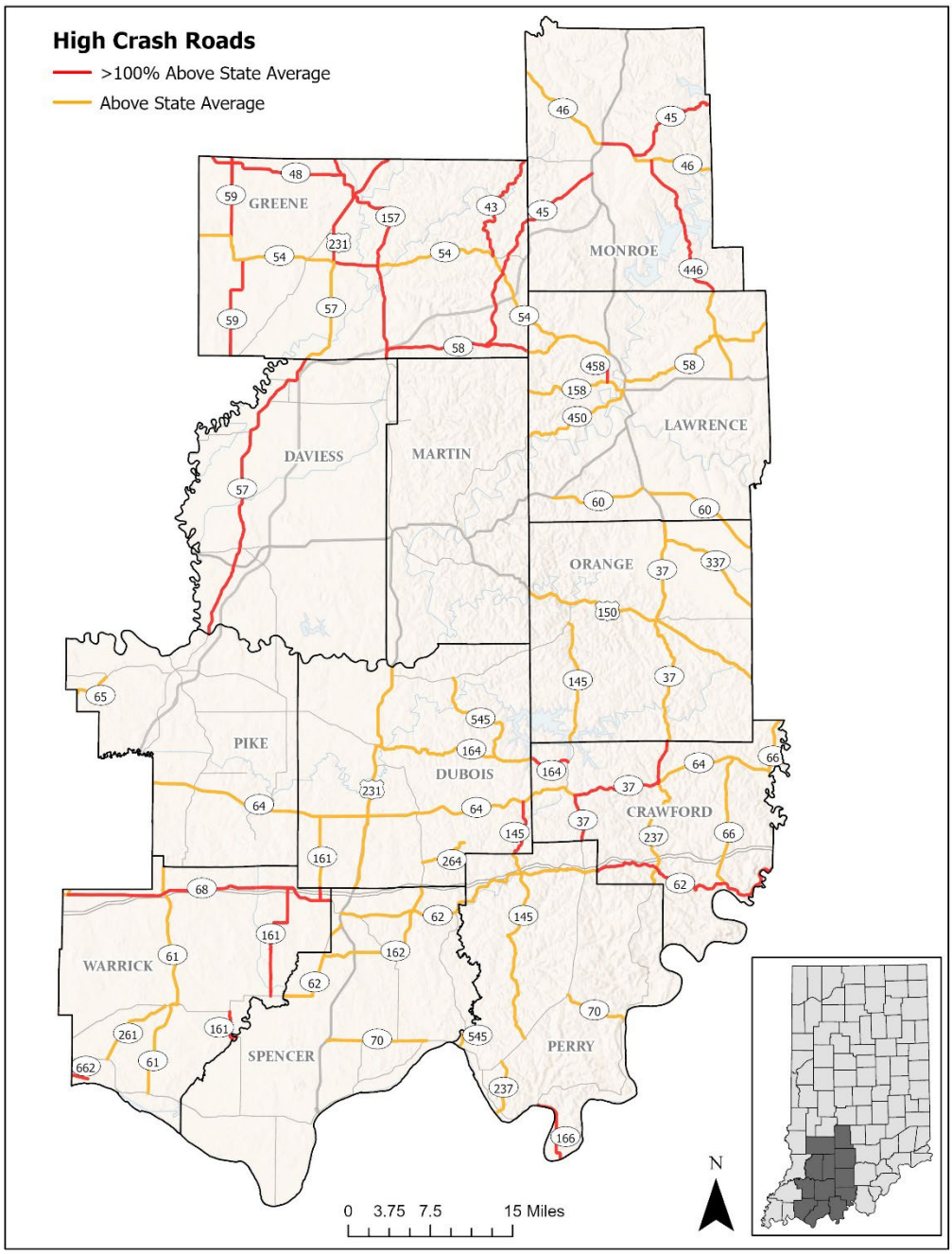
Table 7: Roads with Above-Average Crash Rates, by County

County	Roads With Above-Average Crash Rates
Crawford	SR 37, SR 62, SR 64, SR 66, SR 164, SR 237
Daviess	SR 57
Dubois	SR 64, SR 145, SR 161, SR 164, SR 264, SR 545, US 231
Greene	SR 43, SR 45, SR 48, SR 54, SR 57, SR 58, SR 59, SR 157, US 231
Lawrence	SR 54, SR 58, SR 60, SR 158, SR 446, SR 450, SR 458
Martin	None
Monroe	SR 45, SR 46, SR 446
Orange	SR 37, SR 60, SR 145, SR 337, US 150
Perry	SR 62, SR 70, SR145, SR 166, SR 237, SR 545
Pike	SR 64, SR 65
Spencer	SR 62, SR 70, SR 162
Warrick	SR 57, SR 61, SR 68, SR 161, SR 261, SR 662

Table 8: Study Area Enumeration of State Highways with High Crash Rates

Crash Rate Category	Rural Highways		Urban Highways		All Highways	
	Number	Percentage	Number	Percentage	Number	Percentage
>100% Above Average	18	21%	1	8%	19	20%
Above Average	32	38%	4	34%	36	37%
Below Average	34	41%	7	58%	41	43%
Total	84		12		96	

Figure 2: Study Area State-Jurisdictional Highways with Above Average Crash Rates



Rural roads represent 88 percent (84 of 96) roads evaluated in the Study Area. It shows that nearly 60 percent of these rural roads have crash rates above statewide averages. Further, more that 20 percent of rural roads have crash rates more than double the statewide average for rural roads.

The draft Purpose and Need (published for public and agency review and comment in August 2019) identified crash reductions as a core goal of the project. Agency input noted that these crash issues are spread throughout the Study Area. This input also cited the limited ability of a single corridor to address these area-wide issues. In addition, on October 23, 2019 FHWA provided project staff with training in Indianapolis on Purpose and Need statements for transportation projects. This training emphasized that safety goals in Purpose and Need statements should focus on specific locations with safety deficiencies. Similar input was received from INDOT staff in late 2021. Balancing these findings with FHWA and INDOT guidance, addressing safety issues at specific locations is retained as a secondary project goal focusing on specific highway upgrades. During development of alternatives, general locations were identified where safety improvements may be warranted. These are described in **Appendix V**. These locations are illustrative. Exact locations for these safety improvements will be identified in Tier 2 studies.

Table 1 - ARIES Crash Database Format

Master Record Number	Agency	Local Code	County	Township	City	Collision Date
901280164	BLOOMINGTON F	B1407503	MONROE	BLOOMINGTON	BLOOMINGTON	24-Sep-14
902149674	LAWRENCE SD	20140003	LAWRENCE	MARION	BEDFORD	01-Jan-14
902149882	LAWRENCE SD	2014007	LAWRENCE	MARSHALL	BEDFORD	01-Jan-14
902149950	MONROE SD	M14A9	MONROE	PERRY	BLOOMINGTON	01-Jan-14
902149958	MONROE SD	M14A6	MONROE	VAN BUREN	BLOOMINGTON	01-Jan-14
902150006	ISP JASPER 34	2014-00000783	CRAWFORD	UNION	ENGLISH	01-Jan-14
902150062	TELL CITY PD	140004	PERRY	TROY	TELL CITY	01-Jan-14

Table 1 - ARIES Crash Database Format

Master Record Number	Collision Time	Vehicles Involved	Trailers Involved	Number Injured	Number Dead	Number Deer	House Number
901280164	09:29 PM	3	0	0	0	0	3921
902149674	03:36 AM	1	0	0	0	1	
902149882	03:12 PM	1	0	0	0	0	
902149950	06:30 PM	1	0	0	0	1	
902149958	02:48 PM	2	0	0	0	0	
902150006	07:35 PM	1	0	3	0	0	
902150062	06:15 PM	2	0	0	0	0	

Table 1 - ARIES Crash Database Format

Master Record Number	Roadway Name	Roadway Suffix	Roadway Number	oadway Interchan	Roadway Ramp
901280164	MAYBURY MALL	RD			
902149674			US50W		
902149882	ELKINS	RD			
902149950			SR37S		
902149958	BUCKSKIN	CT			
902150006			I64W		
902150062	GUTTENBERG	ST			

Table 1 - ARIES Crash Database Format

Master Record Number	Roadway Id	Roadway Class
901280164	MAYBURY MALL RD	LOCAL/CITY ROAD
902149674	US50W	US ROUTE
902149882	ELKINS RD	COUNTY ROAD
902149950	SR37S	STATE ROAD
902149958	BUCKSKIN CT	LOCAL/CITY ROAD
902150006	I64W	INTERSTATE
902150062	GUTTENBERG ST	LOCAL/CITY ROAD

Table 5 - Rural Road Crash Rate Rankings - 2014 to 2018

County	Road	AADT	Length	Total Crashes	Crashes per Year	VMT per 100m	Crash Rate	Road Class	Average Crash Rate	CR Difference	CR Percent	CR Difference Magnitude
Daviess	SR57	500	28.8	200	40	0.2628	761.0350076	State Route	180	-581.0350076	322.8%	4.23
Lawrence	SR458	200	1.1	3	0.6	0.004015	747.1980075	State Route	180	-567.1980075	315.1%	4.15
Monroe	SR446	2980	7.7	249	49.8	0.4187645	594.6062763	State Route	180	-414.6062763	230.3%	3.30
Greene	SR43	830	12.1	93	18.6	0.18328475	507.4071902	State Route	180	-327.4071902	181.9%	2.82
Crawford	SR37	850	8.4	62	12.4	0.130305	475.8067611	State Route	180	-295.8067611	164.3%	2.64
Greene	SR58	1470	13.3	163	32.6	0.35680575	456.831203	State Route	180	-276.831203	153.8%	2.54
Dubois	SR145	890	5.3	36	7.2	0.08608525	418.1901081	State Route	180	-238.1901081	132.3%	2.32
Crawford	SR62	450	20.4	70	14	0.167535	417.8231414	State Route	180	-237.8231414	132.1%	2.32
Greene	SR48	1340	12.5	126	25.2	0.3056875	412.1856471	State Route	180	-232.1856471	129.0%	2.29
Greene	SR157	1610	12	143	28.6	0.35259	405.570209	State Route	180	-225.570209	125.3%	2.25
Crawford	SR164	1440	3.7	39	7.8	0.097236	401.0860175	State Route	180	-221.0860175	122.8%	2.23
Greene	SR45	4000	13.4	392	78.4	0.9782	400.7360458	State Route	180	-220.7360458	122.6%	2.23
Warrick	SR68	1110	25.2	204	40.8	0.510489	399.616838	State Route	180	-219.616838	122.0%	2.22
Greene	US231	4240	8.6	211	42.2	0.665468	317.070092	US Route	145	-172.070092	118.7%	2.19
Greene	SR59	2500	19.9	354	70.8	0.9079375	389.8946789	State Route	180	-209.8946789	116.6%	2.17
Warrick	SR161	870	11.4	69	13.8	0.1810035	381.2080982	State Route	180	-201.2080982	111.8%	2.12
Monroe	SR45	6000	21	867	173.4	2.2995	377.0384866	State Route	180	-197.0384866	109.5%	2.09
Perry	SR166	490	6.4	21	4.2	0.057232	366.927593	State Route	180	-186.927593	103.8%	2.04
Greene	SR57	1930	5.6	71	14.2	0.197246	359.9566024	State Route	180	-179.9566024	100.0%	2.00
Spencer	SR70	1820	9.1	101	20.2	0.3022565	334.1532771	State Route	180	-154.1532771	85.6%	1.86
Crawford	SR237	1270	8.9	67	13.4	0.20627975	324.8016347	State Route	180	-144.8016347	80.4%	1.80
Crawford	SR66	3400	12.3	245	49	0.763215	321.0104623	State Route	180	-141.0104623	78.3%	1.78
Perry	SR70	670	6.2	23	4.6	0.0758105	303.3880531	State Route	180	-123.3880531	68.5%	1.69
Spencer	SR62	1610	15.7	138	27.6	0.46130525	299.1511586	State Route	180	-119.1511586	66.2%	1.66
Orange	SR337	910	10.7	53	10.6	0.17770025	298.2550672	State Route	180	-118.2550672	65.7%	1.66
Perry	SR145	600	19.4	62	12.4	0.21243	291.8608483	State Route	180	-111.8608483	62.1%	1.62
Lawrence	SR450	1450	11.2	86	17.2	0.29638	290.1680275	State Route	180	-110.1680275	61.2%	1.61
Dubois	SR164	2440	14.9	182	36.4	0.663497	274.3041792	State Route	180	-94.30417922	52.4%	1.52
Pike	SR65	380	3.7	7	1.4	0.0256595	272.8034451	State Route	180	-92.80344512	51.6%	1.52
Dubois	SR264	660	4.9	16	3.2	0.0590205	271.0922476	State Route	180	-91.09224761	50.6%	1.51
Pike	SR64	3200	5.5	86	17.2	0.3212	267.7459527	State Route	180	-87.74595268	48.7%	1.49
Orange	SR145	3060	11.6	170	34	0.647802	262.4258647	State Route	180	-82.42586469	45.8%	1.46
Lawrence	SR54	3500	8.6	143	28.6	0.549325	260.319483	State Route	180	-80.319483	44.6%	1.45
Dubois	SR545	1200	11.1	62	12.4	0.24309	255.0495701	State Route	180	-75.04957012	41.7%	1.42
Spencer	SR162	3500	13.6	220	44	0.8687	253.2519857	State Route	180	-73.25198573	40.7%	1.41
Orange	US150	3000	23.8	258	51.6	1.30305	197.997007	US Route	145	-52.99700702	36.5%	1.37
Lawrence	SR158	2500	10.2	113	22.6	0.465375	242.8149342	State Route	180	-62.81493419	34.9%	1.35
Crawford	SR64	3000	24.1	310	62	1.319475	234.9419277	State Route	180	-54.94192766	30.5%	1.31
Perry	SR545	3000	1.4	18	3.6	0.07665	234.8336595	State Route	180	-54.83365949	30.5%	1.30
Lawrence	SR60	3000	17.1	218	43.6	0.936225	232.8500093	State Route	180	-52.85000935	29.4%	1.29
Dubois	SR64	3680	22.5	351	70.2	1.5111	232.2811197	State Route	180	-52.28111971	29.0%	1.29
Orange	SR60	2510	3.7	39	7.8	0.16948775	230.1051256	State Route	180	-50.10512559	27.8%	1.28
Perry	SR62	390	14.1	23	4.6	0.10035675	229.1823918	State Route	180	-49.18239182	27.3%	1.27
Lawrence	SR446	1330	8.7	47	9.4	0.21117075	222.5687033	State Route	180	-42.56870329	23.6%	1.24
Warrick	SR61	3640	22.6	331	66.2	1.501318	220.4729444	State Route	180	-40.47294444	22.5%	1.22
Lawrence	SR58	4500	12.4	217	43.4	1.01835	213.0898021	State Route	180	-33.08980213	18.4%	1.18
Dubois	SR161	4240	6.6	105	21	0.510708	205.596936	State Route	180	-25.59693602	14.2%	1.14
Greene	SR54	6500	37.2	900	180	4.41285	203.9498283	State Route	180	-23.94982834	13.3%	1.13
Perry	SR237	3540	5	64	12.8	0.323025	198.1270799	State Route	180	-18.12707995	10.1%	1.10
Orange	SR37	4000	22.1	317	63.4	1.6133	196.4916631	State Route	180	-16.49166305	9.2%	1.09

Table 5 - Rural Road Crash Rate Rankings - 2014 to 2018

Lawrence	US50	10000	26.6	670	134	4.8545	138.0162736	US Route	145	6.983726439	-4.8%	0.95
Perry	SR66	4000	46.4	558	111.6	3.3872	164.7378366	State Route	180	15.26216344	-8.5%	0.92
Greene	SR445	4720	2.9	41	8.2	0.249806	164.1273628	State Route	180	15.87263717	-8.8%	0.91
Crawford	SR145	2860	4.5	38	7.6	0.2348775	161.7864632	State Route	180	18.21353684	-10.1%	0.90
Martin	SR558	3420	0.1	1	0.2	0.0062415	160.2178963	State Route	180	19.78210366	-11.0%	0.89
Daviess	SR645	1730	0.8	4	0.8	0.025258	158.3656663	State Route	180	21.63433368	-12.0%	0.88
Spencer	SR545	2630	12.5	92	18.4	0.59996875	153.3413199	State Route	180	26.65868014	-14.8%	0.85
Martin	SR450	610	13.5	23	4.6	0.15028875	153.0387338	State Route	180	26.96126623	-15.0%	0.85
Perry	SR37	4240	24.9	285	57	1.926762	147.9165564	State Route	180	32.08344362	-17.8%	0.82
Greene	SR67	2500	23.2	156	31.2	1.0585	147.3783656	State Route	180	32.62163439	-18.1%	0.82
Martin	SR550	700	9.6	18	3.6	0.12264	146.7710372	State Route	180	33.22896282	-18.5%	0.82
Spencer	SR245	2000	13.6	72	14.4	0.4964	145.0443191	State Route	180	34.9556809	-19.4%	0.81
Dubois	SR56	7000	29.1	526	105.2	3.717525	141.4919873	State Route	180	38.50801272	-21.4%	0.79
Orange	SR56	5000	24.3	302	60.4	2.217375	136.1970799	State Route	180	43.80292012	-24.3%	0.76
Dubois	SR162	10430	14.2	357	71.4	2.7029345	132.0786723	State Route	180	47.92132773	-26.6%	0.73
Pike	SR61	3500	15.5	127	25.4	0.9900625	128.2747301	State Route	180	51.72526987	-28.7%	0.71
Spencer	SR66	8000	28.8	537	107.4	4.2048	127.7111872	State Route	180	52.28881279	-29.0%	0.71
Pike	SR257	1000	22.3	51	10.2	0.406975	125.3148228	State Route	180	54.68517722	-30.4%	0.70
Martin	US231	5000	22.7	193	38.6	2.071375	93.17482349	US Route	145	51.82517651	-35.7%	0.64
Spencer	SR68	1320	1.8	5	1	0.043362	115.3083345	State Route	180	64.69166551	-35.9%	0.64
Pike	SR356	1940	9.9	40	8	0.3505095	114.1195888	State Route	180	65.88041123	-36.6%	0.63
Martin	US50/150	9000	16.5	227	45.4	2.710125	83.75997417	US Route	145	61.24002583	-42.2%	0.58
Daviess	SR358	1730	5.2	17	3.4	0.164177	103.5467818	State Route	180	76.45321817	-42.5%	0.58
Pike	SR56	4060	9.3	69	13.8	0.6890835	100.1330027	State Route	180	79.86699725	-44.4%	0.56
Daviess	SR257	3810	9.1	61	12.2	0.63274575	96.40523069	State Route	180	83.59476931	-46.4%	0.54
Pike	SR57	3500	13.9	83	16.6	0.8878625	93.48294359	State Route	180	86.51705641	-48.1%	0.52
Spencer	SR161	8000	19	243	48.6	2.774	87.59913482	State Route	180	92.40086518	-51.3%	0.49
Spencer	US231	8420	22.4	229	45.8	3.442096	66.52923103	US Route	145	78.47076897	-54.1%	0.46
Daviess	US231	6000	6.1	44	8.8	0.66795	65.8731941	US Route	145	79.1268059	-54.6%	0.45
Daviess	SR58	3500	12.9	64	12.8	0.8239875	77.67108118	State Route	180	102.3289188	-56.8%	0.43
Martin	SR645	1360	1.2	2	0.4	0.029784	67.15014773	State Route	180	112.8498523	-62.7%	0.37
Martin	SR650	950	0.9	1	0.2	0.01560375	64.08715854	State Route	180	115.9128415	-64.4%	0.36
Daviess	SR550	4030	1.1	0	0	0.08090225	0	State Route	180	180	-100.0%	0.00
Pike	SR264	100	4.12	0	0	0.007519	0	State Route	180	180	-100.0%	0.00

101%+ over Statewide crashrate
0-100% over statewide crashrate
<0 value less than statewide crashrate

Manually counted due to inconsistent naming conventions incompatible with search formulas

Table 6 - Urban Road Crash Rate Rankings - 2014 to 2018

County	Road	AADT	Length	Total Crashes	Crashes per Year	VMT per 100m	Crash Rate	Road Class	Average Crash Rate	CR Difference	CR Percent	CR Difference Magnitude
Warrick	SR662	12720	1.5	199	39.8	0.34821	571.4942133	State Route	270	-301.4942133	111.7%	2.12
Dubois	US231	11000	13.4	902	180.4	2.69005	335.3097526	US Route	220	-115.3097526	52.4%	1.52
Monroe	SR46	11000	18.2	1360	272	3.65365	372.2305092	State Route	270	-102.2305092	37.9%	1.38
Warrick	SR261	9000	9.4	554	110.8	1.54395	358.81991	State Route	270	-88.81990997	32.9%	1.33
Warrick	SR57	1210	2.1	16	3.2	0.04637325	345.026497	State Route	270	-75.02649696	27.8%	1.28
Warrick	SR66	25000	12.5	1278	255.6	5.703125	224.0876712	State Route	270	45.91232877	-17.0%	0.83
Daviess	US50	7840	8.6	224	44.8	1.230488	182.0415965	US Route	220	37.9584035	-17.3%	0.83
Monroe	SR37	20000	25.7	1550	310	9.3805	165.2363946	State Route	270	104.7636054	-38.8%	0.61
Warrick	SR62	13000	21.8	676	135.2	5.17205	130.7025261	State Route	270	139.2974739	-51.6%	0.48
Lawrence	SR37	22000	23.1	1115	223	9.27465	120.22017	State Route	270	149.77983	-55.5%	0.45
Monroe	SR45/46	30350	3.3	178	35.6	1.82782875	97.38330246	State Route	270	172.6166975	-63.9%	0.36
Monroe	SR48	15000	6	127	25.4	1.6425	77.32115677	State Route	270	192.6788432	-71.4%	0.29

101%+ over Statewide crashrate
0-100% over statewide crashrate
<0 value less than statewide crashrate

Manually counted due to inconsistent naming conventions incompatible with search formulas

MID-STATES CORRIDOR

ACCESSIBILITY ANALYSIS APPENDIX

Mid-States Corridor
Tier 1 Environmental Impact Study

Prepared for

Indiana Department of Transportation
Mid-States Regional Development Authority

JANUARY 1, 2020

Prepared by

Mid-States Corridor Project Consultant

INDIANA DEPARTMENT OF TRANSPORTATION INDOT

LOCHMUELLER GROUP
Reinvent Your Future

ACCESSIBILITY ANALYSIS APPENDIX

Input received during the 18 interviews conducted in June 2019 with major businesses and associations in the 12-county study area identified important regional Origin-Destination (O-D) pairs. These O-D pairs represent important networks which private motorists and freight shippers use for personal and business trips between population and employment centers, as well to and from other important destinations (e.g., health care facilities, educational institutions, airports and cultural venues).

An accessibility analysis was conducted using a 2045 forecast year network for the Indiana Statewide Travel Demand Model (ISTDM). This network was prepared by the Lochmueller Group (with INDOT oversight) for the I-69 Tier 2 Section 6 EIS. A future-year "no build" ISTDM was used to calculate congested travel time between the major O-D travel pairs identified in the interviews.

O-D Pairs Suggested from Economic Development Interviews

The complete tabulated list of O-D pairs gathered during the 18 interviews can be found immediately following this introduction. It tabulates the O-D pairs identified in each of the 18 interviews. It also documents added remarks provided in each interview regarding travel between each of these O-D pairs.

O-D Pairs used for analysis

The O-D Pairs used for analysis were based in large part of this listing of O-D pairs identified in the interviews. These can be found at the end of this appendix. The summarized O-D pairs were determined by evaluating and combining key themes from the full list gathered during the 18 interviews (outlined above). These themes included: Jasper/Dubois County as the focus of travel needs to all compass directions, the two Ohio River Crossings in the region (at Rockport and Tell City) are also important travel nodes, and key destinations within and outside of the region are to major urban, employment, and recreational centers. These centers include Crane, Bloomington, Indianapolis, Bedford, French Lick, Chicago, and Washington. These themes were used to determine the final O-D pairs used for the accessibility analysis.

Interview			Identified O-D Pair		
Date	**Organization**	**Interviewee**	**From**	**To**	**Remarks**
Tuesday, June 11, 2019	Jasper Strong	Ed Cole	Jasper	US 231 North/Crane	Needed for both freight and worker access
			Jasper	Mitchell/Bedford	Would be preferable for Jasper Co. businesses.
Tuesday, June 11, 2019	Jasper County Airport	Travis McQueen	Jasper	"Points north"	A general observation
Wednesday, June 12, 2019	Southern Indiana Development Corp.	Greg Jones Rhonda Rumble	Jasper	Loogootee	
			Dubois County	Washington	
			Lawrence County	Multiple locations	
Thursday, June 13, 2019	OFS Brands	Hank Menke	Dubois County	"Points north"	
			Dubois County	French Lick	
			Dubois County	Crane NSWC	
			Dubois County	I-69 via US 231	
			Dubois County	Grand Rapids MI	Important source of manufacturing input
			Dubois County	Chicago IL	Important source of manufacturing input
			Dubois County	Indianapolis	Multi-modal connections (Fedex)
			Spencer County	"Points north"	
			Owensboro	"Points north"	
Thursday, June 13, 2019	Perry County Port Authority	Alvin Evans	Indianapolis	Perry County	
			Tell City	Bedford	Goes back to pre-I-69 Cambridge study
			Perry County	Orange County	
			Perry County	Bedford	
			Perry County	Gibson County	Automotive parts
			Perry County	Lafayette	Automotive parts
			Perry County	Rush County	Automotive parts
			Perry County	Indianapolis	Residential quality of life
			Perry County	Bloomington	Residential quality of life
Thursday, June 13, 2019	Mulzer Crushed Stone	Ken Mulzer	Dale	Jasper	US 231 is a "disaster" through town
			Spencer County	French Lick	
Tuesday, June 18, 2019	Foundry at WestGate	Jason Salstrom	Crane/WestGate	Jasper/DuBois County	
Tuesday, June 18, 2019	Boyd Trucking	Tom Boyd Trent Boyd	Dubois County	Washington	
			Washington	Owensboro KY	
			Dubois County	Owensboro KY	

Interview			Identified O-D Pair		
Date	**Organization**	**Interviewee**	**From**	**To**	**Remarks**
Wednesday, June 19, 2019	Lincolnland Development Corp	Tom Utter Valerie Schmidt	"Points south"	Lafayette	
			"Points south"	Indianapolis	
			Spencer County	Indianapolis	
			Spencer County	St. Louis	
			Santa Claus IN	Princeton IN	
Wednesday, June 19, 2019	Glenmore Distillery	Jonothan Guillen Amanda Clary	Owensboro	"Points north"	
Tuesday, June 25, 2019	Radius Indiana	Jeff Quyle Matt Craig	Crane	Dubois County	
			Dubois County	Through Jasper	
			Orange/Martin Counties	"Points south"	Tourism related
Tuesday, June 25, 2019	Cook Group	Steve Ferguson Chuck Franz	French Lick	Jasper	Tourism related
			French Lick	Bloomington	Tourism related
			French Lick	Louisville	Tourism related
Tuesday, June 25, 2019	Elliott Stone	Ralph Morgan	Lawrence County	Louisville	
			Lawrence County	Chicago	Rail Intermodal connection
			Bedford	All directions	Has only GM aluminum casting in nation
Wednesday, June 26, 2019	Meyer Distributing	Matthew Schaick Jeff Braun	Jasper	I-64	
			Jasper	Nashville	
			Jasper	Indianapolis	
			Jasper	French Lick	
			Jasper	Points north via US 231	Help increase workforce availability
Wednesday, June 26, 2019	Masterbrand Cabinets	Todd Whalen Matt Alger	Jasper	Carolinas, Pennsylvania	Inbound freight
			Jasper	Minnesota, Wisconsin	Inbound freight
Wednesday, June 26, 2019	Jasper Engines	Doug Bawel	Jasper	Crawford County	Large company distribution center
			Jasper	Petersburg	
			Jasper	Crane	US 231 is unreliable and dangerous

Interview			Identified O-D Pair		
Date	**Organization**	**Interviewee**	**From**	**To**	**Remarks**
Wednesday, June 26, 2019	Farbest Foods Wabash Valley Produce	Ted Seger Phil Seger Ryan Downes Roger Seger Brad Schnarr Andy Seger	Dubois County	Pike County	Feed ingredients
			Dubois County	Spencer County	Feed ingredients
			Dubois County	Orange County	Feed ingredients
			Dubois County	Washington County	Feed ingredients
			Dubois/Martin County	Huntingburg IN	Turkey processing
			Dubois/Martin County	Vincennes IN	Turkey processing
			Dubois County	Bruceville IN	Feed ingredients
Thursday, June 27, 2019	Daviess Co. Econ. Development Corp.	Bryant Niehoff	Pike County	Dubois County	
Summaries of O/D travel pairs from Economic Development Interviews, Conducted June 11 - June 27, 2019					

Mid-States Corridor Purpose and Need	
Accessibility O-D Pairs	
From	To
Jasper	Crane
	Bloomington
	Indianapolis
	Rockport
	Bedford
	French Lick
	Chicago
	Washington
Rockport	Crane
	Bloomington
	Indianapolis
	Chicago
Tell City	Crane
	Washington
	Bloomington
	Indianapolis
Based upon interviews with Study Area businesses and associations, June 11 - 27, 2018	

MID-STATES CORRIDOR

ECONOMIC INTERVIEW APPENDIX

Mid-States Corridor
Tier 1 Environmental Impact Study

Prepared for

Indiana Department of Transportation
Mid-States Regional Development Authority

JANUARY 1, 2020

Prepared by

Mid-States Corridor Project Consultant

INDIANA DEPARTMENT OF TRANSPORTATION INDOT

LOCHMUELLER GROUP
Reinvent Your Future

ECONOMIC INTERVIEW APPENDIX

To identify existing logistical connections to customer and supply markets, as well as identifying missing logistical connections, 18 interviews were conducted with key businesses and associations throughout the 12-county Study Area. Of the 18 interviews, 11 were business interviews and 7 were economic development corporation interviews. Questions were targeted to identify customer and supply markets, intermodal usage, freight patterns, missing logistical connections, and regional economic trends.

Economic Interviews: Meeting Summaries

The individual meeting summaries of these interviews can be found in the corresponding PDF files located in this document.

Supplemental Information provided by Interviewee

In the course of the interviews, supplemental information was provided by Farbest Foods, Inc., Wabash Valley Produce, and Cook Group, Inc. This supplemental information provides additional insight into company operations and volume of economic impact. This information can be found in the corresponding PDF files located in this document.

Economic Interviews Summary of Key Themes

Summary of key themes for 18 interviews between June 11- June 27, 2019 with both businesses and economic development corporations in the 12-county Study Area. These themes represent reoccurring input from interview representatives.

Economic Significance of Dubois County

Dubois County is the “economic engine” of Southern Indiana. Several large national corporations are located here, including large furniture manufacturers (OFS Brands, Masterbrand Cabinets, Best Home Furnishings, Jasper Group, Kimball International), two of the nation’s leading poultry manufacturers (Wabash Valley Produce, Farbest Foods, Inc.), and other industries with significant employment and economic impacts (Jasper Engines and Transmissions, Jasper Rubber, Meyer Distributing, Kimball Electronics). Dubois County is one of the nation’s top manufacturing hubs despite being distant from an interstate highway and lacking direct connections to main transportation arteries (I-64 and I-69). Access to northern and southern markets faces significant logistical handicaps due to design and capacity of US 231. Access to I-64 and east/west connections has significant inefficiencies due to congestion and unreliability of US 231. These inefficiencies inhibit business growth and business attraction, lead to unpredictability in delivery times, increased freight costs, inhibit access to Crane Naval Surface Warfare Center and its supporting contractors, and limit access to intermodal facilities such as large airports and FedEx center in Indianapolis, UPS center in Louisville, and rail operations in Indianapolis and Chicago.

Poor Safety, Unreliability and Inadequacy of US 231

The main existing north/south connection for most of the Study Area is US 231 from Crane to the US 231 Natcher Bridge in Rockport. Road users consistently described its inadequacy in terms of safety, speed, congestion, and travel time predictability. This sentiment was reaffirmed throughout the 18 interviews by a wide geographic representation. Concerns regarding the safety of US 231 were raised, including the

transport of potentially dangerous materials traveling south from Crane through cities such as Loogootee, Jasper, and Huntingburg. The sentiment that an accident with these types of cargoes in populated areas would be disastrous. Other safety concerns were attributed to the general characteristics of the road. The majority of US 231 in the Study Area is a 2-lane road with narrow shoulders, that in combination with the hilly topography, unrestricted county road access, and the presence of slow-moving seasonal farm equipment leads to safety concerns from regional representatives. The same features that impact the safety of the road also lead to reduced speed and travel time variability. This seriously affects motor freight activities, especially those servicing NSA Crane and Dubois County. Additional miles spent accessing main arteries impact ability to cost efficiently access wider consumer markets. Meyer Distributing currently concentrates freight activity in the evening and night to avoid congestion on US 231. Returning to Jasper in the morning is both a safety and time issue due to morning traffic. Companies which frequently use US 231 believe it is overutilized in terms of its design and capacity.

Concerns regarding the portion of US 231 that is already an upgraded 4-lane highway in Spencer County were also expressed. There are currently many businesses that together represent a large portion of employment for Spencer County (AK Steel, AEP Power Plant, Thermwood Industries) located on the US 231 corridor with direct at-grade access to the road. The large number of employees currently entering/exiting plus the potential for more with anticipated development is a safety concern for the region. Furthermore, the anticipation of development near the current US 231/I-64 interchange at Dale is a safety concern due to the J-turn design rather than a grade separation access.

Lack of North-South Connectivity throughout 12-County Study Area

For counties east of I-69 and west of I-65 without access to an interstate facility, there is a restricted access to northern and southern markets. Dubois County faces challenges due to US 231 constraints as outlined previously. Many businesses avoid using US 231 to reach northern markets, and instead go south to I-64 to then go north on I-69 or I-65. This added travel time raises freight costs significantly for businesses. For companies that operate a network of distribution and logistics centers, delivery times are shifted back for additional miles travelled from main inventory centers to supporting location points. Orange County also faces constraints from visitors traveling from the North and West. The area receives 1,100,000+ visitors a year, a large portion of whom are traveling from within Indiana. Current connecting roads to French Lick and West Baden are narrow and windy, and unreliable during high rain and winter, which occur at peak tourism seasons (Summer/Winter). For Daviess and Martin County, improved access to southeastern counties would open opportunities for economic collaboration between Crane Naval Surface Warfare Center and Southern Indiana. Lawrence County is also lacking significant north/south connections, and freight costs are increased due to its remote location. Spencer County currently serves as a connection point to I-265 and I-65 which connects Indiana to Kentucky, Nashville, and points south to Mobile, Alabama. A continuous artery from the southern terminus of the corridor (US 231 Natcher Bridge at Rockport) to I-69 would benefit Spencer County development as well as inter-state connectivity. The ability to connect to Kentucky was echoed as an economic benefit in many of the interviews conducted. Soybeans from the Daviess/Pike County region are transported largely to Owensboro and Henderson Kentucky. Representatives from Owensboro stated that currently Owensboro faces challenges due to location and the lack of major highways running through it.

Workforce Availability Issues

Workforce availability and workforce attraction were issues that were repeated in nearly every interview. Many stated it was the number one issue facing businesses. Lack of available workforce is affecting businesses ability to grow. With one of the lowest unemployment rates in Indiana (2.1%), representatives from Dubois County consistently expressed that there are more jobs than people. Many are worried about filling the positions currently available in both production and in transportation. Jasper Engines employs 2,600+ employees in Dubois County alone and currently operates a distribution center in Crawford County to access the workforce in that area. Low unemployment and workforce availability were also echoed in Perry County, Daviess County, and at Crane. Attracting new business is a lesser priority for businesses than increasing population and labor force in this region.

Transportation plays a large role in work force availability. As transportation is improved, the radius of people who can access jobs faster and safer increases. Commuter access is limited by the same accessibility issues businesses face in freight deliveries. Increasing the commuter shed expands workforce availability and provides jobs to areas of higher unemployment. Dubois County's population doubles everyday due to the influx of commuters coming from nearly an hour radius away. Daviess County is also attracting employees from Knox County, Martin County, and Greene County. Decreasing commuting time not only helps in workforce attraction, but it improves the quality of life for those already commuting and aids in workforce retention. Quicker access to urban centers such as Bloomington, Indianapolis, and Evansville is also important in improving quality of life and workforce retention. Employers felt that access to urban centers is especially critical to attracting younger generations. The appeal of access to "city life" is crucial in retaining new Indiana graduates.

Housing Availability Issues

Housing availability and workforce attraction are inseparable issues in this region. Counties with large manufacturing employment require many entry-level workers. These entry-level workers typically look for apartments or single-family homes. However, such housing is in short supply due to the lower margins and higher risk for builders. Builders are more inclined to build higher cost homes with larger profit margins. In areas of high population such as Indianapolis, lower cost housing is less risky because it can be built in larger volumes. Such construction is less feasible in this region due to smaller populations and longer absorption rates. Regional representatives reiterated that to increase housing availability, infrastructure or absorption risks need to be reduced for builders and developers. Orange County and Dubois County both expressed the need of housing for additional residential development.

Importance of Improved Intermodal Access to Business Expansion and Attraction

Access to large airports with air freight services, such as FedEx in Indianapolis or UPS in Louisville, gives businesses a competitive advantage. An Indiana Department of Transportation report indicated that economic impact of aviation in Indiana is an estimated $120 billion annually. Currently, air freight opportunities for this region are limited due to a lack of reliable and fast connections. Improved access to rail centers such as Indianapolis and Chicago allows connectivity to national and international markets. Currently, regional usage of intermodal facilities is limited. Regional businesses echoed that this is due to either the type of product being produced or the added travel costs to reach intermodal facilities. Many agreed that it is an opportunity being lost. Perry County currently operates a short line rail to Rockport, which then connects to a Norfolk Southern Line. Perry County also operates the one

Ohio River port between Mt. Vernon and Louisville. Connecting this port to a north/south artery would bring added intermodal opportunities to the region.

Effect of Implementation of Electronic Trucking Logs

In December of 2017, trucks made after 2000 were required to switch from the use of paper logs to electronic logging devices. This was intended to keep exhausted drivers off the road and reduce paperwork costs for motor carriers and law enforcement agencies. This implementation has affected businesses with freight operations differently. Some regional representatives expressed that it has made the road safer because many drivers were running more miles than they safely should have been. Others have stated that it has led to increases in retirements by experienced drivers. There has been an increase in younger, less-experienced drivers, whose lack of experience can lead to more crashes.

Electronic logs are easier to check and indisputable, therefore, drivers are no longer able to run multiple books or drive over a reasonable amount of time. Another benefit conveyed is that it is easier to manage and view fleet data.

While these benefits were echoed by regional representatives, other businesses expressed that the electronic logs have had unintended consequences. Due to the strict enforcement of hours of service and required rest time, drivers are traveling more during rush hour which has seen an increase in serious trucking accidents. Rest time requirements are also forcing drivers to pull off on the side of the road, regardless of how close they are to a rest station or their homes. There is no flexibility with shutdowns or short moves. This inflexibility is a safety issue as well as a convenience and practicality issue and is ultimately putting more trucks on the road than before.

Some businesses, especially those with unpredictable shipping locations and smaller fleet contractors, saw as much as a 50% cost increase in freight shipping. Drivers are less likely to pick up shipments that are not conveniently located because that translates to a loss of money, which in turn increases the cost of freight. Additionally, even businesses with predictable shipping locations and a large fleet stated that the implementation costs have raised shipping costs, and hence costs to consumers. It also had led to increases in retirements by experienced drivers, putting further stress on truck operator staffing needs. However, businesses which have a long-standing relationship with carriers and have a large volume of products were better able to manage their freight costs.

While some businesses saw benefits from the implementation and others saw an increase in costs as well as safety issues, all agreed that the implementation has further reduced flexibility and increased the need for dependability in transportation. Access to multi-lane and predictable travel time has never been more important or critical.

Importance of Transportation Connectivity to Regional Community Collaboration

Improved transportation connects communities through commuter shed and increases workforce availability. It also improves business collaboration and promotes regional economies. As the concept of regional economies becomes more dominant, there is a need for more regional connectivity. Business development organizations especially conveyed that efforts to build on regional strengths through collaboration was a priority. Development corporations that represent multiple counties expressed that they want to avoid communities competing for the same initiatives. Improved transportation connections could aid in providing linkages to support regional development. One of the top priorities of

Radius, a development corporation that represents 7 out of the 12 counties in the Study Area, is to foster communications and increase collaboration between the communities that surround NSA Crane to promote growth and sustainment of the military base. The base and supporting defense contractors employ over 6,000 people and are a pillar of economic activity for the Study Area. Furthermore, establishment of the Purdue Foundry aims to provide entrepreneurial support and STEM regional development. It was expressed that there is currently untapped potential between Crane support and the Study Area, which could be improved by access.

Importance of Transportation for Business Attraction

Indiana's relatively low taxation and flexible regulatory practices give it an attractive business climate. Furthermore, this Study Area specifically is an attractive location due to its 8-hour distance from two-thirds of the US population. Development corporations attempt to leverage this proximity to a large population market as a recruiting tool for business attraction. However good infrastructure is necessary to continue to attract both business and workforce. One of the first considerations for developers are the major roads in the region. This access is a large part of location decisions. Regional representatives expressed that the combination of access/logistics to the north along with the competitive labor market presently discourages business attraction. Another issue raised during these interviews was the need to establish permanent presence of companies rather than attracting businesses that can operate remotely and have permanent establishments elsewhere. Providing business incubators and reliable infrastructure is necessary in workforce and business attraction. Reliable and affordable access to transportation arteries is also a factor in current businesses ability to remain competitive and expand.

The association of economic development around facilities such as interstates and highways is long standing. New businesses typically begin to locate around such facilities 5 to 10 years after major transportation improvement increase accessibility. Representatives from Daviess County expressed that the completion of I-69 through Daviess County has been a factor in business attraction and workforce attraction. Washington welcomed the county's first foreign direct investment, M&C Tech, which quickly followed the completion of I-69 from Evansville to Bloomington. It represents the first Japanese company to locate along the new segment. Further economic development because of I-69 will continue to be identified as time progresses. Interviews revealed that a significant improvement in north/south connectivity, along with the east/west access from I-64, will make the 12-county Study Area highly attractive for economic development and business attraction.

MEETING SUMMARY

Date of Meeting:	June 18, 2019	**Re:**	Economic Development Interviews: Boyd Grain Trucking
Location:	1957 E 200 N Washington, IN 47501	**Issue Date:**	July 10, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Tom Boyd: Boyd Grain; Trent Boyd: Boyd Grain; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) provided an introduction on NEPA process:

- Any federally funded project requires environmental studies of the benefits, impacts and costs of a proposed project. An Environmental Impact Statement (EIS) is the most detailed level of analysis.
  - Particularly large projects sometimes use a tiered study for complex projects or those with a large geographic area. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor. Tier 2 studies are

more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
- The region of the Mid-States corridor was described, including the starting point (231 in Rockport), 231 to Jasper/Dubois Co., and then either a continuation East or West, eventually continuing north via I-69.
    - The analysis of proposed routes will be determined by the three aspects mentioned above (cost, impact, benefits)
    - Logistics and freight movement are a large part of this evaluation which leads to the reason and context of this interview- identification of key needs by speaking with businesses and those dealing with economic development in this region.

- Tom Boyd (Tom) reviewed the DRAFT Midstate Corridor Study Map and comments that the just by looking at the map- it seems the most obvious route is a connection straight up from Crane (based on directness of road).
- Tom B stated that for Boyd Grain Trucking, a connection to I-69 at Washington, would be the ideal route. Trent Boyd (Trent) commented that soybeans from this area (Washington, IN) are transported largely to Owensboro, KY or Henderson, KY. A direct connection to Owensboro, would be helpful, echoing Tom's comment above.

The following points correspond to the interview agenda. Unless otherwise indicated, they represent input from Tom Boyd (Tom) or Trent Boyd (Trent).

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

MG also asked specifically about Boyd Grain's trucking operations and how large of a fleet it operates.

- They operate 100 semi-trucks.
- These serve a wide variety of customers, not just products from their own farms.
- Customers include Toyota, Berry Plastics, Grain Processing Corporation
- Comments that currently the worst routes for their trucks are eastbound roads through Shoals, IN.

Customers

Describe your major customers

- *Where are they located?*
- *How are your finished products transported to your customers?*
- *How time sensitive are the delivery times for your finished products?*
- *Please describe key bottlenecks or obstacles to timely delivery of your finished products.*

MG also asked if most of their customers are to the east

- Most customers are located along I-69 (Evansville and Indianapolis)
- Reiterates that they provide many shipments to Owensboro.
- While most farm customers are in those areas, trucking operations for customers (especially Grain Processing Corp (GPC)), serve the lower 48 States.

Tom cited the I-69 timeline and asks if this project will have a similar completion timeline (10-15 years from now).

MG replied that this would be a reasonable time-frame.

- Cited Governor Pence's Blue-Ribbon Panel report and this project's priority to the State.
- Mentioned the upcoming public involvement meetings the week of August 5th
- Noted that Washington will probably be one location of these meetings

Tom asked more specifically about the logistics of a route that would go through Washington and connect to I-69. (Where would it connect, north/south of Washington, etc.)

MG replied that:

- We are too early in the process to be that specific.
- The current Tier 1 study (2-year timeline) is establishing a 2,000-foot-wide corridor for its preferred alternative.
- One purpose of these public meetings is looking at suggestions the public will have on preliminary routes.

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*
- *Are these multi-modal facilities easy or difficult to use?*
- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

MG further asked for input on regional opinions and consensus from farmers on the current transportation needs in this area?

- Corn is the largest crop, by volume.
- However, the corn produced in this area remains in this area.
- It does not tend to be shipped any distance.
- Soybean transportation would be facilitated by improved access.

Trent asked for further clarification on the exact origins of the proposed road in Rockport.

MG replied by circling on the map where the current 4-lane US 231 is, showing its connection point to Kentucky at the Natcher Bridge. He then illustrated the connection to Dubois/Jasper.

Trent noted that a road to Washington from the south would result in corn being shipped to Washington. Dubois County shipments currently occur to Grain Processing Corp.

MG asked for more information about agricultural product processors in the Washington area.

- Grain Processing Corporation (GPC) is the largest company.
- Perdue Agribusiness currently buys soybean meal from Danville, IL and Morrisville, Indianapolis
- A road from Dubois County to Owensboro, KY would give more options
    - Perdue could choose to buy soybean meal from Owensboro, which could become a more competitive market).

MG asked about the importance of making road connections to rails transportation.

- Boyd Grain does not currently have rail operations, but some area industries do.
- There is a new cross dock in Washington (Recent project of the Daviess County Growth Council)
    - Slowly starting to add rail operations, but wouldn't classify it as "booming."
    - Currently the cross-dock is mainly being used to haul lumber. USG is using the rail to ship drywall.
    - Growth council anticipated that Grain Processing Corporation would use it for their operations, but currently they are using it very little.
- GPC has access to Indiana Southern Railroad – which it uses to receive large quantities of corn.

MG asked if there were any other input Boyd Grain Trucking wished to provide.

Trent: At Boyd Grain, we grow a lot of popcorn that goes East to Louisville, and that is where the worst of our road conditions are. So as far as our farm operations, the Midstate corridor may not have a large impact on our company.

Tom Boyd: Adds that it would make more sense for a new road to hit US-50, due to current traffic congestions.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 25, 2019	**Re:**	Economic Development Interviews: Cook Group
Location:	8670 W State Road 56, French Lick In 47432	**Issue Date:**	Revised July 17, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Steve Ferguson (SF): Cook Group; Chuck Franz (CF): Cook Group; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak's Introduction:

- Briefly explains the background of the Misdates Corridor project and the formation of a Regional Development Authority to assist in project development.
- Gave background on National Environmental Policy Act and its requirement for federally funded projects to have an environmental evaluation. The size and complexity of this project requires that it have the highest level of study, an Environmental Impact Statement (EIS)
- The three considerations in an Environmental Impact Study are cost, benefits, purpose
    - Cost and Impacts are measured more straightforwardly
    - Additional care is required in assessing project benefits.

    - Assessing the benefits of the project is based on its Purpose and Need.
        - This is a thorough analysis of needs in the project area.
        - It uses analytical tools which evaluate traffic forecasts, congestion, crash analyses, economic conditions, etc.
        - These interviews are being conducted to identify accessibility, freight and logistics needs in the project Study Area.
- Explanation of the project Study Area.
    - 12 Counties bounded by I-69, SR 37, and the Ohio River.
    - Project will begin at US 231 at the Natcher Bridge in Rockport to Jasper, and then go east, west, or north.
    - Alternatives will look at a wide range of options in this region.
    - Main drivers of this project are transportation needs, freight logistics in and around Dubois County, businesses near Crane.
- Explains the timeline of the first Tier of this study (2 years to select a preferred corridor) and the tiered process in general.

Steve Ferguson (SF) begins by contextualizing French Lick's interest in this project

- The number one complaint that they get is that the resorts are hard to get to
- A highway that connects to a main artery helps solve that issue.
- Declining Population: Lawrence and Orange Counties population are projected to decline by 10% over the next 30 years

SF and Chuck Franz (CF) showed a map illustrating visitor origins.

- French Lick receives 1,100,000+ visitors per year. Dots on the map indicate that visitors are traveling from every corner of the US and some internationally.
    - Naturally, many visitors are from Indiana and North of the Resort.
- Handouts also show the data of group business bookings (businesses that are selecting French Lick as a meeting location) by state.
- Meetings are coming from nearly all 50 states.
- About 72% come from Indiana.
- CF and SF also provided a heat map that shows locations for main supply vendors.
    - Jasper, Bloomington and Louisville all have many suppliers.
- Year round they average 90% occupancy on Friday nights and 96% occupancy on Saturday nights.
- We are adding additional meeting room space and 71 guest rooms.

CF and SF describe geographic transportation bottlenecks

- CF believes visitors from the North (Indianapolis, Chicago, Fort Wayne, etc.) have the most transportation obstacles.
    - Roads are dangerous (narrow, windy, hilly) and you have to know them well
- Connections to Louisville are adequate.
- Access to the West is more of a challenge
- Another challenge is high water routes and winter weather
    - Flooding leads to loss of access on roads at Orleans, on SR 56, US 50, and US 150.
    - High water detours are lengthy (requiring detours to US 231 South)
    - Flooding also closes many county roads.
    - Winter weather (snow/ice) also leads to dangerous road conditions on county roads and people are resistant to travel on them.
    - Business is brisk during the winter.
        - Hotels have special Christmas time events.
        - The 'Polar Express' draws many visitors.
        - There can be traffic jams at this time of year.
        - Paoli Peaks- Ski facility also draws visitors
- There are many major Interstates to the north.
    - These roads are difficult to access.

The Resorts in French Lick are a large regional employer.

- There are 1,700 employees in the summertime, and 1,100 full time employees.
- People are commuting within a fairly rural area (up to one-hour drives).

SF described the various ways the resort and the investments in the area have economically impacted and benefited Orange County and the surrounding counties

- Before revitalization of the resorts, Orange County had a high unemployment rate
- It was common for residents to lack running water.
    - The town of French Lick was under a sewer ban and could not hook up new businesses or homes
    - Water Plant was over 100 years old
    - Lack of Fiber Access, limited fire protection, limited emergency vehicles, highest unemployment rates in State, declining population.
- After furniture manufacturing closed in the area, there were few jobs.
- The resorts now pay around 20% of Orange County property taxes.
- Their presence has had an enormous multiplier effect in the region

    - SF lists a multitude of new businesses and ventures in Orange County that have been a direct or indirect result of their investments (McDonalds, CVS, a new Marathon, Papa Johns, Dairy Queen, German restaurant, three new hotels, Big Splash Indoor Waterpark, Miniature Golf Course, Indoor Carting, Wilstems Wild Animal Experience).
- The resorts began with 375 employees- of those 75 did not have a high school education (alluding to the highest unemployment and poverty rates of the region).
    - 10% of the population with post-secondary degree
- Cook Group has invested $600 million in the hotels, meeting spaces, and golf courses.
- The Resort currently pays $60 million annually in taxes, payroll, and benefits.
- Resort recruited an Ivy Tech College Extension to locate in French Lick.

SF and CF describe the resorts' regional impact and other ways they are trying to revitalize the area.

- By statute, part of the revenue generated by the Casino goes to Economic Development. Radius is a contracted non-profit that uses some of these funds to encourage economic development in Orange County and surrounding counties.
    - Grants have been leveraged to total $130 million dollars in economic development aid.
- Community involvement:
    - Resort provides full-time associates $5200/year in tuition to a higher education institution (182 participating associates)
    - Funding a readable English program in Springs Valley and Orleans Community schools to encourage literacy
    - Involvement with local airport to help build access roads and a fixed base
        - New building and taxi way for the 5200 foot runway.
    - Involvement in the repurposing 62 miles of CSX rail that is being abandoned from New Albany to Bedford (Rails to Trails).
    - Coordination and involvement in Paoli health care facility.
        - Currently available treatments are restricted.
        - Many must transfer to Jasper or Bedford for treatment.
        - With 1,700 employees during the summer and their families plus 1,100,000+ visitors a year, there is an urgent need for adequate critical care emergency room and access to Primary Care.
- All of the additional development and community involvement is progress made within 12 years.

SF adds that while they have acted as a catalyst to more economic development, they cannot be relied on as the sole source for community development.

- There is an industrial site developed next to the airport and new access road from SR 145
- There is a Massachusetts company that is considering locating to French Lick.
    - This would bring an additional 50 employees to the area.
- Pluto Corp. sold its facility to a company in New York.
    - It intends to expand in the area.
    - There is a lack of housing to support additional growth-banks have agreed to make loans.
    - This has spurred the development of 60-80 new apartments which has been expedited by loan agreements and land from the Resort.
    - However, projected housing needs are 400+
        - There are currently 500 apartments in Orange county, and only 2 are unoccupied.
    - Due to the low margins for work force apartments, building them is risky.
    - SF hopes to take some of the risk from the builders by agreeing to buy homes if they are not purchased within 60 days of being built.
    - SF is also hoping to establish a revolving fund for building homes in rural areas, to revitalize the area and meet housing demands.
    - Hope to build 12-15 new homes on Klondike Hill as a start.

An adequate transportation network is required to support all of the above

- Roads are important in employee attraction, tourism attraction and accessibility, health care for employees/residents/tourists
- Access to urban areas (shopping, health care, employment, etc.) is needed for rural areas to thrive.
- Facilities are award-winning and nationally/internationally recognized as the best
    - However, they must be accessible.
    - Travel limitations are currently a drawback.
    - French Lick hosts large events including PGA tournaments
    - Easy access is required.
- The corridor is important to this area, hurdles have been overcome in turning the rural region into an economically viable county, but we need reliable transportation to continue to grow.
- A declining population in rural areas is Indiana's number 1 risk in the next 20 years. A recent study showed growth in the job population in the metro areas and declining

population in the rural areas. As a result, some counties will not be able to provide basic services to residents. Population decline, houses cannot be sold, retail businesses close. There were over 60 vacant buildings, factories and school enrollment declining 13 years ago. It is noted that a million square foot factory just sold for one million dollars. There are others still vacant in the county.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MID-STATES CORRIDOR

MEETING SUMMARY

Date of Meeting:	June 27, 2019	**Re:**	Economic Development Interviews: Daviess County Economic Development Corporation (DEDC)
Location:	219 E Main St, Washington IN 47501	**Issue Date:**	Revised July 23, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Bryant Niehoff: Daviess Co. Economic Development Corporation; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) provided an introduction on NEPA Environmental Impact Statement (EIS) process:

- Described the 12-county study region and described the starting terminus of the project at the US 231 Natcher Bridge in Rockport Indiana.
    - The proposed corridor will connect to Jasper
    - From there it could go east to connect to SR 37, or north/west to connect to I-69.
- Any federally funded project requires an environmental study of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.

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- Particularly large projects sometimes use a tiered study. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor. Tier 2 studies are more detailed and result in the selection of an exact alignment.
- An EIS at its core evaluates project benefits, impacts and costs.
- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
- These interviews are gathering regional economic information from businesses and development corporations.
- Bryant Niehoff (BN) asked about the timeline of the study.
- MG stated that the Tier 1 study should be completed in 2 years, and the subsequent Tier 2 studies should follow closely behind.

The following points are taken from the agenda for this meeting. Unless otherwise indicated, they represent BN’s input.

General

Describe the businesses you serve at a high level.

- *What are the major businesses <u>for whom logistics and freight shipments</u> are key to their business processes?*
- *In general, what are their key finished products?*

BN briefly introduced himself. He started with Daviess County Economic Development Corporation (DCEDC) in December of 2018. He is originally from central Indiana, and his background is in city planning. He is aware of the project and knows that it has been of interest for quite a while.

BN listed/described major businesses in Daviess County:

- Perdue feed mills/farms employ around 1,000 individuals in the area. There are a processing plant on the west side of Washington, a feed mill northwest of Washington, and several farms.
- Grain Processing Corporation (GPC) is a large employer in the county. Freight is critical to its operations. The location in Washington (1 of 2 GPC locations, the other is in Iowa), is a wet milling facility which produces maltodextrin (corn filler) from corn and food-grade alcohol. GPC is currently investing in a large $70 million expansion.
    - Quest Trucking is a separate company that supports GPC operations.
- Boyd Grain Trucking runs both a large grain company and a sizeable logistics company.

- Graber Post Buildings is a large employer that manufactures trusses and building materials.
- M&C Tech is the county's first foreign direct investment. It is a new industry for the area, employing 50 people.
- NSA Crane is a major employer and economic engine for the area. Logistics are critical to its operations and those of supporting defense contractors and other businesses at WestGate Technology Park.
- Additional companies and employers for whom logistics and freight service are critical: Berry Plastics, DC Metals, K&K Industries, White Stallion Energy, Eagle Railcar (railcar repair), ISOFlex Packaging, Olon Industries (particle board drawers), Nasco, and Tri Star Glove.

MG asked about any inaccessibility issues for these companies.

BN replied:

- I-69 runs through Daviess County, which is a major advantage for companies that have large motor freight operations.
    - Comments that there are only 2 interchanges within Daviess County, so access is an issue sometimes.
- US 231 is a significant challenge for businesses on the eastern side of the county.
- Another highly traveled road is SR 257 which connects Pike County to Dubois County. SR 257 is narrow and difficult for trucks to traverse. It also floods at the White River during high-water times.
- BN comments that as far as detailed transportation issues, we should also contact businesses directly.

Transportation, General

- *How important is transportation to future growth and development?*
- *Are there key target market sectors you seek to attract, especially in the logistics sector?*
- *Are key multi-modal facilities easy or difficult for businesses to use?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

MG also asked whether intermodal facilities in the area are lacking or inadequate.

- Water/barge transport is a challenge. The nearest port is in Evansville.
- There is a local airport in Daviess County.
    - It can accommodate corporate jets, but nothing larger.
    - Evansville is the closest large airport.
- Daviess Co. has a CSX line that runs east-west through the center of the county.

  - There is a rail spur that connects to the CSX lines (shell building)
  - GPC uses it right now to move maltodextrin product out (motor freight to rail).
- Rail is rather accessible in Washington and Daviess County, although intermodal capabilities is a challenge.
  - Rail service is accessible from I-69 with east-west CSX line at Exit 62 off I-69 in Washington, and the Indiana railroad at Exit 76 in Odon/Elnora. The Indiana Railroad has a Transload Facility in Odon, just a few miles east of Exit 76. This facility opened in June of 2013.

MG asked whether labor force is a significant issue.

BN stated:

- Daviess County's unemployment rate (2.3%) is just slightly above Dubois County's.
- There is a surplus of jobs; it needs a larger workforce.
- It currently attracts workers from Knox County, Martin County, Greene County, as well as some from Dubois County (although Daviess Co. is also sending people to Dubois).
- Notes that I-69 did help with expanding its commuter shed.
  - MG comments that due to a favorable climate for business, Indiana is drawing more and more commuters from Illinois.
- One of the priorities for DCEDC is attracting people with beautification, programs, housing, etc.
- I-69 has been helpful in workforce attraction because it has brought urban centers (Evansville, Indianapolis) closer. Has increased the quality of life.
  - There is a drawback to that, because this could suppress building amenities such as movie theaters, restaurants, etc. locally.

MG asked if housing is an issue for workforce attraction.

BN stated:

- Housing development have been more challenging to build because of the lower margins and the unwillingness of builders to take on risk.
- Indianapolis, for example, is building large volume of single-family homes, but low profit margins are offset by the volume of construction.
- Daviess County can't support large volumes of new home construction due to market conditions.
- There is a longer absorption rate and a smaller population (12,000-13,000 population in Washington).
  - Absorption rate is defined as how quickly you build a home and then can sell it and build another one.

- Need to better address housing needs.
    - This requires taking some risk out of developers.
    - Sharing some of the infrastructure costs.
    - TIF districts- until this year the ability to use TIF designation to provide infrastructure for single family housing was low.
        - TIF was previously used for industrial, commercial, etc.

MEETING SUMMARY

Date of Meeting:	June 11, 2019	**Re:**	Economic Development Interviews- Dubois County Airport Authority
Location:	2495 West 900 South, Huntingburg, IN 47546	**Issue Date:**	Revised July 16, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Travis McQueen: Dubois County Airport Authority; Michael Grovak: Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) made introductory remarks. Travis McQueen (TM) is familiar with processes under the National Environmental Policy Act (NEPA). The Airport Authority (AA) recently completed a NEPA analysis for an airport runway extension through the Federal Aviation Administration (FAA). MG reviewed the three-fold consideration of costs, impacts and benefits under NEPA. MG described how the benefits will be assessed based upon the project's purpose and need. That purpose and need will analyze a broad range of transportation and economic needs. These include highway safety, congestion, accessibility and economic trends over a 30- to 40-year period. We also are conducting about 20 interviews with major businesses, economic development officials and transportation providers. These interviews will identify regional issues with freight and logistics, and how those relate to highway transportation.

The following sections correspond to portions of the interview agenda. Unless otherwise indicated, they represent input from TM.

General

Describe your business process at a high level.

- We are simply another transportation system (runways, rails, roads, and rivers) connecting communities, businesses, people and providing critical support functions to our users; we (airport) are a multi-modal facility, with users taking to the runway from the road
- Key users of the airport have corporate flight operations on-site. These include:
    - These include Best Home Furnishing, Masterbrand, OFS Brands, Kimball, and Jasper Engines and Transmissions.
    - These businesses use the airport as a service tool and a marketing tool.
    - The airport is a way to transport clients and key employees quickly to points throughout the country.
    - We can't overstate its importance in this role.
- Key users of the airport. These include local businesses: Mann Enterprises, Monosmith and Woods, Blue Sky Aviation Sales, Mulzer Crushed Stone, Petico Parts Inc. and Ellison Distributing Inc.
- Agribusiness is another key industry which the airport serves.
    - The airport is the base of operations for Superior Ag
    - It provides herbicide and pesticide application services to farmers across a large region.
    - About 35,000 gallons of Jet Fuel are sold each season.
    - Agricultural operators contract with Superior Ag for product application.
    - Superior Ag subcontracts with pilots for product application.
    - At peak times, there are 3 fixed wing aircraft and 7 helicopters in operation.
    - The service area includes large portions of southern Indiana and north-central Kentucky.
- The airport also provides fuel sales.
    - Customers include some of the corporations based there.
    - Other customers include transient general aviation aircraft and Superior Ag contractors.
- Other airport customers include:
    - Air taxi/charter; Law enforcement; Department of Defense; Flight training; Aircraft Storage, aircraft rental
    - Air ambulance services will originate from Huntingburg and begin to be provided to the public later this year (2019).
    - Aerial surveying, energy exploration, national security/boarder security; emergency response; aerial firefighting & support; emergency diversionary airport; disaster relief and search and rescue; critical federal functions; access to

remote communities; self piloted business flights; corporate personal flying; charter passenger services; aircraft/avionics manufacturing/maintenance; aircraft storage; aerospace engineering/research; utility/pipeline control and inspection; executive flight service; manufacturing and distribution; express delivery service; air cargo; destination and special events: tourism and access to special events; intermodal connections; special aeronautical (skydiving/airshows)

- Growing the airport: lengthening the runway ($7 to $8 million-dollar extension project)
  - This just received FAA approval.
  - Soliciting construction bids (July 2nd, and July 25th, 2019)
  - Timeline for project.
    - Contactor Notice to Proceed will come this fall (2019) or next spring (2020)
    - Construction will take 3-4 months.
  - It is a two-stage project
    - Stage 1: Lengthen runway from 5,000 feet to 5,500 feet and widen from 75 feet to 100 feet
    - Stage 2: Further lengthen runway from 5,500- 6,000 feet.
    - Stage 2 is a future project with a five-year horizon.
  - Lengthening runways is key to extending aircraft range.
    - The extra 500 to 1,000 feet of runway allows aircraft to carry considerably more fuel.
    - Other aircraft weight variables (passengers/cargo) cannot vary.
- Aviation is a key driver of Indiana's economy.
  - Mr. McQueen referred to an INDOT report which showed that the economic impact of aviation in Indiana is $120 billion annually. See link below.
  - Huntingburg Airport has an economic impact of $522,026,882.00 per year, according to the study (page 12 of 24)
  - https://www.in.gov/indot/files/Aviation_FinalEconomicImpactStudy.pdf
  - Mr. McQueen suggested that the local economy would not sustain its current level, "but for" having the business use of the airport
- Airport history.
  - Opened in 1938
  - Came under airport authority in 1943.
  - This allowed tax revenue to support operations.
  - Airport Authority (6) members are appointed by Dubois County commissioners (3) and Mayor of Huntingburg (3).

Freight Deliveries

- UPS in Louisville is only 90 minutes away.
- FedEx in Indianapolis is only 180 miles away.
- There still is some opportunity for freight deliveries after the runway extension.

Coordination with Mid-States EIS

- MG explained approach of a Tiered EIS
    - The Tier 1 EIS will select a corridor.
        - It is anticipated to be about 2,000 feet wide.
        - A highway will be located within that corridor.
    - Tier 2 studies will select a specific alignment.
    - The Tier 1 project is to be completed in two years.
- MG also explained how alternatives will be selected.
    - A geographic range of alternatives will be considered to the north, east and west.
    - Up to 15 preliminary alternatives will be identified later this year.
    - Early next year these will be screened down to no more than 6 alternatives which will be studied in detail.
- The Tier 1 selection will take into account the runway extensions at the airport.

Future Directions for the Airport

- There is the eventual hope to attract for manufacturing
- The airport is reaching out to aerospace and aviation-related firms and entrepreneurs.
- It can offer significant tax advantages to businesses which locate on the airport property.
    - Because the airport is a government entity- land and structures are not taxed.
    - Land has been set aside at the airport for such development.
    - Positioned at the crossing of two major highways (I-64 and Mid-States) would be ideal for business growth and attraction.

Freight/Logistical Connections

- MG asked about “missing” logistical connections to the north.
- TM noted in his role at the airport, he does hear about the desire for better connections to the north for product shipments and personal.

MEETING SUMMARY

Date of Meeting:	June 11, 2019	**Re:**	Economic Development Interviews- Dubois Strong
Location:	961 College Avenue, Jasper IN 47546	**Issue Date:**	June 28, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Ed Cole: Dubois Strong; Michael Grovak: Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael: Introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
  - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.
  - Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.

- The process of specifying preliminary alternatives and then screening to a smaller number of detailed alternatives was described.

Beginning of Interview Outline

Unless otherwise indicated, all input following was provided by Mr. Strong.

General

Describe the businesses you serve at a high level.

- *What are the major businesses <u>for whom logistics and freight shipments</u> are key to their business processes?*
- *In general, what are their key finished products?*

- Manufacturing is king for Dubois County. About 33-34% of the county work force is employed in manufacturing.
  - Freight and Manufacturing go hand and hand: furniture and wood products are key.
  - Most wood used in furniture making comes from the east coast and is imported by ship. Foreign labor and business costs make this an important source for wood used in manufacturing. Many domestic sources are not cost-competitive with overseas suppliers. Final delivery of these products to manufacturers depends upon highway connectivity – these wood products are delivered to factories by truck.
- Dubois is a major economic player in Southwest Indiana. Some large national corporations are located here.
- Another big "connectivity" is labor force access to Dubois County jobs.
  - There are more jobs than workers in Dubois County. For every county resident seeking employment there are 100 jobs available. Dubois County employers attract many workers from other counties.
  - Dubois compares to Hamilton County (central Indiana) with one of the lowest unemployment rates in the state
- Michael Grovak (MG) commented that the regional economic models being used for the project consider the details of the makeup of the region's economy. It will evaluate workforce access to jobs when comparing alternatives.
- Meyer Distributing is an "outlier" regarding how well it functions under significant logistical handicaps. Access north of Jasper via the current 2-lane US 231 is undependable and slow.
- Dubois County is one of the nation's top manufacturing hubs while being distant from an interstate highway.

- Styline operates a significant logistics company with hundreds of trucks, and it able to do so successfully in spite of its Dubois County location.

Suppliers

- In addition to wood products, important manufacturing inputs include steel parts/fasteners and veneers.
- Current inefficiencies in delivering these raw materials hurts the growth of manufacturers.
- Time sensitivity (Just in Time (JIT) practices) reduces warehousing costs. Smaller inventories produce cost savings. and allows them to have less inventory which translates to cost savings.
- Mr. Cole agreed with MG's observation that the combination of high-quality four-lane roads and distributed computer technology (PCs) have been the catalyst for JIT practices in the last 2+ decades.
- Trucking is vital for JIT. Rail deliveries are not an option for JIT manufacturing.
    - Rail is a cost-effective technology for deliveries of commodities (defined as lower-value inputs which are purchased largely on the basis of price).
    - The profit mark ups for commodities is low compared to other goods.
    - Higher-value finished products are the most profitable.

Business Inventory

- *Please provide any insights on physical inventory practices of businesses you serve.*
- *What insights can you provide about undependable delivery times for businesses you serve?*

- Manufacturers implement JIT practices as best they can.
    - However, their orders for input materials may need to be larger than desirable due to uncertainty of delivery times.
    - This in turn drives up costs.
- MG asked whether manufacturers would prefer a longer route with more predictable times versus a shorter route with greater variability of times.
    - Using 231 is shorter but has much more travel time availability.
    - The route often is used by large, slow pieces of farm equipment.
    - Making decisions on routes speed vs. reliability; constant decision for manufacturers

Potential Routes

- MG asked whether Dubois County businesses would specific categories of routes as preferable.
    - There are issues related to farmland and population density.
    - Going around Huntingburg on the east side avoid residential impacts on the west side.
    - A route angling east to Mitchell and the Bedford area would be preferred

Customers

- *Describe the major end user markets for businesses you serve.*
- *Where are they located?*
- *How are finished products transported to customers?*
- *Describe what you know about key bottlenecks to timely delivery of finished products.*

- Travel to the north is slower and travel times are highly variable.
- Many businesses go south to I-64 to then go north on I-69 or I-65.
- This requires more time and added fuel expenses.
- With Dubois County's low unemployment, attracting new businesses is a secondary priority.
- The combination of access/logistics to the north along with the competitive labor market presently discourage business attractions.
- Emphasis now is on attracting workers to Dubois County from surrounding counties.
- Indianapolis is a main logistical hub.
- The large majority of shipping to Indiana comes through Indianapolis.
- Outgoing shipments to the north (Indianapolis) especially have to deal with undependable shipping times.
- Air freight opportunities via Indianapolis currently are a missed opportunity.
- MG noted that new businesses begin to be situated in areas 5 to 10 years after major transportation improvement increase accessibility.
- MG also noted that the effects on existing businesses (lower transportation costs, more reliable deliveries and shipments) allow them to expand very quickly after the improvement is in place.

Transportation, General

- *How important is transportation to future growth and development?*
- *Are there key target market sectors you seek to attract, especially in the logistics sector?*
- *Are key multi-modal facilities easy or difficult for businesses to use?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

- The key need is to increase the local work force.
- Housing is an issue for entry-level workers.
    - Such a worker typically starts at $12 to $15 per hour pay.
    - Such individuals typically live in dual-income households.
    - There is a shortage of apartments and single-family homes which are affordable for such workers.
- Permitting requirements are not a significant issue for housing construction.
- Builders profit more for higher-tiered homes (+$150,000)
- There is not yet a demand for constructing more affordable housing in larger quantities.
- 30 miles (about 30 minutes) is usually the limit of how fare people will commute.
- Ease of commuter access is governed by the same accessibility issues as businesses face in freight deliveries.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 25, 2019	**Re:**	Economic Development Interviews: Elliott Stone
Location:	7056 State Road 158, Bedford IN 47421	**Issue Date:**	July 12, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Ralph Morgan (RM): Elliott Stone; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) introduced the NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
  - Particularly large projects sometimes use a tiered study when you have a complex project in a large study area.
  - Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor.
  - Tier 2 studies are more detailed and result in the section of an exact alignment.
  - An EIS at its core evaluates project benefits, impacts and costs.
- The 12-county study area was explained along with the 2014 Governor’s Blue-Ribbon Panel report which found the Mid-States project was a major priority for the region and the state.

- Explanation of the atypical funding of this Tier 1 study by a Regional Development Authority in conjunction with INDOT
- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
- These interviews are being conducted to receive input on regional freight and logistic needs.

Ralph Morgan (RM) begins explaining regional travel patterns.

- I-69 has been a benefit for Lawrence County.
    - Access to I-69 is quicker or slower depending upon where you are in the county.
- For Elliott Stone:
    - All the product is here
    - There are no inbound shipments.
    - Outbound freight from Elliott Stone has its issues.
        - Natural stone shipments usually are backhauls.
            - They are not the primary freight for the carrier.
        - Most freight trucking is contracted by the customer.
        - Elliott Stone does not have their own fleet.
        - There is a struggle to get trucks to this area
            - It is a relatively isolated region for freight shipment
            - Trucks generally come from the North
            - There are not reliable roads to access this area from the south.
- RM indicated on the study map a triangular region that is lacking north/south access.
    - This region is between I-69 to the West and I-64 to the South.
    - Access to the north and west is reasonable.
    - Access from the direct south or southeast is not reliable.
        - This area is a relative 'dead zone' for Elliott Stone.
    - Access from Louisville generally is via 2-lane roads in challenging terrain with no shoulders (e.g., US 50).

RM offered information on Elliott Stone

- It mines primarily dimensional limestone, a specialized type of large-block limestone.
- There is dimension stone throughout the United States in different forms (marble, granite, sandstone, etc.).
- The product generally is shipped to "wholesalers" (for lack of better word), and then sold direct to customers (i.e. Lowe's).

- This unique product is shipped widely domestically and also internationally.
    - Large amounts are shipped to the east
    - It also goes to California and Texas, as well as other places.
    - Typically, distant places such as California and Canada require rail shipment (intermodal transport).
    - The closest intermodal rail facility is in Chicago.
- MG asked for other intermodal information
    - RM stated that international shipments are outliers.
    - They require some sort of boat transport.
        - 85-90% of product is shipped by motor freight.
        - The majority of the remaining shipments use motor freight to rail.
        - A small number of shipments are via water.
        - Elliott Stone sends around 800-1,200 trucks outbound a year.

RM discussed the implementation of electronic logs in motor freight.

- This added more cost and complexity to freight logistics.
- The use of electronic logs became a USDOT requirement in December of 2017.
- This has led to more driver travel during rush hours.
    - They are on the clock and cannot pull over.
    - This in turn has led to more serious accidents.
- Drivers are less likely to pick up shipments that are not conveniently located.
- This implementation also led to a 15% increase in product cost (due to added freight costs).
    - This briefly led to a dip in sales.
    - Sales have now normalized because customers realize that the freight costs cannot be lowered.
- MG explained the traffic forecasting model which is being used for this project.
    - Any effects due to the implementation of electronic logs would just begin to show up in traffic counts.
- Reduced time and increased dependability will encourage drivers to serve this area
    - Comments that truckers are being forced to pull off on ramps in order to avoid driving over their daily limit and adhere to rest requirements.
    - Strict checks of electronic logs by police officers and at weigh stations leads to heavy fines.
    - Road designers need to provide rest stops for drivers to avoid their stopping in dangerous places.
- Due to systematic added costs and inflexibility in motor freight, access to multi-lane and predictable travel time has never been more important or critical.

RM further explains the benefits of a reliable route for drivers

- Even a 15- or 20-minute time savings is a huge benefit for drivers.
- Those savings accumulate.
- New business will look at transportation accessibility when deciding when to locate.
- Reliable transportation is necessary for future development
- A new road would open up economic advantages to this region
    - Comments on Jasper and its huge industrial base.
- The GM plant in Bedford is the largest industrial manufacturer for Lawrence County.
    - It produces aluminum castings for transmissions.
    - RM believes it is the only GM aluminum casting manufacturer in the nation.
    - Currently drivers must get to GM early, so there isn't a backup.
    - Otherwise they have to wait (which translates to lost revenue).
    - Currently no rail service in this area- so GM ships only by motor freight.
- States compete against each other for business.
    - Transportation is an element in this competition
    - Businesses will locate where it is economically advantageous.

MG concludes the meeting and gives a brief explanation of tiered studies and the timeline for the first Tier.

RM provides concluding remarks.

- Comments that there needs to be some thought about the roads which connect to the major roads (I-69, I-65, etc.)
    - Reliability also is an important factor for those roads.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 26, 2019	**Re:**	Economic Development Interviews: Farbest Foods, Inc. and Wabash Valley Produce
Location:	1155 W 12th Ave, Jasper In 47546	**Issue Date:**	Revised July 22, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Ted Seger (TS): Farbest Foods; Phil Seger: Farbest Foods; Ryan Downes: Farbest Foods; Roger Seger: Wabash Valley Produce; Brad Schnarr: Wabash Valley Produce; Andy Seger: Wabash Valley Produce; Michael Grovak: Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Ted Seger (TS) gives an introduction and explains the relationship between Farbest Foods, Inc. and Wabash Valley Produce.

- They are two separate companies, and their operations are distinctly different.
- However, the Seger family has ownership in both.
    - Wabash Valley Produce is 100% owned by the Seger family
    - Farbest Foods, Inc. is owned by the Seger family and Boar's Head

Michael Grovak (MG) introduced the Tiered EIS and the NEPA process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
    - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ''big picture'' planning issues such as ''build'' vs. ''no-build''; facility type; preferred corridor; and logical termini for ''projects of independent utility'' within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.
- The 12-county study region was explained along with the Blue-Ribbon report which indicated that a north/south road was a top priority for the region and the state.
- Explanation of the unique funding of this Tier 1 study by a Regional Development Authority in conjunction with INDOT
- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections
- These interviews are being conducted to receive input on freight/logistics needs in the region.

TS states that they are aware of the project and have been approached by Hank Menke and Doug Bawel, and others who had been trying to gather regional support

Farbest/Wabash Valley have some concerns about some routes that being discussed because they have the potentially to negatively impact operations (particularly Wabash Valley Produce). They wanted to refrain from getting involved (both positively and negatively) until they learned more about the project.

MG Explains the process of alternate selection and mentions that public involvement will be a crucial component of preliminary route selection. This information will be sought at public meetings, a project web site and electronic media.

Following is information about Wabash Valley Produce and Farbest Foods which was provided by those in attendance representing these two entities.

Wabash Valley Produce (WVP) information

- Operates using a vertically integrated system (operation of its own feed mills, animal facilities, and then processing facility).
- A value-added business
    - Production of egg products (Liquid, blends, baked goods, salad dressings, etc.) They are not in the shell egg business.
    - They then sell these egg products to customers, which include Fortune 500 companies such as McDonald's, Tyson, etc.
- One of the 5 largest egg product companies in the US.
- Dubois County is the largest poultry county in Indiana and the United States
- WVP employs 200-300 people in Dubois County.

WVP Transportation impacts:

- Majority of facilities are clustered northeast of Jasper (east of US 231, north of SR 56). Trucks are running from 6 large animal facilities to a processing facility in Wabash.
    - 50 trucks per day going between these two locations (animal facilities and processing facility) (100 trips, 50 round trip).
- Most inputs are feed ingredients coming from Wabash facility.
    - This includes 50 truckloads of corn/week which are coming from Spencer County, Pike County, Dubois County, Orange County, Washington County.
    - Other inputs (soybean meal, limestone, distillers' grain, etc.) add another 50+ truck loads/per week.
- Outbound loads are then distributed to customers that encompass a huge geographic area (Michigan, Carolinas, Georgia, Kentucky, etc.)

Concerns related to the Midstate's corridor project

- The animal facilities and processing facility are densely clustered, high capital facilities.
- Each of the animal facilities are 'million-bird sites' and represent a significant amount of capital.
- The locations of these facilities are critical.
    - The animal facilities are clustered to maximize transportation to the processing facility. (3 million eggs/day and feed/input going between the two)
    - The nature of the industry requires that the animal facilities be away from significantly population areas
    - They purposely are located in a remote area
    - A major road nearby would not be ideal
        - Wabash Valley Produce purchased tracts of residential areas to provide a remote location.

- Do not want a road that disrupts the cluster of large facilities, or a road that would cut off county road access in between facilities.
- Depending on the selected alternative:
    - It could be beneficial.
        - Easier access to input materials
        - Better access for end products
    - However, if the route would disrupt the facilities, it would be a problem:
        - Again, these are very expensive facilities
        - They would be very problematic to relocate
        - County road access and remote location is critical.

Farbest Foods Information

- Farbest employees 1,000+ employees in its 2 main processing plants (Huntingburg, IN & Vincennes, IN)
- In 2018, Farbest Farms had 225 contract turkey growers (farm families) in southern Indiana, Kentucky, and southern Illinois.
- The greatest concentration of these farms is in Dubois/Martin County area.
- It also has 9 company-owned farms.
    - Family-owned operations are contracted with Farbest Foods on a 5-7-year basis.
    - Farbest Foods, Inc. own all the live turkeys, feed, and medication
    - The contracted grower owns the land, buildings, supplies, labor, and utilities
    - Growers are free to use their own best care practices for animal husbandry, following National Turkey Federation Animal Care Guidelines.
    - The grower farms then receive a grower payment.
- All the turkeys grown on farms are taken from the farm to one of two processing plants
    - 60,000 turkeys are processed each day.
    - This translates to 650,000,000 pounds of turkeys processed annually.
    - Farbest is the 4th largest turkey company in the United States.
- JFS milling is a separate corporation with identical ownership to Farbest Foods, Inc.
    - 2 locations- Dubois, IN and Bruceville, IN.
    - JFS provides all the feed for the Farbest Farms.
    - The feed input is procured by contract with Wabash Valley Produce.

Transportation impacts of Farbest Foods, Inc.

- 570 truckloads of finished feed going from JFS milling to each of the 225+9 Farbest Farms a week.
- 350 truckloads of live turkeys coming from the 225+9 Farbest Farms to the 2 processing plants a week.

- About 300 truckloads of product leaving processing plant outbound to customers a week plus an additional 30 truckloads of unusable product outbound a week.
- Total of about 1,900 truckloads per week total (ingredients, inbound, outbound, etc.) a week. This is one way.
- County roads are important in all of this. A requirement of contracted farms is that they be near an accessible county road
    - Must think ahead about what would happen if this access was cut off by a new corridor.

Deliveries are also time sensitive

- Incoming live turkeys are time sensitive for obvious reasons
- That why the farms are in a compact area.
- Outgoing goods are also time sensitive (80% are fresh) which require overnight delivery.
    - Midstate Corridor has the potentially to positively impact outgoing deliveries.

Meeting wrap-up and next steps to keep Farbest Foods and Wabash Valley Produce involved in the project and future input.

- Contacts will be Ted Seger and Brad Schnarr
- MG describes the plans for continuing public involvement (project office, website, public meetings, etc.)

Both companies stress the importance of their involvement and input in this project.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 19, 2019	**Re:**	Economic Development Interviews: Glenmore Distillery
Location:	2001 E 4th St, Owensboro KY 42303	**Issue Date:**	July 11, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Jonathan Guillen (JG): Glenmore Distillery; Amanda Clary (AC): Glenmore Distillery; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) provided an introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
  - Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.

- The region of the Mid-States corridor was described, including the starting point (US 231 in Rockport), US 231 to Jasper/Dubois Co., and then either a continuation East or West, to continue north to I-69.
    - Owensboro is pointed out on the Midstate's Corridor Study DRAFT map
    - The analysis of proposed routes will be determined by the three aspects mentioned above (cost, impact, benefits)
        - Logistics and freight movement are a large part of this evaluation which leads to the reason and context of this interview.
        - They are being conducted to identify key needs as seen by businesses and economic development officials in this region.
    - Explanation of how Glenmore Distillery's name was involved in these interviews. Contacts at Meyer Distributing (Jeff Braun/Matt Schaick) mentioned that Glenmore could provide valuable input.

The following points correspond to the interview agenda. Unless otherwise indicated, they represent input from Jonathan Guillen (JG) or Amanda Clary (AC).

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

(AC):

- Glenmore's facility mainly handles cased goods that are going outbound
    - Distribution center ships to all 50 states, as well as internationally.
    - This DC is one of 10 Sazerac (Parent Company) distilleries in the United States
        - Glenmore Distillery is the largest
        - All distribution centers go by different names
- The production of the alcohol (spirits) takes place at Glenmore Distillery and then is transferred to the Distribution Center to be shipped outbound.
- Outbound shipping is intermodal (rail containers, trucks, tanker cars)
- Inbound shipping is also intermodal (barge, rail, tanker cars)
    - Many inbound rail containers are coming out of St. Louis and Louisville

MG asked if they operated on Norfolk Southern

(AC): No, but mentions they used to use CSX out of Evansville services, before they shut down operations at that location.

MG followed up to ask if Glenmore Distillery currently uses rail operations in Indianapolis, or if it would be an option if there was a more direct connection.

(AC):

- Explains freight bidding process
    - Every 2 years, there is a bidding process with brokerage companies. These companies then are responsible for making decisions about the route and logistics from the distillery to the customer (wholesaler).
        - The contracting companies receive information (where the load is going, what time it must be there, etc.) and then they pick the load up and determine how they will deliver the product in the required time frame
        - Usually about 10 days from order to delivery.
    - If there were cheaper intermodal options (such as Indianapolis), then that would be of interest to the brokerage companies because they would be able to offer a more competitive bid.
- Two types of price models for delivery
    - 1) CIF= Cost in Freight. The cost of the shipment is included in the cost of the product. Glenmore deals with distribution costs and charges the customer.
    - 2) Collect. The customer or wholesaler is charged at delivery for the costs of delivery.

MG asked if there are currently any geographic areas where there are logistical constraints that they are aware of with their contractors.

(JG):

- It comes down to brokerage companies offering a competitive bid
- In general Owensboro is facing challenges due to its location and lack of major highways/interstates that come through it.
- If there was better infrastructure serving Owensboro, then freight companies would be more willing to pick up here.
- Centralized locations save shipping costs.

(AC):

- Comments that issue should be characterize as “expensive” to serve rather than “difficult” to serve.
- We can deliver anywhere we need to, but inadequate access leads to higher freight costs.
- In general, the farther you are from larger roads, the more expensive it is.

MG asked if Glenmore Distributing operates any of its own fleet

(AC):

- The vast majority of shipping is contracted.
- Wey do operate a small fleet of 5 trucks that only go between Lewistown Maine and Kentucky
- Many different companies serve the distribution center daily.
    - Some of these are “asset-based carriers”
        - These operate their own equipment.
        - They work directly with the distillery to transport to the customer.
        - This is a different arrangement than using a freight brokerage.
- For States where alcohol is controlled by the State (ABC= Alcoholic beverage control state) the alcohol must first be shipped to State owned warehouses.
    - Usually this involves the use of freight companies with a longer working history.
    - Stricter regulations/time lines require they be reliable.

MG asked about the level of daily outbound shipping.

(AC):

- 150 Trailers outbound/ per day
    - Trailers are considered full loads (closest they can get to 80,000 lbs. gross weight.
    - This is the legal limit.
    - Of this 80,000 lbs., 42,000 lbs. is product.

MG concluded the meeting and asked for any further comments.

JG mentioned that he can follow up with the contact information of leadership in his logistics department. They might have more information about high-level routing patterns and logistical bottlenecks.

MEETING SUMMARY

Date of Meeting:	June 26, 2019	**Re:**	Economic Development Interviews: Jasper Engines and Transmissions
Location:	815 Wernsing Rd, Jasper IN 47546	**Issue Date:**	July 16, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Doug Bawel (DB): Jasper Engines; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael: Introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
  - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ''big picture'' planning issues such as ''build'' vs. ''no-build''; facility type; preferred corridor; and logical termini for ''projects of independent utility'' within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.
    - Brief explanation of the timeline of the Tiered process and the explanation that Tier 1 will be completed in 2 years.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
- The process of specifying preliminary alternatives and then screening to a smaller number of detailed alternatives was described.

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

Doug Bawel (DB):

- Nation's largest remanufacturer of drivetrain components including gas and diesel engines, transmissions, differentials, rear axle assemblies, marine engines, stern drives, performance engines, and electric motors
- Jasper Engines is a unique business in the area because there are three large manufacturing plants in Jasper
- Currently they are doing six 'shuttle runs' every day down to I-64 and over to Crawford County, where a large distribution center is located, and products are shipped to all corners of the US.
- Have 3 aircrafts at the Dubois County Airport.
- Contract 2/3 of motor freight, and 1/3 is their own fleet.
    - A total of 65-line haul trucks, and 130-line haul drivers.

(DB) addresses the study map

- States that alternatives going East would be the most expensive and would potentially disrupt the large amount of poultry and egg production that occurs in Northeast Dubois County and Martin County.
    - Comments that he recently visited a few of the egg production facilities and due to the remote location and large area of land that is required of these facilities, a disruption should be avoided.
    - Further acknowledges that he understands that an Eastern route is what is preferred by other large Jasper businesses (Meyer, Kimball).
- Due to the distribution center in Crawford County, an improvement of 37 from I-64 to State Road 62, would be the most beneficial to Jasper Engines.
- States that has suggested for a preliminary route that would go around the west side of Jasper and through Petersburg to connect to I-69

- It would be the cheaper option due to the short connecting length
- Also believes that land in that area has already been purchased as a previous anticipation.
- Also states that topographically it is on higher ground

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*
- *Are these multi-modal facilities easy or difficult to use?*
- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

(MG) asks specifically about any inbound or outbound supply/distribution issues

(DB):

- Outbound shipping is less of an issue because distribution is occurring in Crawford County where there is close access to I-64.
  - Outbound volume: Every major city in the US receives Jasper Engine product 5x a week and then is shipped to other places from there.
- As far as bottlenecks/issues
  - 231 from the North of Jasper up to Crane is an unreliable and 'dangerous' road, and is avoid as much as possible
    - Comments that he believes equipment from Crane is being transported on 231 through Jasper, which due to the congestion, is very dangerous and an accident would be disastrous.

(MG) has the forced implementation of electronic logs influenced cost or practices?

(DB):

- It has made things safer, but there are some flaws with the system
  - Strict enforcement of rest time has caused some issues (i.e. a driver being 20 minutes away from home/destination being forced to pullover)
  - But overall, it has reduced the number of drivers who were driving unsafe amounts and made things safer.

(MG) is variability in ship times an issue?

- Planning resolves many of those issues but planning is easier on interstates as far as accident awareness.
- Comments that safety on 231 is more of an issue to him than travel time variability.

(MG) Is workforce availability an issue?

(DB):

- Workforce availability is the #1 problem
- The reason for the location of distribution center in Crawford County is due to higher workforce availability
- There are more jobs than people in Dubois County.

(MG) concludes the meeting and asks if Doug would like to add anything else

(DB) The things that are most important to him to be addressed by this project are:

1) Increasing safety
2) Business economics (including the poultry industry)
3) Cost
4) Thorough evaluation of alternative routes.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 19, 2019	**Re:**	Economic Development Interviews: Lincolnland Economic Development Corporation (LEDC)
Location:	2792 N US HWY 231, Rockport IN 47460	**Issue Date:**	July 11, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Tom Utter (TU): Lincolnland Economic Development Corporation Valerie Schmidt (VS): Lincolnland Economic Development Corporation Michael Grovak (MG): Lochmueller Group Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Tom Utter (TU) began the meeting with an introduction to Riverview Energy project. The meeting addressed a number of topics related to the Mid-States Corridor project. TU was familiar with the Mid-States project prior to the June 19 meeting.

Riverview Energy Project

- The Riverview Energy project was just approved for a Title V air-operations permit from the Indiana Department of Environmental Management. This will now advance the project to the Corps of Engineers permits.
    - Owners will soon be exercising options on the ground (acquiring land) for this project.
    - This development will soon be followed by more development in this area (amenities, restaurants, fueling stations, etc.). Land developers/realtors/land owners are moving towards commercialization in this area.
- Riverview's interest in Spencer County stems from Spencer County's willingness to promote coal industry (TU stated "we aren't scared of coal") and town of Dale's willingness to annex land.
- The Riverview project will involve the hydrogenation of coal, without using combustion and gasification. It will convert coal through high pressure into ultra-low sulfur transportation fuel.
    - When combusted in a diesel truck/tractor this fuel will have 70% fewer emissions than traditional petroleum fuel.
    - Daily production is anticipated to be 13,000 barrels/day of low sulfur diesel and 7,000 barrels/day of low sulfur naphtha.
    - There is an attraction to Indiana coal because of its high sulfur content.
        - This allows higher quantities of sulfur to be extracted.
        - There is a market for this secondary sulfur.
    - The product will go outbound on railcars to Country Mark, or elsewhere)
        - These potentially will travel on unit trains.
            - These receive priority treatment by railroads.
            - They must be at least 100 cars long, and have a single destination.
        - There is currently a Norfolk Southern grade separation at US 231.
- This project must be considered by the Midstate's corridor project, because the proposed location of the Riverview facility is near the US 231/I-64 interchange.
    - TU points out that there are current issues with the J-turn design currently at this intersection.
    - He stated that there have been fatalities due to an at-grade crossing.
    - The development of this area (near I-64 and 231 intersection), will lead to more traffic, which in turn could lead to more fatalities if this intersection is not modified to "interstate standards".
        - Comments further that he believes INDOT's solution will be traffic control measures such as traffic lights

- However, he believes that installing traffic lights instead of grade separations would undermine the benefits of the proposed Midstate's corridor.

Michael Grovak (MG) asked if there are specific land development plans for this project.

- TU stated that the project has advanced to the permitting stage.
- There ae not final construction plans.
- INDOT is treating this as a "blue sky project
    - Nothing is firm enough to talk about traffic impacts.
    - However, INDOT is aware of the potential for development at this location.

Other Potential Development

TU cited other potential projects that may influence development on/around US 231.

- Currently in negotiation for a $100 million project that may be built 4 miles north of LEDC on US 231.
    - This location has a strong possibility being selected.
    - Assumption of 100+ employees, who would be entering and exiting at grade
    - This development would be proximate to AK Steel.
    - Would like to work with INDOT on a combined access point for both businesses.
- Spencer County is competing for another $3 billion project.
    - It would be about four years in the future.
    - Its employees would also access US 231 at grade.
- Spencer County has available land, and many assets being marketed to potential industries/developers.
    - Large projects are looking seriously at this area.
    - Potential hold ups could be due to logistics or the lengthy processes involved for approval (permitting).

NEPA Process

MG took the opportunity to give an introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
    - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ''big picture'' planning issues such as ''build'' vs. ''no-build''; facility type; preferred corridor; and logical termini for ''projects of independent utility'' within the preferred corridor. Tier 2 studies are

more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.
    - Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
    - The process of specifying preliminary alternatives and then screening to a smaller number of detailed alternatives was described.
- MG elaborates on the unique way this study is being funded
    - The Regional Development Authority (RDA) has an official status as a participating agency and is the authority that is funding the Tier 1 study for this project.
- Further explanation of the 12-county region, and the termini for this project.
    - Begins at the Natcher Bridge.
    - Follows US 231 corridor to Jasper.
    - At that point road connects to I-69 (possibly via SR 37).
    - Routes to the west, north and east will be considered.
    - Later in the meeting, MG clarifies that the existing 4-lane US 231 in Spencer County will be evaluated.

Vision for Mid-States Corridor

- TU reiterated his wishes for the Midstate's corridor project to remain as an 'open artery'
- Must consider future transportation needs, not just current conditions.
    - Believes that addressing only short-term needs is shortsighted.
- He will continue to push for an 'open artery'
    - Tried to get Spencer County to purchase land at the current at-grade intersections for future planning.
- Referenced a conversation with Mitch Daniels, where the vision of a road from Bowling Green up to West Lafayette was mentioned (by Tom)
    - Mitch Daniels commented that the vision had to start one day.
    - He made the point that this has been a visualization/concept for some time.
- Mentions that trucks/businesses from Birmingham, Alabama have stated that they would be willing to pay a toll to get around Louisville, KY and Indianapolis, IN.
    - This emphasizes the desire for a faster route to the north, than currently exists.

TU shows a map of an EDA (Economic Development Administration) project of a portion of the current 4-lane 231.

- States that they the studied a large area of land where we are now and where the Norfolk Southern line runs parallel

- Economic Development Administration provides economic development assistance to communities (investments, technical assistance, infrastructure construction) to leverage existing regional assets.
- Clarified role of Lincolnland Economic Development Corporation
    - Majority of funding is received from Spencer County
    - Describes LEDC as an 'arms-length non-for-profit industrial board'

Potential Project Benefits

MG described the type of forecasting models that will be used for this project

- Most State Departments of Transportation have traffic forecasting models.
    - Present & future land use is evaluated forecast future traffic flows.
    - These models forecast how traffic flows would be modified by a new project.
- This project will use portions of the Indiana, Kentucky and Tennessee models.

TU described the benefits that the corridor would provide for Spencer County and the region.

- Increased tourism benefits
    - Mentions Holiday World (Guests coming from a large range (St. Louis, Tennessee, Indianapolis, etc.)
    - Spencer County is home to Lincoln Boyhood Memorial, Lake Rudolph (a large and successful RV park)
- Greater access to educational institutions for Spencer County residents
    - Many of higher education institutions (VUJC, IUPUI, IU, etc.) are located north of Spencer County.
- Agricultural benefits
    - Spencer County is home to a successful port for loading barges (grain loading)
    - SuperiorAg just opened a $25 mil feed facility near I-64 in Huntingburg, IN which will serve surrounding counties.
        - Berry Day (President of SuperiorAg) would be a good business to interview and would be able to provide information on its logistics
- Increased efficiency of intermodal operations
    - Norfolk Southern lines
        - Serves AK Steel
        - Crosses US 231 with grade separation
    - Hoosier Southern Railroad
        - Short line rail operated by the Tell City Port Authority.
        - Runs from Tell City through Spencer County to connect with Norfolk Southern.
- Increased industrial benefits

- Spencer County:
  - Thermwood, Spencer Industries, AEP Power Plant, AK Steel (Rockport Works) are all major employers that are located on US 231 corridor.
  - Santa Claus Industrial Park would be benefited by an improved route.
    - Curtis Maruyasu of America delivers JIT from the Santa Claus Industrial Park to Princeton Toyota plant.
    - James Spalding is VP of this company
- Dubois County
  - Kimball International is headquartered in Dubois County.
    - It operates a warehouse in Dale.
    - It has a logistic arm out in Santa Claus.
    - It operates a large fleet of trucking
  - Cannot overstate the 'economic powerhouse' that Dubois County is.
    - It employs people from surrounding counties.
    - Increasing workforce access to Dubois County is important.
    - Dubois County deserves a 'wide open chance'

TU stated the direction that Mid-States takes after Dubois County (East, West, directly North) is less important to Spencer County than just building a faster/safer road connecting North.

- He would back and support any direction for the preferred alternative.
- A road that promotes agriculture, industry, education, and tourism is the end goal.

MG made summarized many of TU's comments as stating safety must be enhanced on existing 4-lane US 231, added economic growth must be supported, and Spencer County would be well-served by a variety of route options

TU agreed with MG and added concluding remarks

- Reiterated the need for improvements on existing 4-lane section of US 231.
  - Without intersection improvements, the entirety of the project is inhibited.
- If the LEDC can add value to the study, it would be happy to provide information.

MEETING SUMMARY

Date of Meeting:	June 26, 2019	**Re:**	Economic Development Interviews: Masterbrand Cabinets
Location:	1 Masterbrand Cabinets Dr, Jasper IN 47546	**Issue Date:**	Revised July 17, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Todd Whalen (TW): Masterbrand Cabinets; Matt Agler (MA): Masterbrand Cabinets; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) introduced the Midstate's corridor project and Environmental Impact Statement (EIS) process

- Brief background information on Governor Pence's Blue-Ribbon Panel Report which indicated that this project is a major priority to the region
- Regional push for this project led to the establishment of a Regional Development Authority (RDA) which is working with INDOT to fund the Mid-States Tier 1 EIS
- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring needs such as accessibility, congestion, economic trends, and logistical connections.
    - These interviews are to develop the Purpose and Need to identify regional economic patterns by meeting with key businesses and associations.

Following are points from the meeting agenda. Unless otherwise indicated, they represent comments by Todd Whalen (TW) or Matt Agler (MA)

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

(TW):

- Masterbrand is one of the largest cabinet manufacturers in North America
    - It provides custom and high-quality cabinetry.
    - It provides cabinets for both new homes and remodels.
    - 1 in 4 kitchens in America has Masterbrand Cabinets.
- The production facilities that are impacted by this project are the plant in Jasper, the plant in Ferdinand (the largest facility), and the plant in Huntingburg which is mainly used for raw material input to the other sites.
- There is no easy way to get out of Jasper. Route miles could be reduced by a more efficient route.
- Majority of motor freight is with contracted carriers
    - They operate a private fleet in Waterloo, but that accounts for a small portion of its freight.
    - They use both large and small carriers
    - Their shipments require multiple stops
        - This tailgate delivery practice limits the carriers that they can use.

Suppliers

Describe your key suppliers of input materials.

- *Where are they located?*
- *How are your key inputs transported to your location?*
- *How time sensitive are the delivery times for your key inputs?*

- *Please describe key bottlenecks or obstacles to timely delivery of your input materials.*

(TW) and (MA) describe importance of supply chain and reducing delivery variability

- Majority of inbound raw materials are coming from the Carolinas, Pennsylvania, Minnesota, Wisconsin
    - Materials really come from "all over."
    - 90+% of inbound materials are arriving in drive in truck load dry vans, LTL trucks, and flatbeds.
- For Masterbrand, the biggest issue is not transportation bottlenecks, but supply availability.
    - Input supplies must keep up with the demand for our products
    - (TW) gives the example of a supplier shutting down 3 mills that produce wood boards and how that will/did impact its supply chain.
- Managing supply chain variability is critical- from supply variability to customer variability to global climate variability.
    - Supply chains shift due to global business climate – and you must be responsive to those changes.
    - To reduce variability good infrastructure is necessary to protect against weather, road work, etc.
    - Dependability and maintenance of existing infrastructure helps reduce the hidden costs that occur when something does happen that affects the supply chain.

Business Inventory

- *How much inventory (days/week of use) do you need to keep on hand?*
- *Do undependable delivery times cause you to stockpile large amounts of inventory.*

(TW):

- Masterbrand is very inventory focused
    - Products are highly customized
    - This makes inventory management very important
- Every kitchen is a different design therefore products are made to order
    - Storage of finished goods inventory is non-existent
    - Inventory consists only of raw materials
- The time frame from the order of the customer to delivery is 4- 6 weeks

Customers

Describe the major end user markets for businesses you serve.

- *Where are they located?*
- *How are finished products transported to customers?*
- *Describe what you know about key bottlenecks to timely delivery of finished products.*

(TW) Customers are located pretty much everywhere (1 in 4 kitchens has Masterbrand Cabinets), but he would categorize the bulk of customers being East of the Mississippi and in California.

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*
- *Are these multi-modal facilities easy or difficult to use?*
- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

MG asked how much use Masterbrand makes of intermodal facilities

(TW) and (MA):

- There is a rail spur at the Huntingburg facility that ships materials to California through Chicago
- However, intermodal transport is not a big aspect of their business.
    - The vast majority of shipments are truck-based (LTL, dry van, flatbed)

MG asked about the effects of electronic logs on shipping costs or practices

(TW):

- It caused 2% of shipping market to go out of business (Older trucks, older drivers)
- Many drivers were running more miles than they safely could
- It is easier to manage fleets
    - Formerly you had to rely on paper logs
    - Fleet data now are more accessible
- Last year the transportation industry had an unprecedented supply and demand issue.
    - The demand greatly exceeded the supply of trucks and operators
    - There were not enough trucks on the road to fulfill demand.

    - This year, the supply is keeping up better and the demand is decreasing slightly.
- As far as cost increases, Masterbrand had a good relationship with carriers
    - It was able to manage its costs.
    - Businesses that are smaller or did not have a long-standing relationship with carriers could have seen as much as a 50% cost increase in freight shipping.
    - Strength in volume of products.

(MG) Asks about workforce availability issues

(TW) and (MA):

- Very large problem for production, but also transportation
    - Many truck drivers are over 55 years old, and drivers in their own fleet are 58+ years old.
        - Younger workers do not want to be truck drivers
- They are currently employing staff from an hour radius just for the plant in Jasper
- Housing is also in issue in workforce availability
    - There are lower margins and more risk on type of housing that is needed for lower-wage employees.
    - Material costs are also increasing and fluctuating, which adds risks to builders.

(MG) describes traffic forecasting model being used which will help evaluate commuter shed

(TW) Comments that younger people want to live in an urban area and attracting them to Jasper and retaining them is hard.

- There must be ways to decrease commuting time to attract employees.

MEETING SUMMARY

Date of Meeting:	June 26, 2019	**Re:**	Economic Development Interviews: Meyer Distributing
Location:	560 E 25th St, Jasper IN 47546	**Issue Date:**	Revised July 17, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Matthew Schaick (MS): Meyer Distributing; Jeff Braun (JB): Meyer Distributing; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) introduced the Midstates Corridor Project and Environmental Impact Statement (EIS) process

- Brief background information on Governor Pence's Blue-Ribbon Panel Report which indicated that this project is a major priority to the region.
- Regional push for this project led to the establishment of a Regional Development Authority (RDA) which is cooperating with INDOT to fund the Tier 1 EIS.
- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
    - A thorough Purpose and Need is key in withstanding any litigation
    - These interviews are an important part of the Purpose and Need
    - We are interviewing key businesses and associations about regional freight and logistic needs.
- Timeline and explanation of the tiered process of the study
    - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment.
    - Tier 1 of this study should be complete in 2 years.

Items cited below are from the meeting agenda. Unless otherwise indicated, they represent input by Matthew Schaick (MS) or Jeff Braun (JB).

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

(JB)(MS):

- Meyer Distributing is in short, an auto parts distributor.
- It uses a hub and spoke distribution model.
    - This model simplifies and makes routings more efficient.
    - It uses a system of distribution centers and cross docks.
    - It is a standard distribution logistic model.
    - This means that for every minute a distribution center is closer to major arteries, the closer destinations can be, which increases the coverage rate.
- In the context of this project, getting south to Nashville and north to Indianapolis is important.
    - Getting to I-64 is currently an issue.
        - US 231 is congested and windy
        - It has many traffic signals which decrease efficiency.

    - Main location is in Jasper
- Inability to quickly get north or south from Jasper impacts ability to get to every location in operation. Currently use US-231 to get to I-69 and to I-64 for all N/S & E/W access points. This delay (10 or 15 minutes), requires termination location points on each lane to be closer to Jasper which reduces the ability to reach more customers next day from main inventory HUB (Jasper).
    - Millions of people that are otherwise shifted to 2nd day from our main inventory position in Jasper
- Outbound shipments occur in the evening and at night when there is less congestion
    - Even with night operations, it is slower than it should be to get north or south.
- Use only company-owned fleet and company-employed drivers.

Business Inventory

- *How much inventory (days/week of use) do you need to keep on hand?*
- *Do undependable delivery times cause you to stockpile large amounts of inventory.*

(JB) (MS):

- Time sensitivity of deliveries is getting more important everyday due to larger-scale economic trends (such as Amazon).
- The quicker we can operate to destinations, the more cost-effective we are

Customers

Describe your major customers

- *Where are they located?*
- *How are your finished products transported to your customers?*
- *How time sensitive are the delivery times for your finished products?*

(JB) (MS):

- Customers are located everywhere
- There are 20,000 shops we distribute to (10,000 of these are regular)
- 1,000+ manufacturers are represented

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*

- *Are these multi-modal facilities easy or difficult to use?*
- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

(JB) (MS):

- Do not use multi-modal facilities, only motor freight
    - Rail is not timely or convenient
- Repeat comment on main transportation bottlenecks being entering/exiting Jasper going either North or South (congestion, stoplights, terrain)
    - Trucks exiting Jasper have an easier time because of evening operations
    - Returning in the morning is an issue due to issues stated above.
- Regarding potential alternatives and logistical flow for Meyer Distributing
    - To go directly North on US 231 would be the most direct route, but it would be problematic in terms of impacting populated areas.
    - It would open up possibilities for Crane because right now US 231 is unreliable
    - To go East would increase economic development in French Lick area and traffic flow.
    - Going West would not be helpful to Meyer in terms of logistics.

MG briefly explains public involvement process and preliminary route input. Adds that these sorts of input are what we hope to gather at public involvement meetings.

- MS Comments that he will be vocal and participatory at these initial meetings.

MG explained regional transportation model that is being developed to compare benefits of different alternatives by the connections they make. It considers effects of alternatives across a large geographic scope.

MG asked if implementation of electronic logs has influenced shipping costs or practices

(JB) (MS):

- There have been costs associated with installation of technology on trucks
- Ultimately costs have been passed along downstream to consumers in some fashion
- Meyer ships to the same locations every day, generally using the same routes (barring any accidents) so they can predict exact driving hours for drivers.
- Meyer has not seen much benefit from the implementation, but other companies may have seen a benefit due to the addition of a GPS if they did not have one before.

- Drivers who did not adhere to hours requirements were a safety issue, so there has been benefit on limiting driving time
    - However, the implementation has forced more experienced drivers into early retirement and replaced them with newer drivers who do not have as much experience
- Another unintended consequence is the zero flexibility on forced rest hours.
- Drivers are forced to pull over 10-15 miles from home, which among other issues, is a safety problem.
    - There is not enough 'interstate parking' to properly accommodate the mandate without impacting trucking financial viability.
    - There is also limited flexibility on yard moves.

MG asked how much of an issue is workforce availability?

(JB) (MS):

- In Dubois County, it is a huge problem. (Currently have around 2.1% unemployment)
- A road that would expand commuter reach would be helpful in increasing workforce
    - Majority of workforce comes from the south between Jasper and Evansville
    - US 231 from I-64 adds quite a bit of time to the commute
    - Even a 10-minute gain would be a huge improvement for work commutes.

MEETING SUMMARY

Date of Meeting:	June 13, 2019	**Re:**	Economic Development Interviews
Location:	534 Mozart St, Tell City, IN 47586	**Issue Date:**	Revised July 3, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Ken Mulzer Jr: Mulzer Crushed Stone; Michael Grovak: Lochmueller Group Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Background – NEPA Studies

Michael Grovak (MG) explained the reasons for the interviews and focused on the current Tier 1 Mid-States Environmental Impact Statement (EIS). It is being conducted to satisfy the requirements of the National Environmental Policy Act (NEPA). Mr. Mulzer serves on the Board of the Mid-States Corridor Regional Development Authority (RDA), and is well-acquainted with the history of this project. The following bullets summarize Mr. Grovak's background.

- NEPA studies assess project benefits, costs and impacts.
- The selected alternative is that which best balances benefits, costs and impacts.
- The Purpose and Need is the formal assessment of needs within the project area.
    - The project Purpose and Need has many technical analyses (safety, congestion, accessibility, economic needs).

    - These interviews are to assess regional logistic and freight movement needs.
    - Purpose and Need is a key item of litigation in many NEPA studies.
- The draft purpose and need will be presented at public meetings the first week of August.

The following sections correspond to portions of the interview agenda. Unless otherwise noted, they represent input from Ken Mulzer (KM).

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*
- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

- Mulzer Crushed Stone is a limestone mining company.
    - It is used in asphalt and ready-mix concrete which is then used for construction of highways.
    - It also produces chemical grade limestone to clean emissions of coal fired power plants.
- The Ohio River is a major transportation artery.
    - It ships product on the Ohio as far as Pittsburgh.
    - River logistics are very important for Mulzer.
    - It allows product to be shipped longer distances for a fraction of the cost of truck.
    - This provides a large competitive advantage over companies that rely on trucking only.
- Geographic Distribution of Mulzer Crushed Stone:
    - KM pulls up map that is on Mulzer Crushed Stone website https://www.mulzer.com/locations/
    - Highlights:
        - Website shows 6 Mulzer owned quarries generally clustered in the Orange, Crawford, Harrison and Clark County region
        - KM explains that limestone quarries occur in a "bowl shape" (Bloomington to St. Louis to Bowling Green) (Creation of a bowl outline)

Customers

- *Where are they located?*
- *How are your finished products transported to your customers?*

- *How time sensitive are the delivery times for your finished products?*
- *Please describe key bottlenecks or obstacles to timely delivery of your finished products.*

- Limestone deposits in Indiana (near Evansville) are far below the surface (about 2,500 feet).
- Limestone is closer to the surface in areas where they are actively mining.
    - These counties (Orange/Harrison/Crawford) have lower population.
    - The product must be transported to where the people/clients are.
    - The Ohio River is the major way this product is received in Evansville
- Of Mulzer's 6 quarries:
    - 3 use the river as the sole means of transport.
    - The other 3 quarries rely on I-64 and SR 64 to go West, and 150 to go towards Loogootee and Washington.
- Mulzer does not have many customers east of its quarries.
    - Freight costs make it non-competitive with other quarries located to the east.
- Mulzer currently has a fleet of 45 trucks
    - It has brokerage arrangements with 100 more
- Mulzer owns its own fleet of barges and boats

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*
- *Are these multi-modal facilities easy or difficult to use?*
- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

- Mid-States offers little logistical advantage to Mulzer.
- However, the economic development potential is significant for Mulzer.
    - Overall economic development leads to more people and businesses.
    - This will increase Mulzer's market for government, business and residential construction.
- Mulzer has few needs for input materials.
    - They mine and ship their product.
    - Essentially all of its freight consists of outbound shipments.

MG asked about Mulzer's workforce needs, and whether workforce is a constraint to business activities.

- The majority of Mulzer quarries are in areas with limited population.
- This makes obtaining adequate workforce challenging.
- Quarries are located proximate to the Hoosier National Forest.
    - These areas have little development or influx of population.
- Quarries have a large range of employment (15-125 employee)
    - 15 employees are in barge operations
    - Mulzer has **600 employees** total (barging, trucking, blasting, construction)
    - Wide variety of skills needed

MG asked if there are any key transportation bottlenecks.

- For Mulzer and most other firms, US 231 from Dale thru Jasper is "a disaster."
    - It is substandard for moving product, people, etc.
    - It is overused in terms of its design and capacity.
- Transportation bottlenecks are an important reason for his involvement with the RDA.
    - For the economic powerhouse it is, Dubois County should not have the logistical issues it does.
    - A north-south connection is lacking, especially north out of Dubois County.

MG confirmed that KM is the only non-Dubois County member on the RDA Board (he represents Spencer County). MG also asked about how support could be garnered from other parts of the region.

- Since the I-67 coalition was formed, Spencer County, Dubois County, and Owensboro have been the nexus of support.
    - Owensboro has been very supportive because of interest in connecting I-165 to the north.
- As the project has progressed- Steve Ferguson (French Lick) has become very enthusiastic
    - This has resulted in an interest in a route to French Lick.
    - This would connect French Lick to Santa Claus (Holiday World)

Background on NEPA Process (MG)

- MG explained the process of identifying preliminary alternatives, screening them, and studying a manageable number in detail.
- I-69 was studied only as an Interstate because the TEA-21 legislation specified the road would be an interstate.
- Absent such support, a NEPA evaluation will need to consider a range of alternatives (not restricted to Interstate highways).

    - He gave the example of a single route considered as both an interstate and a four-lane highway with some at-grade access.
    - These would be evaluated as separate alternatives
- MG cited two key areas which tend to be the focus of litigation.
    - Purpose and need
    - Reasonable range of alternatives
- He mentioned another INDOT Tiered study was overturned in federal court due to issues with the project's Purpose and Need.
- Lochmueller Group understands the interests of the RDA while respecting the requirements of the NEPA process

Other Input

- KM provided background on crashes which led to the construction of J-turns at Dale where US 231 meets I-64.
    - There were numerous fatality accidents in this section of US 231.
    - Hank Menke, Mark Schroeder, and KM went to Indianapolis to promote a by-pass at the I-64/US 231 interchange instead of J-turns
        - J-turns will interfere with the future upgrade of US 231 to an Interstate.
        - J-turns were implemented about three years ago
        - This has reduced the number of fatal accidents.
- Project Riverview.
    - This will be a major facility to produce diesel fuel from coal (gasification process for pressure)
    - Proposed location is along US 231 very near the I-64 interchange.
        - The location currently is accessible only from a county road.
    - These local circulate needs must be taken into account with the Mid-States project.
    - Tom Utter of Lincolnland Development Corporation will have more details about this project.
- MG noted that improvement needs for the section of US 231 between the Natcher Bridge and I-64 will be considered by the Mid-States project.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 13, 2019	**Re:**	Economic Development Interviews- OFS Brands
Location:	1204 E 6th St, Huntingburg, IN 47542	**Issue Date:**	July 1, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Hank Menke: OFS Brands; Michael Grovak: Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) made introductory remarks. Mr. Menke (HM) has been deeply involved in promoting the Mid-States project for many years. MG's introduction focused on the particulars of the current NEPA study. Introductory remarks shown below are by MG.

Background – NEPA Studies

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project under the National Environmental Policy Act (NEPA).
- An Environmental Impact Statement (EIS) is the most detailed level of analysis.
    - Regulators and legal sufficiency require that an EIS focus on its assessments of benefits.
    - Benefits are assessed based upon the project's Purpose and Need.
    - The Purpose and Need will include extensive data analysis.

        - These include economic data (Poverty rates, employment, income, migration, etc.).
        - These include transportation data (crash analysis, forecasted congestion, accessibility).
    - The Purpose and Need also will assess logistical needs and freight bottlenecks.
    - Purpose of these interviews – better understand logistical needs and bottlenecks.
- MG mentioned also upcoming public input opportunities (public meetings and Regional Issues Involvement Teams). Mr. Menke already was aware of these meetings.

Background – Previous Work by Project Supporters

HM provided background about his efforts and those of others supporting the Mid-States Corridor Regional Development Authority (RD)>

- HM reiterated his extensive support for this project for years.
    - It is much needed.
    - He has dedicated much of his time to making it a reality.
- Dubois County industry needs access to the north.
    - Needs a way to connect to I-69
    - Concerned about the continued economic development of the region.
    - Infrastructure, good schools, roads and fiber optics all are needed.
- To make this project a reality, the RDA is funding this Tier 1 study.
- HM cited a recent FedEx report.
    - It concluded that Dubois County could be the next "Harrisburg Pennsylvania.
    - He believes it lacks only the north-south connection.
    - Senator Braun could provide this study.
- Whatever route is chosen could significantly benefit the region.
    - French Lick needs a road for further economic development.
    - Dubois County needs access to a larger labor force.
    - MG mentioned that Ed Cole (Dubois Strong) made the same point in an earlier interview.
    - Greater access to Crane would lead to additional millions in investment.

The following sections correspond to portions of the interview agenda. Unless otherwise noted, they represent input from HM.

General

Describe your business process at a high level.

- *Where is/are your major production facility/facilities located?*
- *What are your key inputs?*

- *What are your key finished products?*
- *What at the critical aspects of your business/production process?*

- The main production facilities are in Huntingburg, IN and Litchfield NC.
- OFS produces a full line of high-quality furnishings
- It employs 2,000+ employees
- Yearly revenues exceed $500 million.
- Its major competitors are in Michigan.
- To remain competitive requires being able to efficiently serve markets to the North.
    - There are an estimate quarter million in added shipping costs due to the need to drive south to I-64 to access I-69 for trips north.
    - A previous Cambridge Systematics study found 231 to be a "dangerous road"
    - It is hilly, has many cross roads, and is used by a lot of farm equipment.
- He understands that the project is looking at 4-lane roads.
    - He is hopeful for a road built to Interstate standards.

Suppliers

Describe your key suppliers of input materials.

- *Where are they located?*
- *How are your key inputs transported to your location?*
- *How time sensitive are the delivery times for your key inputs?*
- *Please describe key bottlenecks or obstacles to timely delivery of your input materials.*

Business Inventory

- *How much inventory (days/week of use) do you need to keep on hand?*
- *Do undependable delivery times cause you to stockpile large amounts of inventory.*

- Access problems already described affect both product shipments and materials delivery.
    - They currently get parts from Grand Rapids, Michigan and Chicago, IL
    - Costs are driven up due to missing logistical connections going south from these two locations
    - Grand Rapids is an important place for component parts, but we also compete with that region with for finished products

Transportation, General

- *What key multi-modal facilities do you use for supplies or deliveries?*
- *Are these multi-modal facilities easy or difficult to use?*

- *How much do transportation bottlenecks restrict your markets (for either suppliers or customers for your finished products)?*
- *What are chief causes of variability of shipping time for inputs or finished products?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

- A north-south road gives access to Indianapolis and Chicago.
    - This provides for intermodal rail connections.
    - This also provides access to international markets.
- A road could improve better access to intermodal facilities, including air travel in Indianapolis.
- Having access to FedEx center in Indianapolis and not just Louisville gives more options which translate to added competitive advantage.

MG asked about the reach of their supplier markets to the east and west.

- Markets to the east and west are very significant.
- Markets to the north and south are still developing.
- Lack of access makes these markets less competitive at present.
- Believes that Meyer Distributing probably will avoid putting another warehouse in this reason due to lack of access. MG: In addition to doing our traffic forecast, we are using very sophisticated economic tools to evaluate the region

MG asked about the importance of both actual travel time, as well as reliability of shipment times.

- These factors are very important to support a diverse economy.
- Dubois County has a variety of large shippers and manufacturers (Jasper Engines, Meyer Distributing, as well as the traditional wood furniture business).
- It is also necessary to consider Crane and its poor access via US 231.
    - Jasper needs an addition area for industrial development.
    - He suggested northeast Dubois County.
- Dubois County affords high living standards in which more people could share.

MG asked what steps should be taken to widen support for the project in the 12-county region.

- Stress the potential to expand workforce opportunities and decrease commute times.
- It provides opportunities for workers for counties with high unemployment.
- Transportation north is a critical need for Spencer County residents and businesses.
- Owensboro understands the need for an interstate connection.
    - MG cited the scope of the project's technical analysis.

    - It will evaluate improved connectivity down to Bowling Green and points further south.
- The first question developers have is what kind of roads are in your region.
- Access to major roads is a large part of location decisions.
- The state of Indiana is going to have a huge cost trying to relieve I-65 congestion.
- We need to think ahead with interstate standard roads and the mass movement of goods.

Concluding Remarks (HM)

- Indiana has many economic advantages now.
- We need to have good infrastructure to continue to attract jobs and people.
- Believes this is a good time for the progression of this project.
- It has support at the federal level.

Concluding Remarks (MG)

- This project is not controversial locally.
    - Project team needs to anticipate the possibility of opposition from outside of the project area.
    - The study must be complete and thorough in terms of the costs, benefits, and impacts.
- The study has a two-year schedule to select a route.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 13, 2019	**Re:**	Economic Development Interviews- Perry County Port Authority
Location:	926 Boundary Way, Tell City IN 47586	**Issue Date:**	Revised July 3, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Alvin Evans: Perry County Port Authority Michael Grovak: Lochmueller Group Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) made introductory remarks about studies conducted to address the requirements of the National Environmental Policy Act (NEPA).

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An Environmental Impact Statemen (EIS) is the most detailed level of analysis.
- Particularly large or complex projects sometimes use a tiered EIS. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor.
- Tier 2 studies are more detailed and result in the section of an exact alignment.
- An EIS at basis is the analysis of the tradeoffs among project benefits, impacts and costs.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.

Following are the agenda points and the related discussion. Unless otherwise noted, comments represent the input of Alvin Evans (AE).

General

Describe the businesses you serve at a high level.

- *What are the major businesses <u>for whom logistics and freight shipments</u> are key to their business processes?*
- *In general, what are their key finished products?*

AE provided a timeline for the Perry County Port Authority.

- 1986- Norfolk Southern lines began short line operations at 3 locations
- 1989- Port Authority was established to operate Lincoln City to Cannelton line if it was w abandoned.
- 1996- Perry County Port Authority took control of Lincoln City to Cannelton and Spencer County line from mainline to AEP Rockport Generation Station lines.
- Waupaca Foundry made a deal with Port to use the lines
    - Caused an addition of a mile-long rail spur to plant [Waupaca]

Since 1996:

- Inputs from American Colloid as well as pig iron is brought by rail to Waupaca
- 10,000 tons of material are shipped monthly.
- Inputs tend to be heavy materials.
- ORG Chem Group operates a facility at Troy
    - De-icer and antifreeze comes in by truck and rail
- Pig iron received by barge is shipped to Kentucky
    - Natcher bridge/parkway makes that possible

Shipping Patterns for Port Authority

- The Mid-States Corridor will not have a major role in supporting industries served by the Port Authority.
    - It does not serve industries to the north, outside of Perry County and potentially Spencer County.
    - Its shipments are focused to the south, via barge/river traffic.
- It will be advantageous for industries from the north which are shipping South

  - Access to Indianapolis is critical
  - Cambridge Systematics did early work which led to improvements of SR 37 south of Bedford, connection of SR 37 from I-64 to SR-64 and I-69.
  - That study's primary recommendation was to improve the route from Tell City to Bedford
  - This also strengths ability to ship products to and from Lawrence County.

MG asked whether some route options for the project could increase the Port's freight flows.

- A route to the east of Dubois County (Orange and Lawrence County) would be helpful.
- That would increase accessibility to Orleans, Paoli and points north to Indianapolis.
- A route going west to I-69 would not increase our freight flows.

MG asked about the benefits of improved access to Indianapolis.

- This would benefit both the port and its customers.
- It could increase our freight flows.
- This is the only Ohio River port between Louisville and Mt. Vernon.

MG asked about the relationship between the Perry County Development Commission (PCDC) and the Port Authority.

- AE has been with the Port Authority since the founding in 1990's.
- He was Board Chairman until 2013
- Port Authority is appointed by the County commissioners
- PCDC is a private entity
  - Government officials nominate 6 of 15 Board members.

Transportation, General

- *How important is transportation to future growth and development?*
- *Are there key target market sectors you seek to attract, especially in the logistics sector?*
- *Are key multi-modal facilities easy or difficult for businesses to use?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

- Waupaca provides automotive parts within 100+ mile radius
  - Toyota/Honda/Subaru brake parts all come from Perry County
  - John Deere and Ford are also big customers
  - They incur added costs due to longer travel and unpredictable travel times
- ATTC Manufacturing provides brake components and other automotive parts.

    - Use castings from Waupaca or sister company in Rushville, IN
    - It manufactures Toyota and Subaru parts
        - Subaru is located in Lafayette
        - Presently it must use I-65 to serve Subaru.
- These two manufacturers both have large levels of freight shipments.
- Various plants in Kentucky also ship through Perry County to the north.
    - They must go east (to I-65) to get north.

- MG described computerized travel models for comparing highway alternatives.
    - The project's model will use the Indiana statewide travel model, along with elements of the Kentucky and Tennessee statewide models.
    - It will extend past Bowling Green to the outskirts of Nashville
- MG also described economic forecasting models which the project will use.
    - The model (TREDIS) has detailed county-level industry information.
    - It will forecast benefits of project alternatives.
    - These forecasts will address indicators such as changes in employment, sales, take home pay
    - In this context, he described how Alternative 1 (US 41 – I-70) in the I-69 study performed quite poorly compared to many other alternatives.
        - He cited this as an example of how costs and benefits are compared.

MG asked about the development and business outlook in Perry County. What is the potential for future development?

- Workforce shortages are a key constraint to further development and investment.
- Industries continue to make capital investments.
    - This investment is not leading to added employment.
    - This investment emphasizes automation and robots.
- The focus is on increasing population and thereby increasing the workforce. the population

MG asked if better access would increase the potential labor force, and/or encourage people to remain within the region.

- Direct access to Indianapolis and Bloomington would be a definite plus.
- Having high-level highway access to other parts of the State is an attractive feature
- Better access to entertainment and "city life" would make the region a more attractive place to live.
- Economic growth is more of a population/workforce issue, rather than an industry issue

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 25, 2019	**Re:**	Economic Development Interviews: Radius
Location:	1504 I St, Bedford IN 47421	**Issue Date:**	July 12, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Jeff Quyle (JQ): Radius; Matt Craig (MC): Radius; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Michael Grovak (MG) gave an introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An EIS is the most detailed level of analysis.
- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
    - Brief description of the development of a project specific model that uses data from IN, KY, and TN statewide travel models.

- These interviews will gather information on business and logistic flows needs and gaps. They will be used to support the Project's Purpose and Need.

The following points correspond to the interview agenda. Unless otherwise indicated, they document input by Jeff Quyle (JQ) and Matt Craig (MC).

General

Describe the businesses you serve at a high level.

- *What are the major businesses for whom logistics and freight shipments are key to their business processes?*
- *In general, what are their key finished products?*

Jeff Quyle (JQ) briefly described the history of Radius and its primary functions

- Radius was established by the Indiana legislature to address region's historic economic disadvantage.
- When the French Lick Casino was developed, some of its profits were required to be used for economic development. This led to the formation of Radius.
- Radius serves 8 counties (Crawford, Washington, Orange, Lawrence, Martin, Greene, Dubois, and Daviess)
    - MG notes that Washington is the only county not in the 12-county Mid-States study area
- Its focus is on business attraction and current business support, tourism development (tourism is the 7th largest industry in the region), small business support, local leadership development and education, and work force attraction (working with Conexus, Crane, and community)
- It has a high focus on Crane (largest employer in region with ~6,000 employees) and its affiliated contractors.

Matt Craig (MC) describes Radius' role at Crane in more detail

- 2 major roles
    - 1) Connecting the communities and 5 counties that surround the Crane base with industry and regional groups.
        - Intent is to sustain and promote growth of the military base from a community perspective.
        - It pursues business retention related to the military base
        - Part of that role is fostering communications, preventing unwanted development, and promoting wanted development.

- An example of unwanted development from Crane's perspective is wind energy farms
- These can be dangerous to air operations or residential development near Crane testing sites.

- 2) Helping in mission growth and the logistics of mission growth for Crane.
  - Helping Crane find the resources and outside contractors they need.

MG asks them to describe the business Radius serves or potential businesses it tries to attract.

(MC):

- Crane Army Depot: large industrial entity (800 employees)
  - Manufacturer/Storage/Distribution hub for 25% of DOD conventional ordinance (ordinance referring to small arms ammunition, large gun ammunition, and potentially some rockets and missiles)
  - An Estimated 40,000 tons of ordinance that comes annual inbound and 30,000 tons outbound - an estimated 20-30 trucks a day.
  - A new highway is another transportation dimension that adds to 'base resiliency.' Protection of single point failure. Makes role of base more secure.
- Potential new business: global microelectronics manufacture (top 10 globally recognized) is looking at the region.
  - Part of its interest in coming here is sharing knowledge with Crane
  - Its final product would be shipped all over the world
  - Transportation options are very important to appeal of the region.
- Another potential new business: Small manufacturing facility that would manufacture rocket motors and distribute them nationally.
  - Access to reliable transportation and intermodal facilities are be necessary.

Transportation, General

- *How important is transportation to future growth and development?*
- *Are there key target market sectors you seek to attract, especially in the logistics sector?*
- *Are key multi-modal facilities easy or difficult for businesses to use?*
- *Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access?*

MG asked about important logistical connections, or some that need improvement

(JQ):

- The community of Orleans, Indiana is on HWY-37 (2-lane) and has large manufacturing facilities that have been vacant for years due to the lack of fast and reliable roads.

    - Increased logistical reliability could lead to use of these facilities, and more jobs.
- The tourism industry is a large industry in this region (Orange, Martin County) due to their low population and outdoor recreational opportunities.
- It is currently difficult to travel to these locations from Nashville, Louisville, etc.
    - Access to the French Lick Casino is via 2-lane highways at least 30 miles in any direction.
- Other prominent industries in Dubois County (Food processing such as Farbest Foods and the traditional wood manufacturers) need better transportation to move their products to market
    - MG asked for insights into the reliability of 231 from Crane to Dubois County
    - JQ commented that the stoplights in Jasper raise fuel costs.
    - US 231 is not reliable (no shoulders, windy, topography, etc.)

MG asked how much of a factor transportation is relative to other things

JQ replied:

- The single most important factor is workforce availability for business,
    - Transportation indirectly is a part of work force availability.
    - Better transportation increases the size of the labor force with access to the area.
- Transportation and ease of transport itself is the second largest aspect
    - Ease, affordability, and reliability
- Utilities and taxes are also important in business attraction
    - Electricity has risen in Indiana over the past 10 years due to the shift from low cost coal to generate electricity.
        - Historically Indiana had some of the lowest electrical rates, but it now has average electrical costs.
    - Tax rates in Indiana are still considered low for the US.
    - Regulatory approvals are speedy and flexible in comparison with other states.

MG asked about what kind of businesses they desire to attract

JQ:

- There is a focus on advanced manufacturing, which includes the defense sector, automotive companies, and foreign direct investment
    - Currently the Radius region has the lowest amount of foreign direct investment in the state
        - This could partially be attributed to lack of major highways/interstates.

MG asked whether multimodal facilities are an issue?

(JQ):

- There is gypsum production in Martin County and limestone production in the region which is commodity-type product that traditionally would use rail
    - He is unsure of the specifics of their rail shipments, but predicts that an interstate connection to rail would be of benefit
- He knows that Grain Processing Corporation (Daviess County) uses rail

MG concluded the meeting and gave a brief timeline and explanation of the tiered process

JQ gave concluding remarks and mentioned the regional issues involvement teams, acknowledging that Radius has received an invitation to participate. Radius serves 7 out of 12 Study Area counties. It is interested and engaged in looking at all the alternatives and their potential benefits.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 12, 2019	**Re:**	Economic Development Interviews: Southern Indiana Economic Development Corporation
Location:	405 JFK Avenue, Suite A, Loogootee, IN 47553	**Issue Date:**	July 1, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Greg Jones (GJ): Southern Indiana Development Corporation; Rhonda Rumble (RR): Southern Indiana Development Corporation; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

Introduction

MG provided an overview of environmental studies under the National Environmental Policy Act (NEPA).

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An Environmental Impact Statement (EIS) is the most detailed level of analysis.
    - Particularly large and complex projects may use a "tiered" approach. Tier 1 considers ''big picture'' planning issues such as ''build'' vs. ''no-build''; facility type; preferred corridor; and logical termini for ''projects of independent utility'' within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment. And EIS at its core evaluates project benefits, impacts and costs.
    - Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
    - For this project, freight flows, logistical needs and intermodal connections also are important.
    - The process of specifying preliminary alternatives and then screening to a smaller number of detailed alternatives was described.
- The 12-county study region is described.
    - The beginning terminus is US 231 beginning on the Indiana side of the Natcher Bridge in Rockport.
    - After following US 231 to Dubois County, alternative routes will go east, west, or north to connect with I-69 or SR 37.
    - GJ asked if the project will be built on existing facilities (current roads) or new facilities/terrain.
    - MG stated that alternatives will consider both new facilities and upgrades of existing facilities.
- MG mentioned:
    - Kickoff public meetings will be held during the week of August 5th, 2019
    - A draft Purpose and Need Statement will be presented for input.
    - Public input will be south on preliminary alternatives.
    - In later 2019/early 2020, these preliminary alternatives will be screened to no more than six alternatives to be studied in detail.

Follow Up to Introduction

- GJ requested information about the origins of the project and the regional needs which it is to address.
- MG explained that Governor Pence's Blue-Ribbon Panel Report identified the Midstates Corridor as a statewide level 2 priority and a top priority for the Southwest region and the state.

- GJ asked whether Dubois County business interests support the project to expedite north-south freight shipments. MG agreed that many businesses support it for that reason.
    - These interests supported the establishment of the Mid-States Corridor Regional Development Authority (RDA).
    - The RDA was established by Dubois and Spencer counties.
    - The RDA was established to allow additional jurisdictions to participate.
- GJ emphasized the importance of demonstrating benefits throughout the region. There are larger issues than the Midstate's corridor, the farther you get away from the Dubois region the less benefits
- GJ also asked about whether the RDA would have a wider focus than the Mid-States Corridor project.
    - The RDA can serve multiple purposes in the region.
    - Focusing on other needs will expand the RDA's ability to serve the broader region.
- MG described the RDA's role in funding the Tier 1 Study.

Further Introduction to Interview Questions

- MG described the relationship between the cost, benefits, and impacts of this project.
- MG mentioned the importance of public involvement to gather input such as we are receiving in this meeting.
- GJ asked if the counties represented by the Southern Indiana Development Corporation (SIDC) have had discussions with the RDA
    - GJ stated he was unsure if such discussions are occurring.
    - GJ restated he wants to us to be aware of potential pitfalls.
    - Dialogues need to occur among all counties in the project area.

After these introductions, the discussions focused on specific agenda points. Unless otherwise noted, all statements are attributable to GJ.

General

Describe the businesses you serve at a high level.

What are the major businesses <u>for whom logistics and freight shipments</u> are key to their business processes?

In general, what are their key finished products?

- SIDC is a quasi-governmental organization.
    - It receives no direct government funding.

    - It has a 36-member board.
        - Seven members are appointed by each of five counties. (Daviess, Green, Lawrence, Martin and Knox).
        - One is appointed by the Governor.
- Its three main priorities are regional quality of life, building regional collaboration, building regional assets
- It assists local governments with project implementation (housing, roads, etc.)
    - SIDC works on funding for such projects.
    - It works similarly to the Indiana 15 Regional Planning Commission.
- It also provides minor transportation planning assistance.
    - It has some traffic count data which are available for our use.
- The organization has existed for 44 years.
- It is one of the most trusted organizations for this region.
- MG described information we hope to obtain from these interviews.
- These include economic trends, congestion, logistics/logistical connections for business related needs, key industries, bottlenecks, etc.
- These will support the project purpose and need.

Recent demographic/industrial trends

- Generally, Daviess County is the only SIDC county that is growing in population.
- This is due to inmigration.
- Major industries include:
    - Advanced agriculture (Turkey production).
    - The Crane naval base is the foundation of the region's economy.
        - It has about 5,500 employees.
        - Its median wage is $68,000/year.
    - Limestone, gypsum, coal mines, rock stone
        - Coal is mined in Daviess and Greene counties
        - Limestone is extracted in Lawrence County.
- While I-69 provided jobs, it also exported jobs to Bloomington.
- Crane and its associated contractors actively recruit Bloomington residents.
- Two current efforts seek to bring economic development to the region.
    - Purdue at WestGate – teaching entrepreneurs how to start new businesses and commercialize ideas.
    - Partnership with a European company and Crane for a master's in engineering program
- Regional leaders-

- There is an 8-county study analyzing a southwest Indiana technology collaboration hub
  - Determining available entrepreneurship resources
  - Also looking at physical capabilities and needed support services.
- We want to avoid having many regional communities competing for the same initiatives.
  - How can we build on regional strengths through collaboration?
  - The issue is not office space, but resources and services to support entrepreneurs
  - Creating these linkages is challenging.
  - The region is competing with Bloomington, Terre Haute, and Columbus.

Needed/Missing Linkages

MG began by asking how the route chosen for Mid-States could provide linkages to support regional development.

- Connections are poor from Jasper to Loogootee, Dubois County to Washington, and Lawrence County to many locations.
- Potential routes all will have their strong points.
  - There are potential benefits to both manufacturing and tourism.
  - SIDC's primary focus is not on new manufacturing,
  - Its emphasis is retaining existing businesses.

Economic Development

- MG explained the forecasting tools that will be used to evaluate the potential benefit of project alternatives.
  - The project travel forecasting model will extend to mid-Kentucky and northern Tennessee
  - It will use TREDIS determine how business profitability is affected by transportation and logistical improvements.
  - It will assess both benefits to existing businesses as well as the ability to attract new businesses.
  - It will forecast benefits such as increases in jobs, personal income, and business income.
- GJ asked whether the selected I-69 alternative performed well on economic development.
  - MG stated that the chosen route performed the second highest in economic development.

  - The alternative which performed the best had to be discarded because of impacts to sensitive Indiana bat habitat.
  - He also mentioned that another tool was used for I-69 because TREDIS did not exist 17 years ago.
- GJ stated that much support for the project has been "self-serving."
- It is important to use objective forecasting tools.

Closing Discussion

- GJ asked whether SIDC could provide detailed resource information.
  - MG stated that in this tiered study, we are using published information which is consistent across the 12-county region.
  - Such detailed information would be more helpful in following Tier 2 studies.
- MG mentioned that kickoff public meetings will be announced soon.
- We hope to have a project website available around July 1st. It will contain:
  - FAQs about the project
  - Other project information
  - Portal for submitting comments.
- MG also described the Regional Issues Involvement Teams
  - About one-quarter of the budgeted project effort is for public involvement.
- GJ stated he was somewhat assured that the same staff who worked on I-69 are leading the Mid-States analysis.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

MEETING SUMMARY

Date of Meeting:	June 18, 2019	**Re:**	Economic Development Interviews: WestGate Technology Park
Location:	13598 E. WestGate Dr. Odon, IN 47562	**Issue Date:**	July 10, 2019
Submitted By:	Amy Hackbarth		
In Attendance:	Jason Salstrom (JS): Purdue Foundry @ WestGate; Michael Grovak (MG): Lochmueller Group; Amy Hackbarth: Lochmueller Group		

ITEMS DISCUSSED:

MG: Introduction on NEPA Environmental Impact Statement (EIS) process:

- Any federally funded project requires studies of the benefits, impacts and costs of a proposed project. An Environmental Impact Statement (EIS) is the most detailed level of analysis.
  - Particularly large projects sometimes use a tiered study because you are dealing with a very large geographic area. Tier 1 considers ‘‘big picture’’ planning issues such as ‘‘build’’ vs. ‘‘no-build’’; facility type; preferred corridor; and logical termini for ‘‘projects of independent utility’’ within the preferred corridor. Tier 2 studies are more detailed and result in the section of an exact alignment. An EIS at its core evaluates project benefits, impacts and costs.

- Purpose and Need identifies needs in the project area which could be addressed by a transportation project. This process involves technical work measuring indicators such as accessibility, congestion, economic trends, and logistical connections.
- The region of the Mid-States corridor was described, including the starting point (US 231 in Rockport), continuing on US 231 to Jasper/Dubois Co., and then either continuing north/west to I-69, or east to SR 37 (and from there to I-69).
    - The analysis of proposed routes will be based upon the three criteria mentioned above (cost, impact, benefits)
    - Logistics and freight movement are a large part of this evaluation which leads to the reason and context of this interview.
    - Lochmueller is identifying key needs by speaking with businesses and those dealing with economic development in this region.

The following points correspond to the interview agenda. Unless otherwise indicated, they represent input from Jason Salstrom (JS).

General

Describe the businesses you serve at a high level.

- *What are the major businesses <u>for whom logistics and freight shipments</u> are key to their business processes?*
- *In general, what are their key finished products?*

Provided a brief history of the Academy and its current operations:

- The academy was established in 2012; originally envisioned to be a technology incubator
- Has since been branded as a training and conference center as well as a business incubator and event facility.
- In 2017 Purdue University established a program for technical activity, which they hoped would spark more collaboration and give a "community" to the Tech Park.
    - Establishment of the Purdue Foundry – Mitch Daniels hoped to mimic the entrepreneurial ecosystem at West Lafayette's Purdue Foundry.
    - Foundry programming at WestGate includes catalyzing and supporting entrepreneurial activity
        - Facilitate University training here for the public
        - Host venue for Crane (hosts 1,000+ Crane employees for training and conferences)
        - Also serves as a social and professional community for the tech park

MG asked what sort of businesses have been attracted to the tech park? What businesses would you hope to attract to the park in the future?

JS replied

- Most of the current businesses have been lower skilled technology support
    - Focus on the rehabilitation of equipment for Naval fleet vessels at Crane
        - Rehabilitant equipment for crane and naval fleet vessels
        - Includes part fabrication
- In the future there is the hope of attracting more of a permanent presence of companies (Specifically- defense contractors)
    - Foundry is identifying businesses that can work here in Indiana, instead of operating remotely and having permanent establishments on the Coast.
    - Examples listed were AECOM and ManTech.
- Other future goals include growing presence and diversifying clients beyond Crane support.
    - The diversification of industry allows for less of a reliance on economic and leadership flow at Crane.
    - Leadership at Crane can greatly inhibit/ or help the Park depending on the priorities of the leadership.

Transportation, General

- *How important is transportation to future growth and development?*
- *Are there key target market sectors you seek to attract, especially in the logistics sector?*
- *Are key multi-modal facilities easy or difficult for businesses to use?*

Are there specific geographic orientations (directions) which have inadequate transportation facilities or multi-modal access

MG also asked what sort of affect has the recent completion of I-69 to Bloomington had on Westgate operations?

- The access to Bloomington has an effect, but the magnitude is still to be determined.
- These effects have been both positive and negative
    - Negative: The technology park has lost some permanent presence of companies (i.e. they are in Bloomington and travel to this area for business).
    - Positive: The closeness of Bloomington can be used as a recruitment tool- it is an attractive nearby location- especially for younger employees.

  - However, ultimately it would be preferable to have an improved quality of life (work and play) here, instead of just the job, and then "play" in Bloomington.

MG noted that one of the alternative routes has the potential to connect Crane directly to the South of the State and Kentucky.

- Of the clients we support (start-up companies): 1/3 come from the Bloomington region, 1/3 come from the Evansville region, and 1/3 come from the region surrounding Crane.
- Purdue at WestGate would be able to serve Jasper/Dubois County area better if transportation was easier/more efficient.
- Jasper clients are not inclined to come to WestGate because it is not a convenient or easy drive.

MG commented on the seeming disconnect between the scale and diversity of industry in Dubois county and the lack of North/South logistical connection.

- I think there would be impact on our relationship (business) to Jasper/Dubois if there was a connection.
  - Cultivation of entrepreneurs from Jasper.
- There appears to be untapped potential activity from the Dubois County population/companies.
- He currently finds it difficult to engage with that area, and suspects it may have to do with access
- A logistical connection between the two regions could potentially attract workforce for both areas.

MG commented that common theme from these interviews is lack of workforce availability.

- Workforce attraction is WestGate's biggest problem
  - Indiana is ranked as one of the lowest (bottom 20%) in the country based on Chamber of Commerce reports for having an educated workforce.
  - This translates to a massive problem for attracting technology/STEM companies.

MG asked whether there any significant logistical issues or barriers that you are aware of for the entirety of the Crane area?

- Not that he can speak to, that specific knowledge is outside of his area of focus.
- Tri-State Transportation (one of the largest operators) or Metal Technologies (move engines to/from Germany; trucks to rails) might be someone worth speaking to on specific logistical issues.

Concluding remarks

- A selling point of this area (recruitment) is that it is ~8 hours from 2/3 of the United States population
    - Selling to companies based on the fact that they are closer to population
- As the concept of regional economies becomes more dominant, there becomes a need for more regional connectivity.

The above constitutes our understanding of the meeting. If you believe there are omissions, additions, or corrections, please send your written comments within seven working days to Lochmueller Group.

French Lick Resort 2019

Chamber Update

FRENCH LICK RESORT®

FRENCH LICK & WEST BADEN · INDIANA

_0619

Where we started.

$533 million direct investment to resort property

2007 Revenue
65% Casino Revenue
35% Hospitality Revenue

2018 Revenue
52% Casino Revenue
48% Hospitality Revenue

70% of the workforce lives in Orange County
1,100 full time and **1,700** total jobs

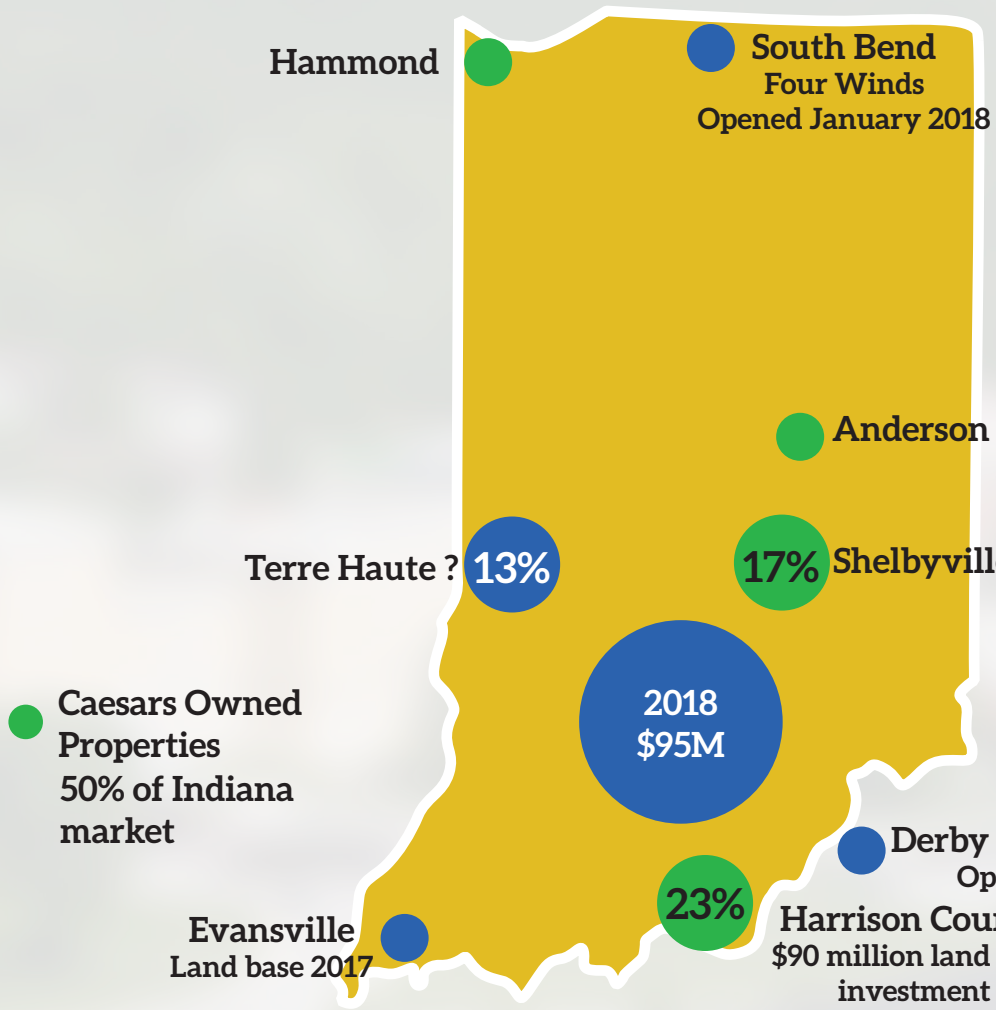
$672 million French Lick Resort Employee Payroll,
Taxes and Benefits

2019 Gaming Legislation

Casino Provisions

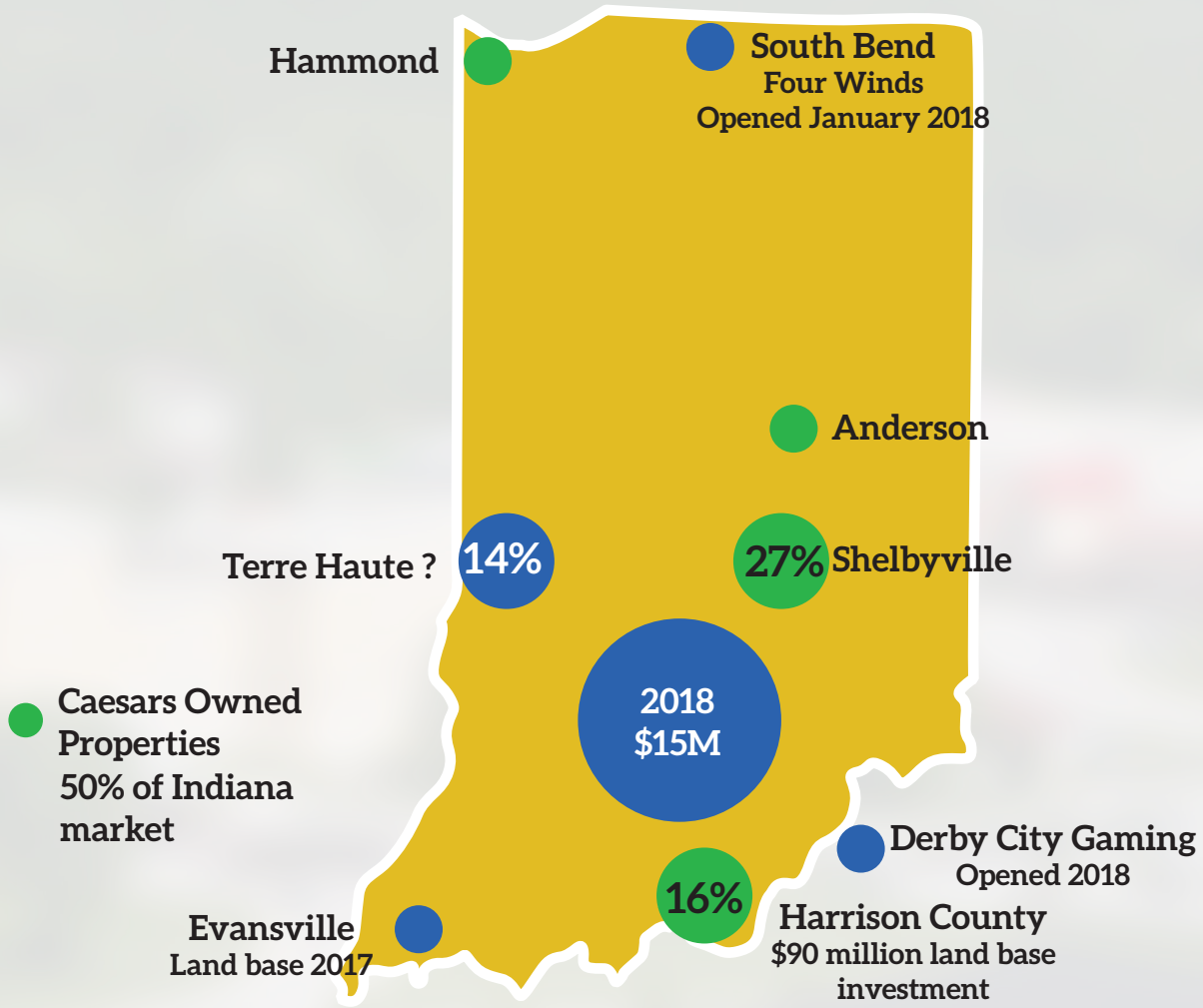
1. The bill allows one of two Gary riverboats to move anywhere inland within the City of Gary.
2. The bill provides that Gary riverboats licensee may apply to the Indiana Gaming Commission to relocate to operate a casino at a location in **Vigo County**
3. The bill increases Free Play/Promotional Credit from $7.0M to $9.0M
4. Establishes a statutory framework to permit **sports wagering** September 1, 2019 including mobile.
5. Permits Racinos to offer **live table games** at their two facilities beginning January 1, 2020
6. 5% wagering tax reduction for all Casino's on first $25M July 1, 2021
7. The bill increases Free Play/Promotional Credit from $7.0M to $9.0M
8. Multiple wagering tax reductions with Adjusted Gaming Revenue below $75M
9. The bill redirects a portion of FLR Casino 's AGR to the West Baden Historic Preservation Fund.

Indiana Gaming



At Risk 53%

Table Games at Shelbyville



Other Market Disruption

- 3 of Caesars properties directly compete with 30% of the French Lick market
  - Billion dollar organization
  - Substantial marketing and promotion budgets
  - National reward program
  - 60 plus locations
  - Harrison County landbase operations November 2019
- Derby City Louisville Slot Parlor plans hotel expansion at Churchill Downs

Gaming Effect on Orange and surrounding Counties

(effective July 1, 2021)

- Wagering tax will be reduced
- AGR (Adjusted Gaming Revenue)
- Fiscal 2018 = $87,000,000 AGR
- Fiscal 2019 = $85,000,000 AGR
- Promotional Allowance increased $7M - $9M
  - $85,000,000 and above = less 5%
  - $75,000,000 and above = less 21%
  - Below $74,999,900 = less 47%
  - Below $70,000,000 = less 59%
  - Below $65,000,000 = less 69%
  - $60,000,000 and below = less 78%

Gaming Effect on Orange and surrounding Counties

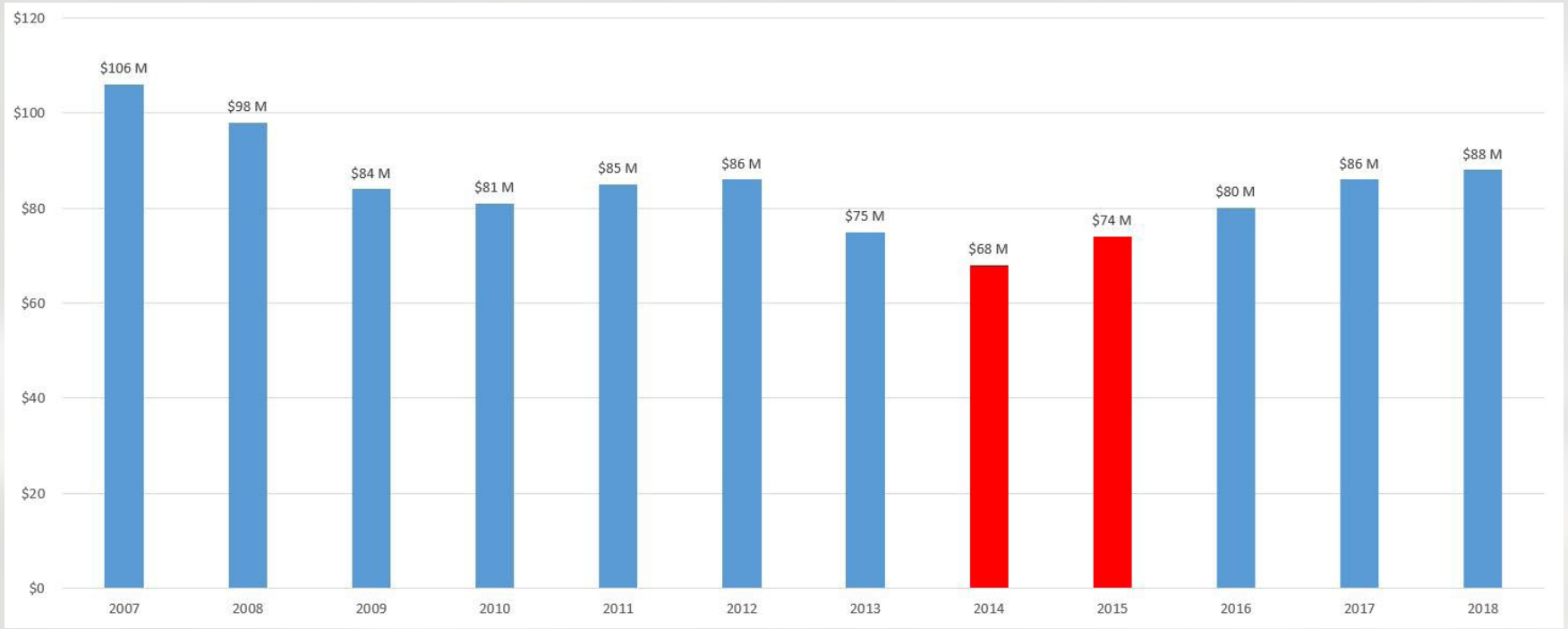
- Wagering tax will be reduced

"We need to stay vigilant now and in the future." - Steve Ferguson

"The $2.5M Community Support Fee is critical to the Region"

- Promotional Allowance increased $7M - $9M
  - $85,000,000 and above = less 5%
  - $75,000,000 and above = less 21%
  - Below $74,999,900 = less 47%
  - Below $70,000,000 = less 59%
  - Below $65,000,000 = less 69%
  - $60,000,000 and below = less 78%

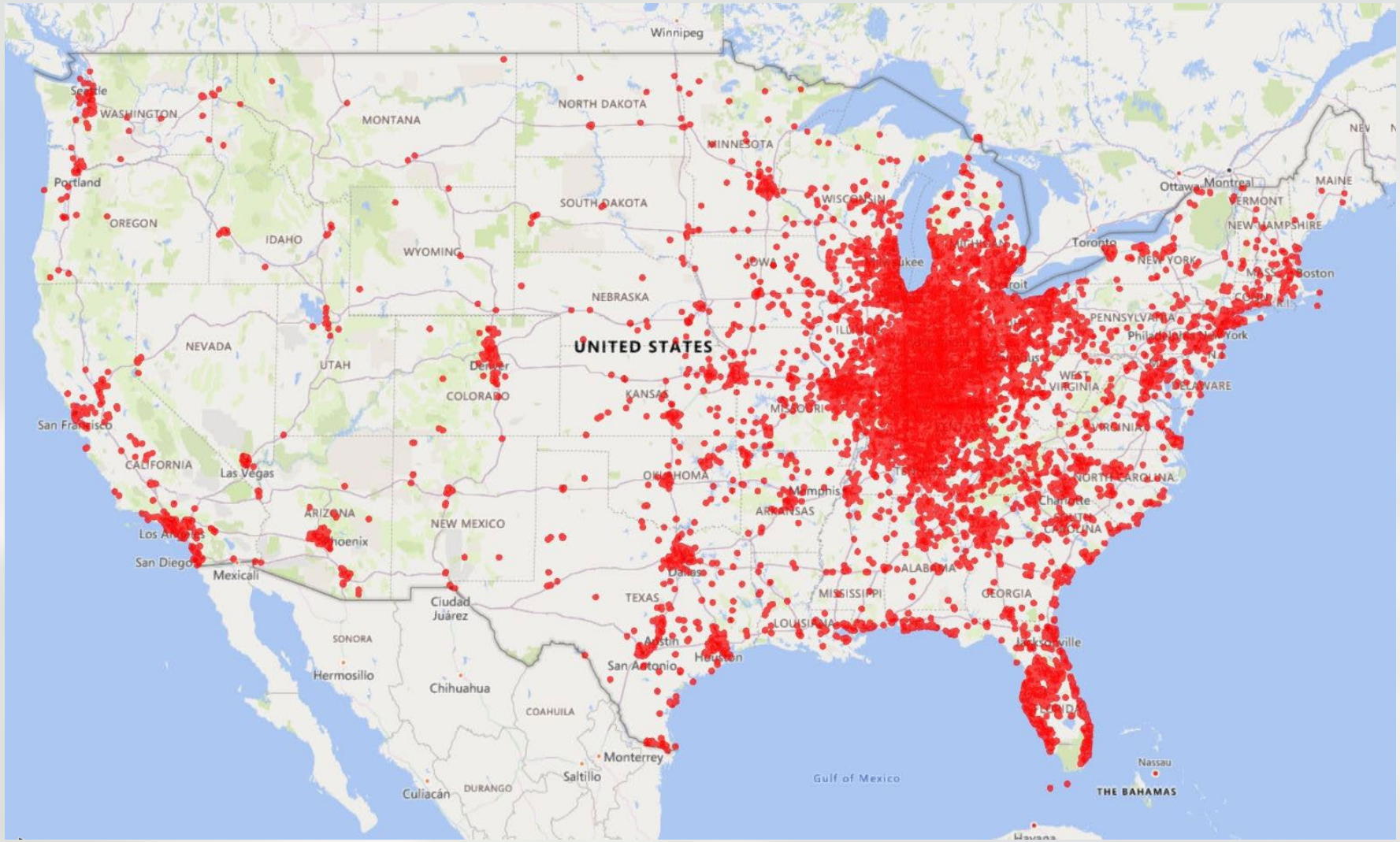
Adjusted Gaming Revenue



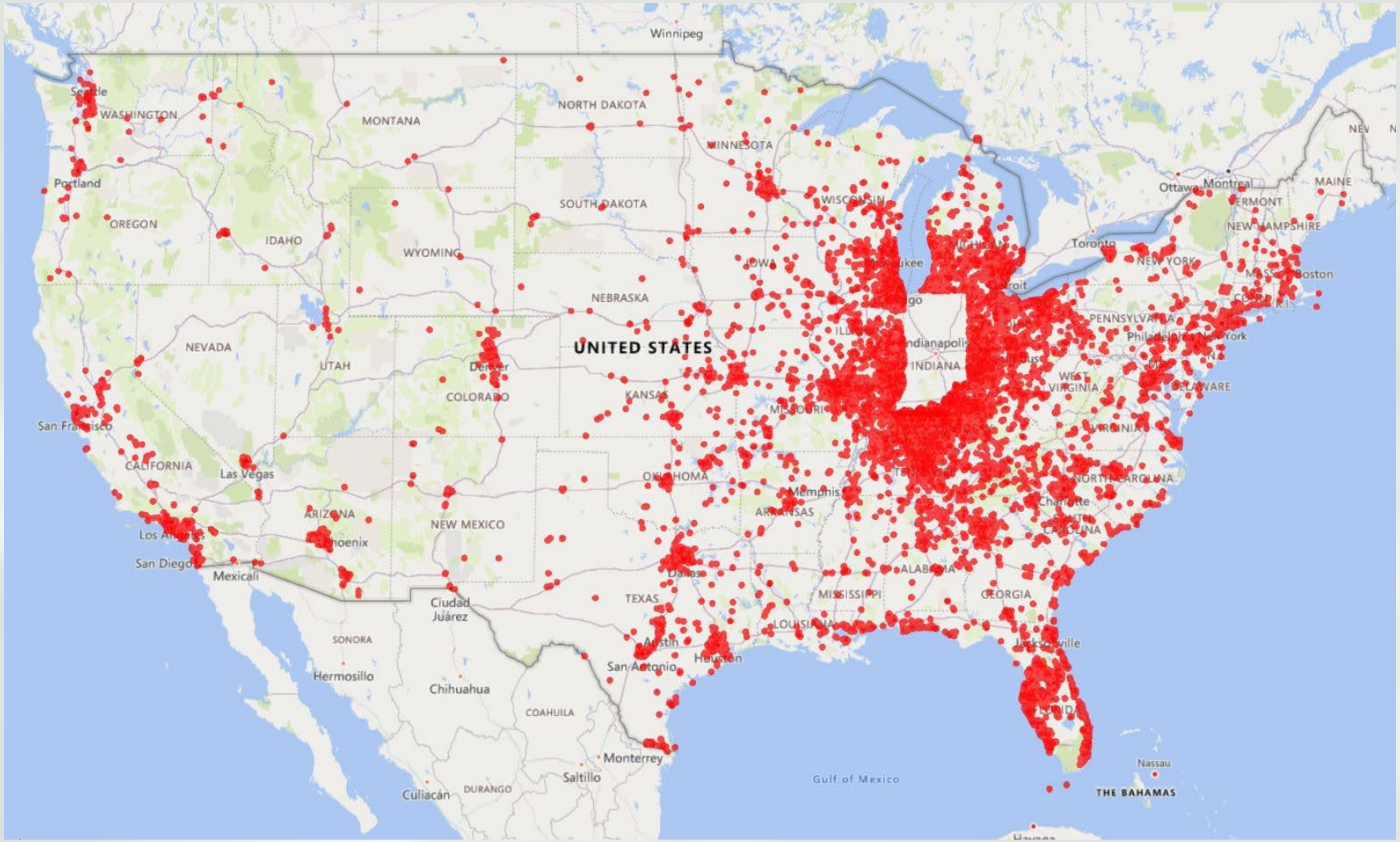
What makes the French Lick Resort different?

- French Lick Resort does not own the gaming license.
- Regional Impact Project
- Hospitality
- Group Business/Meeting & Events
- Reinvestment
- **1,100,000+** visitors a year to Southern Indiana Region

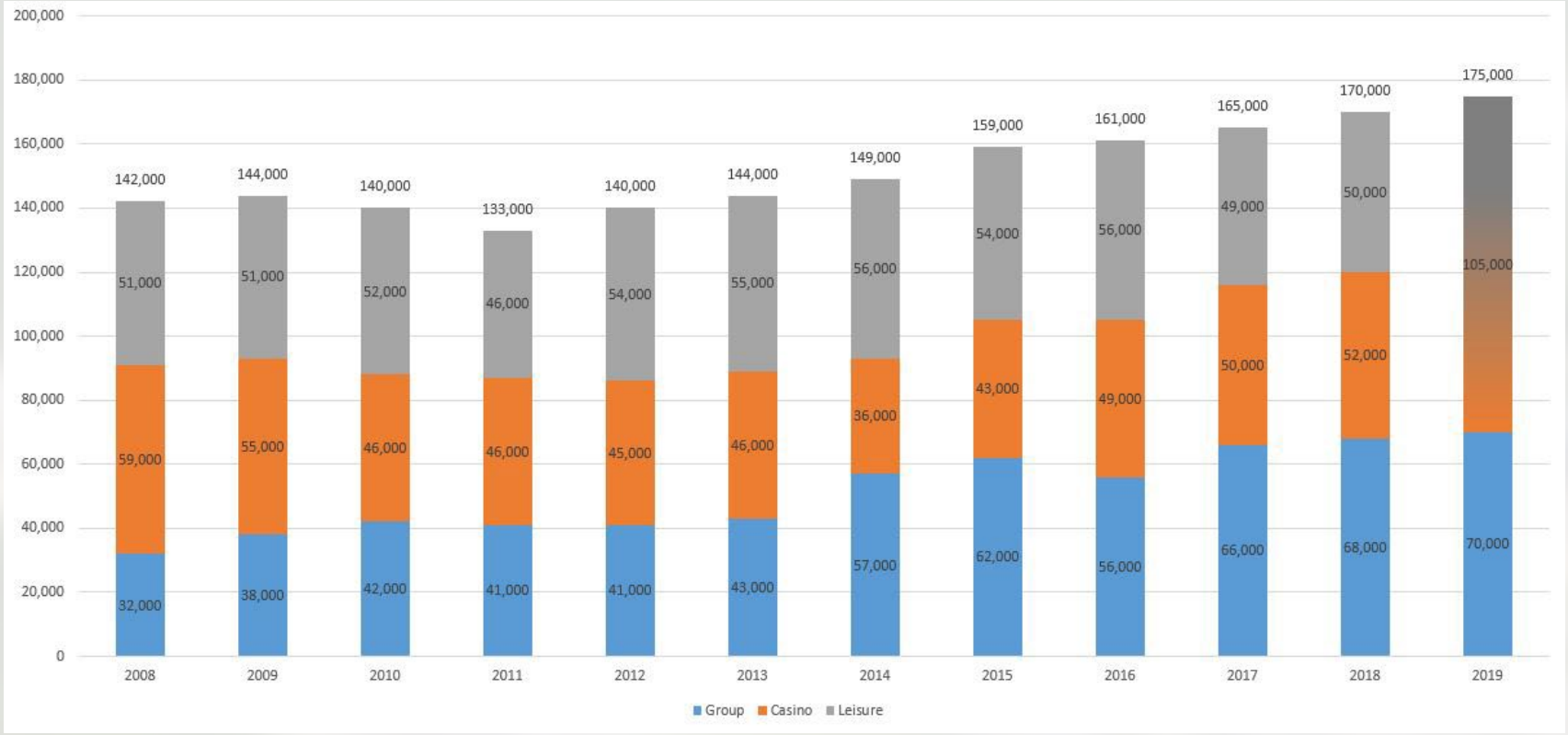
Over 1,100,000+ visitors per year



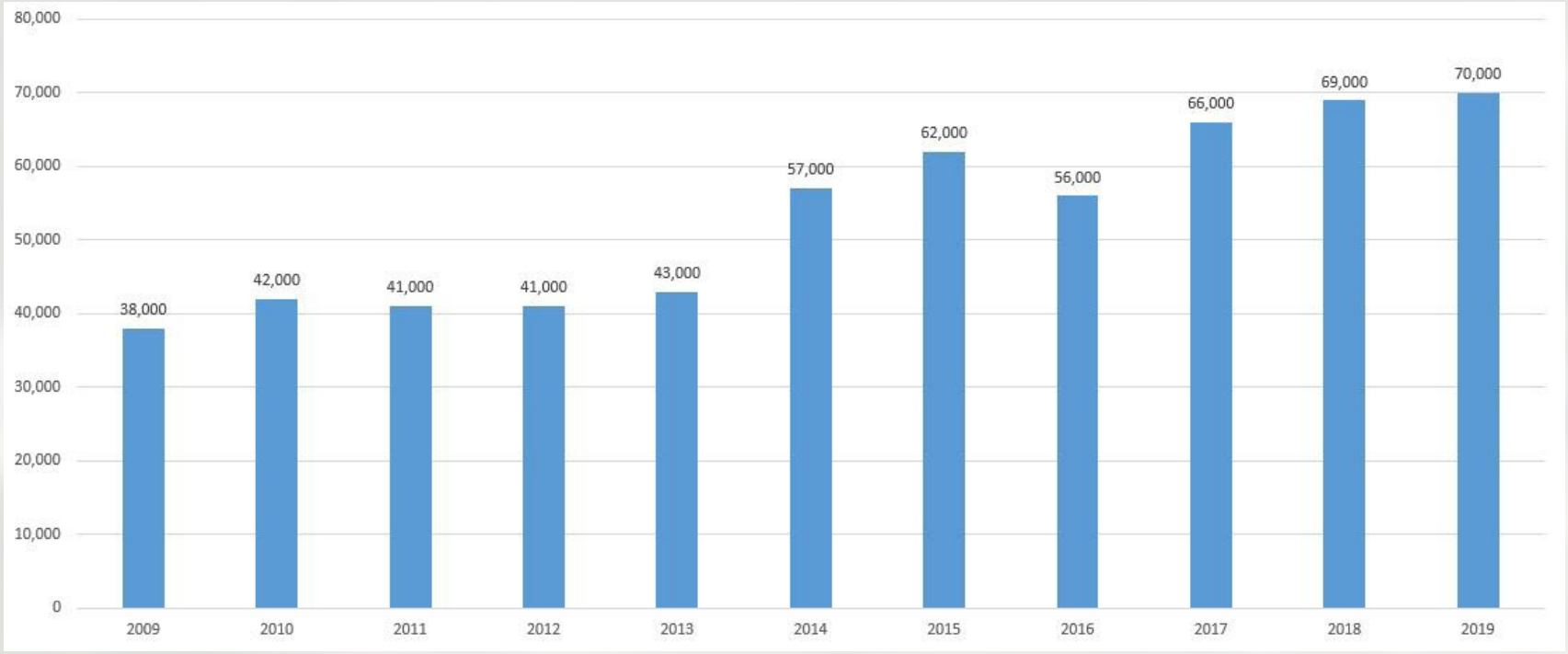
Over 1,100,000+ visitors per year



Total Room Nights



Group Rooms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66,000
69,000
70,000
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019

Meeting and Events

Event Center Expansion

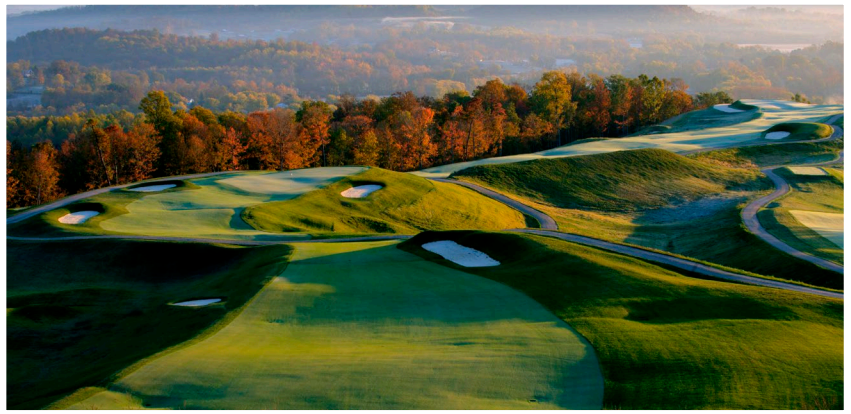
Completed 2015

Exhibition Hall

Completed 2018

Reinvestment

The Pete Dye Course



Completed 2009

Levi Project

Completed 2017

Wells & Andrews Rooms

Completed 2018

West Baden Bridge

Completed 2018

Future

Valley Wing and Sports Bar Expansion

Completion 2019

Bowling Pavillion

Completion 2020

How are we doing?

- +5% in 2019
- 2018 Friday Night Occupancy = 90%
- 2018 Saturday Night Occupancy = 96%
- Restaurants
- Shopping
- Safe, Clean, and Friendly

Local Development

Visit French Lick West Baden
CVS
McDonalds
O'Reilly
Springs Valley Bank
Big Red Liquors
Town Green
Denny's
Ohana
Legends
Homestead Apartments and Shops
West Baden Town Hall
Dollar General
Family Dollar
Subway
Best Western
Comfort Suites
Big Splash
Shotz
Indoor Karting
Wilstem
French Lick Scenic Railway
French Lick West Baden Museum
Escape! French Lick




Radius Funded Projects

Organization Requestion	Project Name	County	Investment Request	RIF Approved Grant	RIF Approved Loan	**Total RIF Approved Funding**
Valor Defense Solutions	VADS Systems & Compenants	Daviess	$300,000		$300,000	
City of Huntingburg	4th street Heritage Trail-Lighting/Safety Enhancements	Dubois	$300,000	$200,000		
Crawford County Redvelopment Commission	Project Bubble	Crawford	$268,350	$150,000		
Mid-States Corridor Regional Development Authority	Tier I EIS Study	Dubois	$600,000	$150,000		
Paoli Schools Agi-Science Department	Paoli School Farm to Table Program	Orange	$30,000	$15,000		
Jasper Seating Company, Inc.	Jasper Group Orleans Expansion	Orange	$100,000	$100,000		
Integrity Defense Services	Integrity Defense	Greene	$200,000	$50,000		
Battery Innovation Center	BrightVolt	Greene	$500,000	$500,000		
Farbest Foods	Huntingburg Plant Modernization	Dubois	$150,000	$150,000		
City of Bedford	Stone Gate Arts and Education Center - Limestone Façade	Lawrence	$266,400	$150,000		
Stimulus Engineering	Energy4	Martin	$150,000		$150,000	
Orange County Cooperative Development Corporation	10th Year Debting Reduction/Restructuring	Orange	$100,000	$50,000		
City of Linton	ProMark Building Solutions	Greene	$68,022	$75,000		
Crane Hotel Properties	Sleep Inn and Mainstay Hotel	Greene	$200,000		$200,000	
Orange County Community Foundation	Textbooks 2017/2018	Orange	$190,000	$135,900		
Orange County Economic Development Partnership	Orleans Façade Project	Orange	$175,000	$175,000		
Orange County Community Foundation	Textbooks 2016/2017	Orange	$189,638	$189,638		
Daviess County Economic Development Foundation	M&C Tech	Daviess	$175,000	$175,000		
AHF Industries dba Pluto Corporation	Warehouse/Manufacturing Plant Acquistion	Greene	$500,000	$100,000		
Jasper Group	Supervisory Leadership	Dubois	$20,000	$5,000		
Board of Aviation Commissioners	Salem Airport	Washington	$150,000	$150,000		
KCARC	Commercialization of Nouvex	Martin	$108,500		$50,000	
Alliance Barrier	Alliance Barrier Films Phase II	Daviess	$475,000		$400,000	
Battery Innovation Center	EDA Receivables	Greene	$298,833		$298,833	
Lawrence County Economic Growth Council	C & M Conveyor	Lawrence	$25,000	$25,000		
Lawrence County Economic Growth Council	PRD	Lawrence	$25,000	$25,000		
Battery Innovation Center	GAP Funding	Greene	$144,000	$144,000		
MacAllister	Expansion	Daviess	$75,000	$25,000		
TOTALS			$5,783,743	$2,739,538	$1,398,833	**$4,138,371**

Community Involvement

Education

- $5,200 each year for full time associates - 182 associates participating
- Readable English in Springs Valley Schools

Infrastructure

- Airport Road
- Mid-State Corridor
- CSX railway New Albany to Bedford
- Apartments - selling lot to developer for 60 to 80 units
- Single Family Homes - guaranteed 3 homes to be built in French Lick
- Looking to 12-15 new homes on Klondike Hill

Healthcare

- 1,100 full time associates - need walk in clinic
- Over 1,100,000+ visitors a year - Ambulance service is critical

Summer Events

Concerts

The Kentucky Headhunters
Friday, July 5

Martina McBride
Saturday, July 20

Gary Allan
Saturday, August 17

America
Saturday, September 21

Summer Holidays

Memorial Day Weekend
Friday, May 24 - Monday, May 27

Father's Day Cookout
Saturday, June 15

Fourth of July Week
Thursday, July 4 – Saturday, July 6

Labor Day Weekend
Friday, August 30 – Sunday, September 1

Golf Tournaments

The Donald Ross Classic
Tuesday, July 9 - Saturday, 13, 2019

Senior LPGA Championship
Thursday, October 10 - Wednesday, October16

Thank you. Questions?

FRENCH LICK RESORT®

FRENCH LICK & WEST BADEN · INDIANA

SUMMARY INFORMATION ON FARBEST

January 2019

The Farbest companies are made up of three separate corporations with identical ownership. The operations of these three corporations are summarized below.

Farbest Foods, Inc.

Farbest Foods, Inc. operates two turkey processing plants, located in Huntingburg, Indiana (800), and Vincennes, Indiana (400), a distribution center in Huntingburg and various other activities around Dubois County (200), and 9 hubs (50) which currently employ 1,450 associates total.

The plants process approximately 60,000 head of tom turkeys daily on two shifts in Huntingburg and one shift in Vincennes, five days per week and fifty-two weeks per year. The turkeys average approximately 43lbs each which leads to over 650,000,000 live pounds annually. **Farbest is considered the 4th largest turkey company in the United States.**

The Huntingburg plant loads nearly 40 semi-tractor trailer loads of live turkeys each day for its processing needs, whereas, Vincennes loads approximately 30 semi-tractor trailer loads of live turkeys daily. These 70+ loads per day come from all the 225 area contract grower farms.

The process includes slaughter and de-boning of all the turkeys. There is no cooking at either facility as all product ships in the raw state. Meats are sold primarily fresh (75%) with some frozen (25%).

Farbest Foods, Inc. had sales of in Fiscal 2018 and in 2017. The top eight customers are as follows;

1.) Boars Head	New Castle, Holland, Forest City (60)
2.) Sigma Alimentos	Oklahoma, Texas, Minn. (60)
3.) Jennie-O Foods	Minnesota, Wisconsin (13)
4.) Plumrose Foods	Iowa (10)
5.) Interra International	Texas, Gulf & South East Ports (12)
6.) Land O Frost	Chicago, Madisonville, KY, Ark. (7)
7.) Tyson Foods	Cinn., Ohio, Houston, Wisc., Missouri (5)
8.) Dar Pro Ingredients	Newberry, Ind. (100 loads/wk offal)

Export volume is 27% by weight, and 20% by value. The main export customers are Mexico, Africa, Latin America and Asia.

Other significant raw materials inputs are:

- 25 loads per week Liquid CO2 from Washington, IN.
- 7 Loads per week corrugated boxes and bulk bins – Michigan (2), Columbus (2), Vincennes (2), St. Anthony (1)
- 5 Loads per week of Dry Ice Pellets from Michigan/Ohio

Farbest Farms, Inc.

Farbest Farms, Inc. owns all the live turkeys and supplies these turkeys to Farbest Foods, Inc. Farbest Farms employs 90 associates and works out of an office located in Jasper, In. These associates manage the grow-out operations for 17.5 million live turkeys annually.

In 2018, Farbest Farms had 225 contract turkey growers (independent farm families) in southern Indiana, Kentucky and southern Illinois. Farbest Farms owns the live turkeys, feed and medication on these farms while the contract grower owns the land and buildings and supplies the labor and utilities to grow the turkeys.

Over of grower contract pay is paid annually to these growers and this pay is based upon performance. A typical turkey farm would employ two people.

Farbest Farms provides nutrition, medication and grow-out expertise to the contract grower. The grower is then free to use best care practices of his own or those provided by Farbest to grow the best performing turkeys for his operation. Growers adhere to the National Turkey Federations Animal Care Guidelines as well.

The growers are contracted for 5-7 years with Farbest Farms, Inc. This provides the stability in revenue source for the grower as well as it provides for stability in a supply of turkeys for Farbest. A typical Gross Revenue per farm is nearly per year.

Farbest Farms, Inc., operates 9 Brooder Hub facilities in Southwestern Indiana (8) and Kentucky (1). These Hub farms grow the 1-day old turkey to 6 weeks old and then move these turkeys to contract grow-out farms for the remainder of the 20 weeks. Approximately 40 truckloads of 6-week-old turkeys are moved from these Hubs to the contract farms per week.

Farbest Farms, Inc., receives approximately 7 truckloads per week of baby turkeys from hatcheries located in Terre Haute, Ind., Iowa and Minnesota. Deliveries are made daily with the average turkeys per truck at 50,000. Terre Haute will account for 60%, Iowa 25%, Minnesota 10% and 5% others.

JFS Milling, Inc.

JFS Milling, Inc. manufactures in Dubois and Bruceville, In., all the turkey feed for the Farbest Farms, Inc.'s turkeys. JFS completed construction of the original Dubois feed mill in October 2004 . The additional feed mill in Bruceville was completed in September 2013

JFS contracts with Wabash Valley Produce (Seger Family) to procure all the feed ingredients for the mills. Wabash Valley has been procuring feed ingredients for over 50 years and has the expertise to buy proficiently and as well, this arrangement saves duplication of efforts and eliminates potential bidding wars between Farms and WVP.

Ingredients are purchased locally if possible, with over 15.5 million bushels of corn , and 145,000 tons of soybean meal) making up the bulk of the cost.

JFS manufactures over 725,000 tons of feed annually to feed Farbest turkeys over two 12-hour shift operations, six days per week, and fifty-two weeks per year. JFS mills were built to manufacture 750,000 tons per year without significant capital outlays. The 55 associates run the automated mills' processes and deliver approximately 60% of the feed. The other 40% of the feed is hauled by contract carriers.

Bruceville production currently stands at 4,500 tons per week with loads as follows:

- 30 semi loads of finished feed per day, 6 days per week going to farms = 180 Per wk.
- 30 semi loads of ingredients coming in per day on average as follows:
  - Corn 50% — Local row crop farmers (15)/day Semi Equiv.
  - Soybean Meal 20% — Northern Indiana, Central Indiana, Illinois (6)/day
  - Animal Fats 8% — Indiana, and (3)/day
  - Meat/Bone Meal 10% — Wisconsin (3)/day

Dubois production currently stands at 9,500 tons per week with loads as follows:

- 65 semi loads of finished feed per day, 6 days per week going to farms = 390 Per wk.
- 65 semi loads of ingredients coming in per day on average as follows: =
  - Corn 50% — Local row crop farmers (32)/day Semi Equiv.
  - Soybean Meal 20% — Northern Indiana, Central Indiana, Illinois (13)/day
  - Animal Fats 8% — Indiana, and (5)/day
  - Meat/Bone Meal 10% — Wisconsin (6)/day

Loads Feed Per wk 570

Summary;

Feed & Ingredients

➢ Ingredients Inward Identified	88% -	498 Loads Per Week) 566
➢ Ingredients Inward Other	12% -	68 Loads Per Week)
➢ Finished Feed Delivered	100%-	570 Loads Per Week

Live Turkeys

➢ Poults Delivered	100%	7 Loads Per Week
➢ Poults Moved From Hubs		40 Loads Per Week
➢ Live Turkeys to Processing	100%	350 Loads Per Week

Processing Plants

➢ Dry Goods Materials In-Bound	70%	37 Loads Per Week
➢ Dry Goods -Other Misc.	30%	15 Loads Per Week
➢ Finished Goods Outbound	80%	267 Loads Per Week
➢ Finished Goods Outbound Other	20%	67 Loads Per Week

Total Loads Per Week **1,919 Loads Per Week**

Note: This is all just one-way freight – so every load is using transportation infrastructure double this amount as they travel the in or out version of all these loads.

Ted Seger

From: Brad Schnarr <bschnarr@wabashvalleyproduce.com>
Sent: Tuesday, June 25, 2019 3:53 PM
To: Ted Seger
Subject: RE: Farbest Farms Animal Fat

Ted-

Below are our numbers and locations. I want to double check them in the morning as well but I will call if I find any differences.

Call with any questions.

Brad

	Dubois	Bruceville	Total	
	Loads per week	Loads per week	Loads per week	Incoming Location
Corn	230	115	345	Local Farmers
Bakery Meal	5	2.5	7.5	Terre Haute, IN
SBM	110	55	165	Lafayette, IN
53% Meat & Bone	25	12.5	37.5	Lynn Center, IL
Limestone	3	1.5	4.5	Bloomington, IN
CSA Bags	0.9	0.45	1.35	Delphos, OH
Defluorinated Phosphate	0.6	0.3	0.9	St. Louis, MO
Salt	0.6	0.3	0.9	St. Louis, MO
Provimi Bags	0.21	0.105	0.315	Lewisburg, OH
Choline	0.25	0.125	0.375	Verona, MO
Alimet	1.08	0.54	1.62	Indianapolis
L-Lysine	1	0.5	1.5	Decatur, IL
L-Threonine	0.21	0.105	0.315	Decatur, IL
Betaine	1.11	0.555	1.665	Bay City, MI
Fat	7	3.5	10.5	Union City, TN
Fat	4	2	6	Newberry, IN
Fat	6	3	9	Russelville, KY
Fat	2	1	3	Butler, KY
Fat	3	1.5	4.5	Watertown , WI
Fat	3	1.5	4.5	Greensburg, IN
Fat	2	1	3	Millersburg, OH
Fat	1	0.5	1.5	Greensville, OH
Fat	1	0.5	1.5	Joilet, IL

Wabash Valley Produce, Inc - Dubois, IN 6/26/2019

	# of Trucks per week	Orgin Location	Delivery Location
Corn	50.00	S. Indiana Farmers	Dubois, IN
White Corn	10.00	S. Indiana Farmers	Dubois, IN
Bakery Meal	5.00	Henderson, KY	Dubois, IN
Wheat Midds	1.00	Mt. Vernon, IL	Dubois, IN
Soybean Meal	15.00	Lafayette, IN	Dubois, IN
Distillers Grain	9.00	Alexandria, IN	Dubois, IN
Meat & Bone Meal	5.00	Berlin, WI	Dubois, IN
Limestone	10.00	Bloomington, IN	Dubois, IN
CSA Bags	0.10	Delphos, OH	Dubois, IN
Salt	0.16	St. Louis, MO	Dubois, IN
Provimi Bags	0.06	Lewisburg, OH	Dubois, IN
Kalmbach Bags	0.27	Upper Sandusky, OH	Dubois, IN
Liquid Choline	0.05	Verona, MO	Dubois, IN
Aliment 88%	0.29	Indianapolis, IN	Dubois, IN
Amino Acids	0.31	Decatur, IL	Dubois, IN
Fat	1.00	Newberry, IN	Dubois, IN
Salt	1.00	St. Clair, MI	Dubois, IN
Cardboard	1.00	Vincennces, IN	Dubois, IN
Cleaning Chemicals	1.50	Henderson, KY	Dubois, IN
Cups	0.50	North Carolina	Dubois, IN
Incoming Liquid	2	Iowa	Dubois, IN
Incoming shell eggs	8	Northern Ohio	Dubois, IN
Pallets	0.5	Louisville, KY	Dubois, IN
Tanker Load	3	Dubois, IN	Tarboro, NC
Tanker Load	1.5	Dubois, IN	Traverse City, MI
Tanker Load	1.25	Dubois, IN	Chicago, IL
Tanker Load	2	Dubois, IN	Columbus, OH
Tanker Load	2	Dubois, IN	Horsecave, KY
Tanker Load	0.5	Dubois, IN	Cayce, SC
Tanker Load	5	Dubois, IN	Mauldrin, SC
Tanker Load	4.25	Dubois, IN	McDonough, GA
Tanker Load	0.5	Dubois, IN	Lebanon, IN
Tanker Load	11	Dubois, IN	Lake Odessa, MI
Tanker Load	1.25	Dubois, IN	Mason City, IA
Tanker Load	3	Dubois, IN	Huntington, IN
Tanker Load	1.5	Dubois, IN	Indianapolis, IN
Tanker Load	2	Dubois, IN	Zanesville, OH
Egg Cups	4	Dubois, IN	Chicago, Il
Shell Eggs- Sales	2	Dubois, IN	USA
Inedible Egg	2.5	Dubois, IN	ST. Louis
Shell eggs- Intercompany	15	Dubois, IN	Farina, IL
Spent Hens	5	Dubois, IN	Newberry, IN
Chicks	1	Dubois, IN	Warren, IN
	190.00		
Feed	125	Dubois, IN	Dubois, IN
Eggs	80	Dubois, IN	Dubois, IN
Manure	24	Dubois, IN	Dubois, IN
Pullets	8	Dubois, IN	Dubois, IN
	237		