

39th meeting of the
IOWA FREIGHT ADVISORY COUNCIL

December 16, 2022
 10:00 AM to 2:00 PM
 Courtyard by Marriot
 2405 SE Creekview Dr, Ankeny, IA 50021

Members

x	Mike Steenhoek (Chair), Soy Transportation Coalition	x	Jillian Walsh (Vice Chair), Traverro
x	Gabe Claypool, Des Moines Industrial	x	Tom Determann, Clinton Regional Development
x	Greg Dickinson, Ten D, Inc. Companies	x	Jackson Doud, Iowa Farm Bureau
	Doug Martin, Amazon DSM5		Allison Meiners, Iowa Motor Truck Association
x	Delia Moon-Meier, Iowa 80 Group		James Niffenegger, Landus Cooperative
x	Joe Parsons, Iowa Interstate Railroad		Dan Sabin, Iowa Northern Railroad
	Jody Sandy, Hy-Vee	x	Reilly Vaughan, Agribusiness Association of Iowa
x	Marty Wadle, Ruan		Ron White, Artco Fleeting Service
	Tim Woods, Woods Development, LLC		

Ex-Officio Members

x	Zhi Chen, Des Moines MPO		Colonel Jesse Curry, USACE Rock Island District
	Andrew Goodall, USACE Rock Island District	x	Mike Hadley, Keokuk County Board of Supervisors
x	Mike Harrington, IDALS	x	Todd Valentine, Iowa DPS (for Michael Kober)
x	Sean Litteral, FHWA Iowa Division	x	Scott Marler, Director, Iowa DOT
	Tim Marshall, FHWA Iowa Division		Shirley McGuire, Federal Motor Carrier Safety
	Mike Norris, Southeast Iowa Regional Planning		Joseph Rude, IEDA
	Louis Vander Streek, Iowa Utilities Board	x	Jennifer Wright, Iowa DNR

Iowa DOT

x	Stu Andreson	x	Tom Bruun
	Mikel Derby		Brenda Freshour-Johnston
x	Jim Glaspie	x	Sam Hiscocks
x	Maria Hobbs	x	Alex Jansen
	Renee Jerman		Craig Markley
	Amanda Martin	x	Tammy Nicholson
x	Garrett Pedersen	x	Charlie Purcell
x	Sam Sturtz		Jeff von Brown
x	Caleb Whitehouse		

Guests

x	Justin Glisan, IDALS	x	Jeff Woods, Traverro
x	Thomas Heinold, USACE	x	Craig Pietig, AG Processing
x	Paul Kirpes, Ten D, Inc. Companies	x	Will Feucht, AG Processing

Meeting input objectives

1. Provide questions and comments for Iowa DOT related to the upcoming legislative session.
2. Provide comments on state freight plan implementation activities.
3. Discuss ongoing inland waterway challenges and identify any actions moving forward.

10:00 AM Safety Briefing

Tammy Nicholson
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

- COO of Ruan voted Chairman of the ATA.
- Meier sees that people are tightening their belts financially. Same number of trucks at truck stops by spending is down.
- Determann introduces himself as a new house member.
- Hadley says that we need to look at increasing the gas tax and reexamining funding for the secondary roads.
- Harrington says IDALS is getting ready to become the regulatory body for electric vehicle charging infrastructure.
- Claypool says that concerns about the rail strike are not gone, and labor action will continue.
- Steenhoek says that his organization's focus was to avert the strike and that we are not out of the woods yet. Also, Steenhoek is focused on the low water level on the inland waterways.
- Marler thanks the FAC members for coming today. The DOT's perspective is focused on the next legislative session and budget request to the legislature. Three of five legislative proposals are related to CDLs.
- Vaughan thanks various people for leadership; mentioned heavier weight permit issue.
- Wright is appreciative of the roadway safety on the way to the meeting.
- Dickinson is concerned today about the safety of the roads for his company's trucks and the rail strike.
- Steenhoek returns to Mike Hadley and asks about concerns on the secondary road network. Hadley says that the Governor's annual waiving of weight limits on secondary roads for the harvest causes infrastructure to deteriorate. Steenhoek also stresses the impacts of inflation and difficulty finding workers.

10:30 AM Iowa DOT Update

General update from the Department, including the 2023 legislative session and continued implementation of the Infrastructure Investment and Jobs Act (IIJA) by Iowa DOT and FHWA.

Stu Anderson
Iowa DOT

Anderson says that 40 percent of the funding increase from IIJA/BIL has been negated by inflated prices on projects that were already in the Five-Year Program. Recent lettings have done okay, but the biggest lettings are still incoming. DOT is expecting increased revenue next year from the increase in car prices.

Federal Funding Update

Operating on a continuing resolution until 12/16 (House and Senate gave it a one-week extension) with full appropriation anticipated by 12/23.

INFRA, no Iowa awards

Mega/Rural, Still waiting on announcement for:

- Iowa 9 Lansing – Mississippi River Bridge replacement
- I-380 – Wright Brothers Boulevard
- US 63 Super-2 in Tama County

RAISE, 2022 announced in September:

- Waterloo Construction: La Porte Road Revitalization
- Dubuque Planning Study: Rebuilding Bridges to Employment and Equity
- Muscatine Planning Study: Developing Connection: Isett Avenue and Cypress Street Reconstruction

Safe Streets and Roads for All (SS4A)

- A lot of local jurisdiction applications to develop safety action plans.
- Expected announcement soon.

CRISI (Rail Infrastructure) – Several applications from Iowa railroads were submitted.

Railroad Crossing Elimination Program – Several applications were submitted by Iowa communities.

2023 Legislative Session

FY 2024 Budget

Potential Legislative Priorities

- Overweight permits in special or emergency situations
- Federal CDL compliance
- Driver's Education – Behind-the-wheel instructors to provide final driver's education drive test
- CDL Third-Party tester expansion
- Expansion of restricted CDL for agricultural purposes

All-Systems Overweight Permit

- Allows unlimited trips on non-Interstate highways (US and Iowa routes) and certain city and county roads at 12 percent over current maximum legal weight based on number of axles and distance.
- Cost: \$500 per truck and valid for 12 months from issuance.
- Valid for both divisible and non-divisible loads.
- Counties designate which roads that this permit will apply for.
- Different from existing All-Systems Oversize Permit.
- Both permits require individual cities and counties to determine which, if any, roads are allowed to be part of permitted travel.

Mike Hadley contests that the \$500 permit is not enough to offset the damage to the secondary roads. Alex Jansen responds that DOT wants to hear feedback on the fee to get the best possible return from the idea.

Steenhoek asks how this will change the Governor's annual harvest weight exemption proclamation. Jansen says that the Governor will likely continue issuing the weight exemption. Reilly Vaughan asks if the permit will be in the truck cab or a tag on the vehicle. Jansen says that it will be in the cab and electronic.

Anderson concludes his presentation by announcing that Craig Markley is retiring at the end of December. Craig couldn't make it to this meeting.

Updates on the FAC Chair and Vice Chair positions, FAC membership, **Iowa DOT** and implementation of the Iowa State Freight Plan.

Hiscocks announces that Mike Steenhoek will continue serving as Chair and Jillian Walsh will serve as Vice Chair. Hiscocks also announces a member refresh, giving everyone the opportunity to either continue on the group or privately back out of participating. Members who wish to step away are given the chance to nominate someone else from their organization to participate.

Additionally, all members are requested to submit suggestions for new members.

2023 meetings:

- March
- June
- September
- December

State Freight Plan

Hiscocks outlines 5 strategies from the State Freight Plan that DOT is focusing on.

1. Support the development and adoption of emerging freight technologies to increase safety and efficiency.

Operationalize Iowa's 511 data for truck drivers to receive in the cab.

2. Target investment to address mobility issues that impact freight movements.

Surveying districts for projects at bottleneck locations identified in the SFP.

3. Advocate for the funding and improvement of the inland waterway system.

Contributing funds agreement is seeking approval at USACE headquarters in DC.

4. Target investment in the Iowa Multimodal Freight Network (IMFN) at a level that reflects the importance of this system for moving freight.

Bottleneck relief.

5. Work with partners to address increasing truck parking demand.

DOT is looking at updating their truck parking study from 2018 using new data. There is also a bill going through congress now that includes a grant program to address truck parking.

Anderson refers to the SFP performance report that the “-13 truck parking spaces” could be misinterpreted as more truck parking is programmed for next year.

Steenhoek asks why truck parking isn't a private sector concern and completely a part of the private domain. Moon-Meier says that the issue is entirely a private sector concern. Moon-Meier says that DOT parking is focused on shorter stops and private truck stops are for overnight stops.

Steenhoek asks if other state DOTs are involved in truck parking. Moon-Meier says that other DOTs don't like spending money on truck parking. Anderson says that the focus of the DOT is on safety and truck parking stops improve safety. Litteral points out that truck parking backing up onto the ramps is a safety issue.

Hiscocks directs the FAC to look review the Annual Implementation and Performance Report and provide any comments via email following the meeting.

Steenhoek thanks the FAC for nominating him as chair and reiterates that he is open to suggestions for improvements or criticisms (topics, speakers, etc.).

11:10 AM AG Processing (AGP)

Overview of current soybean processing trends and activities, including growing markets, new facilities, and expanding exports.

**Craig Pietig
AGP**

Steenhoek introduces Craig Pietig to the group.

Pietig introduces himself and Will Feucht from AGP's Eagle Grove office.

- Iowa-based cooperative headquartered in Omaha.
- AGP has a heavy truck footprint in Iowa.
- Two new Iowa crush plants coming online: Shell Rock and Alta
- Previously, expansion in crush market was limited due to slow growth in animal feed. Recently, huge growth due to renewable fuels as animal feed demand is stable, biofuels industry is growing, and exports are decreasing.
- Renewable diesel is chemically identical to petroleum diesel.
- Noted a lot of demand driven by west coast.
- AGP port in Pacific Northwest is 1.5 hours to open water (One day shorter in/out than competing ports) which saves transportation costs.
- Southeast Asian countries are biggest customers because of transit time advantages compared to other producing countries (biggest export competitor is Argentina, but it takes them 2 additional weeks to come around tip of South America).
- Noted AGP Eagle Grove and Hastings, NE plants are embargoed by UP.
- Noted freight rates starting to come down with crude oil prices.
- Investment is "stroke of the pen economics," meaning progress in the industry can be undone with the stroke of a pen.

Lunch

1:00 PM Panel: Inland Waterways

A discussion of the current status of the inland waterways, including low water levels, impacts to navigation, harvest challenges, etc.

**Mike Steenhoek, Chair
Soy Transportation
Coalition**

- Thomas Heinold, U.S. Army Corps of Engineers
- Justin Glisan, Iowa Department of Agriculture and Land Stewardship
- Jeff Woods, Traverro

Heinold introduces himself to the group and explains the Rock Island District boundaries, which includes 12 locks and dams in Iowa and five river basins. USACE funding comes from energy and water funding, not transportation. The expansion of the Panama Canal has made using the inland waterways more and more economical in Iowa. Mississippi River navigation infrastructure is very old.

- 17 dams and 20 locks
- 582 miles of navigation channel
- 755 million tons of cargo

Industry encouraged lock closures in the summer of 2020 to inspect and repair locks. Heinold explains the maintenance and upgrades completed in the Rock Island District.

Glisan introduces himself to the group. Glisan is the only state climatology at a state department of agriculture. 2022 was the 18th driest year for the state of Iowa since 1895.

Woods introduces himself to the group. Woods operates a barge facility in the Dubuque market. Woods welcomes all the snow we can get in order to raise the water level of the Mississippi River. Woods says the river may rise eight feet in Memphis by January. Woods notes that there has been low waters globally including the Rhine and Yangtze rivers.

Steenhoek opens the panel up to discussion. Steenhoek asks Woods to talk about how Traverro was specifically impacted by the lower water level. Woods says they notice changes in shipping patterns to distribute commodities between modes, as well as increased shipping prices.

Steenhoek notes that while we can't do much to influence the weather, we can do things to change how we respond to the weather. Steenhoek asks the panelists how they communicate with each other and how they make decisions.

Glisan responds that there are climate models that incorporate periodic events such as la niña and el niño.

Heinold says that USACE has a weeks' notice of flood events when they can preemptively dredge the river. USACE received funding in late 2019 that allowed them to do the work they needed to keep the river open this year. In summary, Heinold says there is not much that USACE can do to predict flood or drought events within a single season.

Steenhoek pointed out that emergency flood relief from flood events can be used to respond to droughts after the fact.

Heinold says that contingency planning is not part of their annual budget. Flood relief is provided through supplemental funding. USACE can't be as forward looking as they'd like because of limitations imposed by congressional funding cycles.

Heinold asks Woods what Traverro is planning to do to provide fertilizer due to inland waterway limitations. Woods says that their facility has a record number of railcars.

Marler asks Heinold about the USACE's stance on not building locks and dams on the lower Mississippi and if there is an overall plan for the inland waterways.

Heinold says there is a navigability study of the inland waterway system and USACE is taking steps to implement that plan. Heinold says there will be no other reexamination of the system until after the 1200' locks are built. USACE will require 20-30 years of analysis to make new determinations for future investments. The past flood events are not enough to make determinations in the grand scheme of things.

Vaughan asks Glisan about an 89-year drought cycle theory. Glisan says there is no scientific literature the support it.

2:00 PM Adjourn

Future meetings:

- March 10, 2023
- June 16, 2023
- September 8, 2023
- December 15, 2023