

36th meeting of the
IOWA FREIGHT ADVISORY COUNCIL

March 25, 2022
 10:00 AM to 2:00 PM
 Courtyard by Marriot
 2405 SE Creekview Dr, Ankeny, IA 50021

Members

| | | | |
|---|--|---|--|
| x | Gabe Claypool, Des Moines Industrial | x | Joe Parsons, Iowa Interstate Railroad |
| x | Tom Determann, Clinton Regional Development | x | Dan Sabin, Iowa Northern Rail. |
| x | Greg Dickinson, Ten D/Merchants Distribution | x | Chad Masters for Jody Sandy, Hy-Vee |
| x | Doug Martin, Amazon | x | Mike Steenhoek, Soy Transportation Coalition |
| x | Brenda Neville for Allison Meiners, IMTA | x | Reilly Vaughan, Agribusiness Assoc. of Iowa |
| x | Don McDowell, Iowa Farm Bureau | | Jillian Walsh, Travero |
| x | Bob Rafferty for Delia Moon-Meier, Iowa 80 | x | Ron White, Artco Fleeting Service |
| x | James Niffenegger, Landus Cooperative | | Tim Woods, Woods Development |
| x | Kelli O'Brien, Union Pacific Railroad | | |

Ex-Officio Members

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|---|--|---|---|
| | Todd Ashby, Des Moines Area MPO | x | Shirley McGuire, FMCSA |
| x | Andrew Goodall for Col. Jesse Curry, USACE | | Mike Norris, Southeast Iowa RPC |
| x | Mike Hadley, Keokuk County | | Paul Ovrom, IDALS |
| x | Todd Valentine for Michael Kober, Iowa DPS | x | Joseph Rude, Iowa Economic Dev. Authority |
| x | Sean Litteral, FHWA Iowa Division | | Louis Vander Streek, Iowa Utilities Board |
| x | Scott Marler, Iowa DOT | x | Jennifer Wright, Iowa DNR |
| x | Tim Marshall, FHWA Iowa Division | | |

Iowa DOT

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|---|--------------------------|---|------------------|
| x | Stu Anderson | | Tammy Nicholson |
| | Zac Bitting | x | Garrett Pedersen |
| | Mikel Derby | x | Charlie Purcell |
| | Brenda Freshour-Johnston | | Ryan Ridout |
| | Melissa Gillett | x | Adam Shell |
| x | Sam Hiscocks | | Jeff von Brown |
| x | Alex Jansen | | Andrea White |
| | Troy Jerman | x | Caleb Whitehouse |
| x | David Lorenzen | | Lee Wilkinson |
| x | Craig Markley | | |
| x | Amanda Martin | | |

Guests

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|--|----------------------------------|--|--|
| | Mark Johnson, FHWA Iowa Division | | |
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Meeting input objectives

1. Provided feedback on future transportation funding allocations and projects.
2. Identify potential solutions for the ongoing truck driver shortage.

10:00 AM Safety Briefing

Amanda Martin
Iowa DOT

Welcome & Introductions

Ice breaker: Provide any comments, updates, notable items, etc. related to your business since the last meeting.

Mike Steenhoek, Chair
Soy Transportation
Coalition

Amanda Martin welcomed members to the FAC meeting. Martin designated Garrett Pedersen as the 911 caller and Caleb Whitehouse as his backup. Martin also pointed out emergency exits, fire alarms, and weather shelters.

Mike Steenhoek began introductions with Whitehouse working around the table.

- Andrew Goodall – Exciting news on IIJA
- Scott Marler – met with Pete Buttigieg, good to have funding
- Gabe Claypool - announced that the Des Moines Transload facility is now open

10:30 AM Iowa State Freight Plan

General update on the status of the document due July 2022.

Sam Hiscocks
Iowa DOT

10:11

Sam Hiscocks announced that the State Freight Plan is out for public comment. It is a requirement of the FAST Act and IIJA. Consultation with the FAC is required. The final document is due in July 2022. Hiscocks talked about the outline of the document and what each section contains. Public input period ends April 7th.

- Question from Steenhoek – How will strategies be implemented, what does that look like?
 - Varies by strategy. Marler noted midwestern states working together to identify bottlenecks and address with advanced technology
- Question from Steenhoek – Does the DOT ever get pushback from federal agencies on the content of the plan?
 - Sean Litteral and Hiscocks explained how review/comment process works

Steenhoek pointed out the difficulty that the public sector has measuring the success of initiatives and reminded FAC members to give effective feedback to the DOT.

10:40 AM Infrastructure Investment and Jobs Act (IIJA)

A general overview of transportation-related programs and the funding that is available through IIJA and how these will be implemented.

Stu Anderson
Iowa DOT

10:26

Stu Anderson updated the FAC on the DOT budget and IIJA funds. Marler met with Governor Reynolds about commercial airport funds (Iowa hanger space 94% full). See slides from meeting for more details.

- Steenhoek asked about materials shortages delaying construction.
- Steenhoek asked about discussions of suspending the fuel tax (Americans would save 88 cents per day, on average, according to his calculations)

U.S. Army Corps of Engineers

Update from USACE on the Work Plan, Navigation and Ecosystem Sustainability Program, and other topics of interest.

Andrew Goodall

USACE, Rock Island

11:20

Goodall began with an overview of the Rock Island District and the district's budget.

Increase in funding from \$7.8 Billion to \$17.8 billion across the whole USACE. Rock Island District annual appropriations increase from ~\$200 million to over \$1 billion.

NESP – Navigation and Ecosystem Sustainability Program – January 19th, NESP was included in IJJA. Lock & Dam 25 was fully funded for a 1200' lock. The project will take 5-7 years to complete but will be open throughout. Once completed, the project will reduce locking times from 2-3 hours to 30-45 minutes. Also, the Lock and Dam 22 Fish passage was funded at \$97.1 M.

- Marler asked about USACE priorities moving on from L&D 25

Before adjourning for lunch, Steenhoek requested FAC members begin the next agenda item by sharing labor challenges in all freight sectors, in addition to the panel on truck labor shortages.

12:00 PM Lunch

12:45 PM Panel: Truck Driver Shortage

A facilitated discussion on impacts of the ongoing driver shortage and any potential solutions. Panelists include:

- Chad Masters, Hy-Vee
- Shirley McGuire, Federal Motor Carrier Safety Administration
- Brenda Neville, Iowa Motor Truck Association
- James Niffenegger, Landus Cooperative

- Mike asked for feedback regarding labor shortage in general
 - UP: Noted "great resignation" and not being about the money; hours are hard; noted issues with trying to bring people back after layoffs/furlough; UP has started hiring their own truck drivers
 - Steenhoek followed up by asking what the pandemic did to change labor dynamics
 - IANR noted people getting paid not to work; noted not being able to provide service to all customers all days; have started special recruiting program.
 - UP: truckers/railroads workers were "essential" during pandemic and were worked very hard.
 - Merchants: driver shortage has been around for a while; just lost an older driver who finally retired at 78, but can't find replacement; entire driver fleet is aging; noted DMACC program planning to train Afghan refugees; noted ability to work from home as benefit that trucking companies can't provide
 - IAIS: "Same story, different railroad"; noting previously, if railroad was hiring, 500 would show up for 5 positions; noted trying to make quality of life adjustments; not all about the money.

**Mike Steenhoek, Chair
STC**

- Hy-Vee: used to have to work warehouse first before driving- they now hire drivers off the street
- Amazon: More are factoring in quality of life; later noted rise of “gig economy” supplementing traditional full-time work.
- Artco Fleeting: noted many people who were on the verge of retirement who were pushed into retirement by pandemic (HyVee echoed this; highest number of retirements ever in past year)
- Truck driver shortage panel
 - Landus: drivers can be home 12-16 hours/night, which is an advantage over most companies; have benefit of providing good paying jobs in rural Iowa; noted being whole with truck drivers but feeling impact of payroll adjustments; recruiting community colleges and truck driving schools, accepting less experienced drivers.
 - FMCSA: noted entry level driver training slowing down CDL process; comes down to making it a job that someone *wants* to have, not has to have; IJJA has outlined apprenticeship program pilot projects (looking for 18–20-year-olds); noted possibility for broader transportation impacts due to automated vehicle technology; noted that some regulations (e.g., marijuana use) could be relaxed but may create safety issues; noted safety issues with ag trucking receiving significant exemptions.
 - All panelists noted issues with drug and alcohol clearinghouse and issues with getting drivers cleared once they have an issue
 - Re: legalization of marijuana; Lorenzen noted hearing from a national expert that legalization lobby is so strong it’s almost unstoppable
 - HyVee: Noted DMACC and Indian Hills driver program costs were reimbursed through new driver program; also had large number of retirees; noted hearing that only five students have recently enrolled in Indian Hills driver training; noted benefit of rotating work schedules- time on/off
 - Question re: pay for over the road trucker compared to drivers that are home every night
 - HyVee: \$80-85k for daily driver, \$145-150 for over the road
 - IMTA noted that they hear consistently that pay is not an issue
 - 85-percent of survey respondents have raised wages 40+ percent in last year; also doing sign-on bonuses
 - Also doing things like providing counselors, financial advisors, etc.
 - Among membership, average starting pay is \$80-90k; veteran drivers making more than \$150k
 - IMTA noted summit issues being addressed through private foundation
 - Noted that company listening sessions consistently point out need to allow 18-year-olds drivers to cross state lines
 - FMCSA asked about insurance issues, and their reluctance
 - IMTA noted that this is a significant hurdle
 - IMTA noted Iowa agriculture community is especially vocal given young, competent population who are used to driving large machinery
 - HyVee noted that 18/19-year-olds are starting careers that they may stick with, and trucking industry is losing out on those candidates
 - Size and weight issues; Steenhoek asked for strong feelings for/against raising
 - IMTA noted that majority of their membership now favors it
 - Steenhoek asked about inefficiencies in regulation; imbalance between inconvenience/cost and benefit
 - IMTA noted hours of service (HOS) is one regulatory area that their members want changed; one size does not fit all

- FMCSA acknowledged complexity of HOS regulations, and being a disincentive to attracting young drivers
- IMTA noted some company CEOs want to see cab-facing cameras becoming requirement; they view them as beneficial, but they don't want to be the ones requiring it
- Steenhoek asked about collaboration among modes; noted growing trend of collaboration
 - IANR noted recognizing that trucking industry has issues that rail can help solve
 - IMTA echoed increased positive collaboration, particularly with recent supply chain issues
- Concerns re: autonomous trucking
 - Landus noted opportunity in agriculture; automation already being used in fields
 - FMCSA and IMTA noted issues with liability/insurance
 - IMTA believes you'll see platooning before full autonomy; also expect EV to come sooner than automation

2:00 PM Adjourn

Future meetings:

- June 17, 2022
- September 16, 2022
- December 16, 2022