

45<sup>th</sup> Meeting of the  
**IOWA FREIGHT ADVISORY COUNCIL**

Friday, June 14, 2024; 10:00 AM to 2:00 PM

Courtyard by Marriot

2405 SE Creekview Dr, Ankeny, IA 50021



## Meeting input objectives

1. Provide input on Horizontal Supply Chain collaboration.
2. Provide input on the Railroad Revolving Loan and Grant Program.
3. Provide input on the specific port locations for products exported from Iowa.
4. Discuss the resiliency in supply chains and freight.

10:00 AM

### Safety Briefing

**Amanda Martin**

Iowa DOT

### Welcome & Introductions

New member – Haozhe Chen, ISU Supply Chain Management  
Ice breaker: Provide any comments, updates, notable items, etc.

**Mike Steenhoek**

Soy Transportation  
Coalition

10:15 AM

### Iowa DOT Update

General update from the Department, including the 2024 legislative session and continued implementation of the Infrastructure Investment and Jobs Act (IIJA).

**Stu Anderson**

Iowa DOT

10:40 AM

### Railroad Revolving Loan and Grant Program

Overview of the history and status of the program as well as information for potential applicants.

**James Glaspie**

Iowa DOT

11:00 AM

### Horizontal Supply Chain Collaboration

Social control agents

**Dr. Henrik Sternberg**

ISU Supply Chain  
Management

11:40 AM

### Break

Take a break, grab your boxed lunch, and return for a working lunch.

12:00 PM

### State Rail Plan Input

A statement on the vision, goals, and objectives of the state rail plan.

**Caleb Whitehouse**

Iowa DOT

12:20 PM

### Iowa Economic Development Authority

An overview of Iowa imports, exports, and maritime ports of significance.

**Joseph Rude**

IEDA

1:00 PM

### Freight and Supply Chain Resiliency Discussion

A facilitated group discussion on infrastructure and supply chain resiliency in the state and region.

**Mike Steenhoek**

Soy Transportation  
Coalition

2:00 PM

### Adjourn

### Future meetings:

- September 20, 2024 – TBD
- December 13, 2024 – Ankeny

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**Members**

X	Mike Steenhoek (Chair), Soy Transportation Coalition		Jillian Walsh (Vice Chair), Travero
	Gabe Claypool, Des Moines Industrial	X	Paul Kirpes for Greg Dickinson, Ten D, Inc. Copanies/Merchants Distribution Service
	Jackson Doud, Iowa Farm Bureau	X	Amy Homan, Iowa Northern Railroad
X	Matthew Leyser, John Deere Des Moines Works	X	Larry Lloyd, CPKC Railroad
	Doug Martin, Amazon DSM5		Joe McConnell, Perishable Distributors of Iowa
	Allison Meiners, Iowa Motor Truck Association		Delia Moon-Meier, Iowa 80 Group
	James Niffenegger, Landus Cooperative		Kelli O'Brien, Union Pacific Railroad
X	Joe Parsons, Iowa Interstate Railroad		Ty Rosburg, Rosburg Livestock
	Peter Skosey, BNSF Railway	X	Jessica Sargent, Sukup Manufacturing
	Marty Wadle, Ruan Transportation Management Systems	X	Mark White, Agribusiness Association of Iowa/Smith Fertilizer and Grain
X	Ron White, Artco Fleeting Service	X	Dr. Haozhe Chen, ISU Supply Chain Management

**Ex Officio Members**

	Tim Bruun, Iowa Department of Public Safety	X	Zhi Chen, DMAMPO
	Colonel Jesse Curry, USACE, Rock Island District	X	Amie Davidson, Iowa DNR, Land Quality Bureau
	Andrew Goodall, USACE, Rock Island District	X	Mike Hadley, Keokuk County Board of Supervisors
X	Mike Harrington, IDALS	X	Sean Litteral, FHWA, Iowa Division
X	Scott Marler, Iowa DOT		Tim Marshall, FHWA, Iowa Division
	Shirley McGuire, FMCSA	X	Jarred Lassiter for Mike Norris, SEIRPC
X	Joseph Rude, IEDA		Louis Vander Streek, Iowa Utilities Board

**Guests**

X	Dr. Henrik Sternberg, ISU Supply Chain Management	X	Joshua Squires, DMAMPO
X	Brian Pribyl, Iowa DOT Traffic Operations	X	Michael Blank, MAPA

**Iowa DOT Staff**

X	Zahrah Alghalibi, Iowa DOT Systems Planning Bureau	X	Stu Anderson, Iowa Transportation Development Division
	Mikel Derby, Iowa DOT Government and Community Relations		Brenda Freshour-Johnston, Iowa DOT Systems and Administration Bureau
	Melissa Gillett, Iowa DOT Motor Vehicle Division	X	Jim Glaspie, Iowa DOT Modal Transportation Bureau
X	Sam Hiscocks, Iowa DOT Systems Planning Bureau	X	Maria Hobbs, Iowa DOT Modal Transportation Bureau
X	Alex Jansen, Iowa DOT Central Programs Bureau		Renee Jerman, Iowa DOT Legislative Compliance
	Troy Jerman, Iowa DOT Chief Operating Officer		David Lorenzen, Iowa DOT Systems Operations Division
X	Amanda Martin, Iowa DOT Modal Transportation Bureau		Tammy Nicholson, Iowa DOT Modal Transportation Bureau
X	Garrett Pedersen, Iowa DOT Systems Planning Bureau	X	Charlie Purcell, Iowa DOT Project Development
X	Caleb Whitehouse, Iowa DOT Systems Planning Bureau	X	Kevin Beichley, Iowa DOT Finance Bureau

10:00 AM

## Safety Briefing

**Amanda Martin**  
Iowa DOT

### Welcome & Introductions

New member – Haozhe Chen, ISU Supply Chain Management  
Ice breaker: Provide any comments, updates, notable items, etc.

**Mike Steenhoek**  
Soy Transportation  
Coalition

Martin gives the safety briefing and designates Gaspie as the 911 caller and Hobbs as the backup. Whitehouse is designated to take roll in the case of evacuation.

Steenhoek asks the group to go around and introduce themselves.

Steenhoek says that a Buchanan County is currently building the longest railroad flatcar bridge. Soy Transportation Coalition is supporting the project by providing some funding to offset design expenses and to install a camera recording the bridge construction.

Marler says that there have been 119 traffic fatalities in the state, which is 17% lower from this time last year. Also, Iowa DOT had a ribbon cutting this week in Council Bluffs to open the Council Bluffs expressway. Steenhoek asks what Marler attributes the positive trend to. Marler says that as traffic has returned to pre-pandemic levels, excessive speeding has gone down.

Beichley adds to Marler's comments on the Council Bluffs ribbon cutting and mentions the resiliency components of the project. Ron White says that there have been low volumes on the Mississippi river this year, but we still have the best transportation network in the world. Water levels are about normal.

Dr. Chen introduces himself to the FAC. Iowa State's Supply Chain Management Department and their faculty are consistently ranked highly among similar institutions. Dr. Chen is originally from China and has worked in international trade for 8 years and 8 years as faculty at East Carolina University. He has been at Iowa State since 2015.

10:15 AM

## Iowa DOT Update

**Stu Anderson**  
Iowa DOT

General update from the Department, including the 2024 legislative session and continued implementation of the Infrastructure Investment and Jobs Act (IIJA).

Anderson says that FY 2024 lettings through May are \$30.4 million above programmed amounts. The overall balance is \$18.8 million overprogrammed (Iowa DOT started \$24.9 overprogrammed). Anderson says that this has been a very good fiscal year for Iowa DOT. Congress has passed the FY 2024 appropriation bill which allows the department to access federal funds and plan future budgets.

The 2025-2029 Highway Program was approved June 11<sup>th</sup> and includes \$4.5 billion of state/federal funding. The program includes 50 new truck parking spots at interstate rest areas, increased investments on pavements (focusing on interstate pavements), and adds the final phase of I-380 widening between Iowa City and Cedar Rapids. The Iowa DOT decided not to close some of the parking only facilities in this program.

All four DOT legislative priorities were passed during the legislative session and signed by Governor Reynolds. As part of the Governor's effort to streamline the executive branch, the Secondary Roads Fund Distribution Committee was dissolved and its responsibilities transferred to the Transportation Commission. DOT is advising the Commission to retain the committee in an advisory role.

The Governor also approved the DOT's budget request as submitted. The request included status quo budgets for positions and an overall reduction in Capital due to large capital appropriations in FY 2024, and also increased funding for vehicle safety improvements. RRLG has received \$2 million in FY 2025, up from \$500,000 in FY 2024. The State Recreational Trails program also received an extra \$1 million than requested.

The Iowa Transportation Commission has two new members: Bill Anderson and Mary Mulgrew Gronen. The Transportation Commission will tour Honey Creek Resort in August and Decorah in October.

10:40 AM

### **Railroad Revolving Loan and Grant Program**

**James Glaspie**

Overview of the history and status of the program as well as information for potential applicants.

Iowa DOT

The Railroad Revolving Loan and Grant Program was created in 2005 as part of the Iowa Railroad Finance Authority (no longer in existence). It is a competitive, application-based program that utilizes reimbursements. Recommendations for awards are made by DOT staff. The goal of RRLG is to foster improvements to Iowa's economy by leveraging rail. Glaspie gives an overview of two recent projects: Boone & Scenic Valley rail line in Boone and a crushing plant in Alta.

Rude asks if there is anyway to change the timing of solicitation and awards. A lot of companies are unable to work within the Iowa DOT's timeframe. Glaspie explains that they are pretty limited on their ability to change the timeline as the program is tied to annual appropriations.

11:00 AM

### **Horizontal Supply Chain Collaboration**

**Dr. Henrik Sternberg**

Social control agents

ISU Supply Chain

Management

Dr. Sternberg begins by asking the committee who drove to this meeting alone. He says that ridesharing is an example of horizontal collaboration. In trucking, 20-30% of road miles are driven empty, and 43% of truckloads are partially empty. Sternberg uses an example of two UK shippers who entered into a horizontal collaboration arrangement and collectively saved 177,000 road miles by eliminating deadheading (return trips with empty trucks). Empirical studies have found that theoretically, horizontal collaboration can result in savings of 14%-30%.

Collaboration begins by looking at the logistical flows that two firms share. History has shown that systematic efforts to collaborate between firms has been unsuccessful. In order to avoid issues of legality (anti-trust laws), firms can use an intermediary organization as a go-between so that firms are not sharing information with each other directly.

Sternberg says the elements necessary for successful collaboration are clear boundaries, clear cost-benefits, collective decision making, conflict identification and resolution, and self-determination. It is important that firms are able to opt-in to the collaboration scheme instead of being forced by a government agency.

Collaboration schemes fail for different reasons. One reason is because a firm might find that collaboration would benefit their competitors more than them. Sternberg's research has not found a successful scheme that involves more than 3 firms.

Sternberg's ongoing research includes interviewing individuals about improving the trucking industry for firms, drivers, the environment, and consumers. One thing he has found is that the vision of law enforcement is limited to certain areas.

Another area of research is how to encourage women to enter the truck driver workforce, as well as how supply chain for consumers can increase sales and improve retention and how that can be used in the trucking industry.

Kirpes asks about one of the collaboration examples that Sternberg gave, specifically if the firms shared a fleet or used their own. Sternberg says that both ways work but using proprietary fleets is a more approachable method for firms.

Rude asks what Dr. Sternberg's view on the driver shortage versus driver retention is. Sternberg says that it is a mix of both and how drivers are able to easily change between truck driving and other industries such as construction.

11:40 AM

### Break

Take a break, grab your boxed lunch, and return for a working lunch.

12:00 PM

### State Rail Plan Input

A statement on the vision, goals, and objectives of the state rail plan.

**Caleb Whitehouse**

Iowa DOT

Whitehouse presents the vision statement that Iowa DOT staff has crafted using input from the Freight Advisory Council, Rail Advisory Council, Passenger Rail Advisory Council, and MPO/RPA staff. FAC members give their thoughts. Whitehouse gives an overview of the survey that Iowa DOT has been conducting of local governments regarding issues with rail. He also presents the major categories of concern, and a word cloud of the responses.

12:20 PM

### Iowa Economic Development Authority

An overview of Iowa imports, exports, and maritime ports of significance.

**Joseph Rude**

IEDA

Iowa is a top 5 net exporting state, meaning Iowa exports more products than it imports. Half of Iowa's exports are manufactured. 80% of Iowa exports are ocean bulk and 20% are ocean container. Davenport and Council Bluffs are the leading exporting metros in the state.

When the Port of Baltimore closed due to a bridge collapse, it mainly affected Iowa's agricultural equipment industry. 64% of Iowa's ag equipment/rolling stock goes through the Port of Baltimore. Iowa is among the top 5 producer states exporting through that port.

Container availability is a major constraint for Iowa exports. Rude gives an overview of Iowa's major commodities, how they have trended in the past 3-4 years, and what ports those commodities are exported from.

Whitehouse asks if recent decreases in corn exports to Asia are a result of restrictions at the Panama Canal. Rude says that the canal is part of the issue, but there are many other things that are in play including pricing. Steenhoek adds that the power of the global dollar plays a role, and that China is experiencing major demographic changes (the country is becoming younger) which will have a huge impact on global agriculture.

1:00 PM

### Freight and Supply Chain Resiliency Discussion

A facilitated group discussion on infrastructure and supply chain resiliency in the state and region.

**Mike Steenhoek**

Soy Transportation Coalition

Steenhoek continues the discussion on resiliency by using the analogy of a resilient boxer who can "slip" a punch (or avoid a disaster), absorb a punch (or how to react to a disaster), and get up from the canvas (or recover from a disaster). Steenhoek opens the discussion up to the group and asks which disasters Iowa should be attentive to.

Dr. Chen clarifies that there should be a difference in terms between resiliency and responsiveness. Pedersen says that from the Iowa DOT perspective, flooding is a huge concern. For the first time, the DOT's long range transportation plan included a system-wide flood risk analysis. Smaller scale disasters such as tornados and snowstorms impact the short-term operations of the roadway. Pedersen also mentions efforts by the Iowa legislature to direct funding towards specific projects at the detriment of department priorities.

Lloyd mentions that CPKC has undertaken track raising along the Mississippi River in anticipation of flood events. Lloyd also mentions labor disruptions in Canada that impact rail operations including rail workers and border control unions. Steenhoek adds context about labor issues in Canada.

Parsons says that weather events can create flooding that impacts rail operations. It is key for IAIS to have good relationships with their shippers to deal with issues as soon as possible. Parsons also mentions how railroads are less able to react to network issues such as bridge closures and must negotiate with other railroads to use other infrastructure.

Homan says that cybersecurity threats are an issue that we should focus on. Parsons says that the cost of cyber insurance is a “punch” on its own. Steenhoek says that a firm’s ability to stay in business is increasingly reliant on the firm’s ability to stay insured.

Steenhoek asks what can be done to increase the resiliency of the assets themselves rather than our responsiveness to disasters. Purcell mentions bridge piers and the risks of bridge strikes on the Mississippi and Missouri Rivers. Purcell says there are certain features that can be added to bridges to make them more resilient. Also, data collection to predict flood events and their consequences which improve reactivity. Steenhoek mentions “dolphins” around bridge supports which can slightly redirect a ship if it strikes the support.

Lassiter says that there are still several swing-span bridges along the Mississippi river that are very old and reliant on old technology.

Steenhoek asks if there are issues with federal response to emergencies that limit reactivity. Pribyl says that early awareness is key. Ron White says that there is a lot of collaboration between carriers in the river industry to react to emergencies. White also says that a lot of main channel piers are protected by dolphins, but during flood events, those piers are not protected.

Steenhoek says that he has noticed that that the cost of resiliency is frequently a barrier to prevention, but no considerations as to the cost of not doing anything.

Hadley says that he thinks America is the most resilient country in the world. He says that efforts by FEMA have made communities resilient to disasters that they’ve never trained for.

2:00 PM

## Adjourn

### Future meetings:

- September 20, 2024 – TBD
- December 13, 2024 – Ankeny

# HAOZHE CHEN

WALKER PROFESSOR IN LOGISTICS & SUPPLY CHAIN MANAGEMENT  
INTERIM CHAIR, DEPARTMENT OF SUPPLY CHAIN MANAGEMENT



# Department of Supply Chain Management at Iowa State

**# 1**

Institution producing the most impactful research — *Journal of Business Logistics* (2022, 2023)

**# 3**

In the world for supply chain management research productivity — 2024 *Transportation Journal*

**# 8**

Supply chain management program in the world for empirical research — 2024 Scmlist.com

**# 20**

Supply chain management program in the nation overall, 2022 U.S. News & World Report “Best College” undergraduate rankings



# Department of Supply Chain Management at Iowa State

- Outstanding faculty
  - 16 faculty members (7 tenured, 5 tenure-track, 4 term faculty)
  - Extensive industry background
  - 6 different countries
- Complete program offerings
  - Undergraduate (380 students in the major)
  - Master's program (coming Fall 2025)
  - Ph.D. program
- Industry engagement
  - The Ivy Supply Chain Forum
  - The Voorhees Supply Chain Conference

# Personal background

- Originally from China
- Education:
  - B.A. in China, 1993
  - M.B.A. The University of Alabama, 2003
  - Ph.D. The University of Oklahoma, 2007
- Work experience
  - Joined Iowa State in 2015
  - 8 years on faculty at East Carolina University
  - 8 years in international trade

## Personal background – Research publications

- Over 40 articles published in leading supply chain/logistics journals
- Editorial board member of 4 in leading supply chain/logistics journals
- Coauthored one book:
  - *The Definitive Guide to Integrated Supply Chain Management: Optimize the Interaction Between Supply Chain Processes, Tools, and Technologies* (FT Press)
- Coauthored two book chapters:
  - “Secondary markets: Enabling the circular economy” in *Circular Economy Supply Chains - From Chains to Systems*, Emerald Publishing, UK.
  - “Reverse logistics: What it is and where it is headed” in *The Oxford Handbook of Supply Chain Management*, Oxford University Press, Oxford, UK.

# Personal background – Industry involvement

- Council of Supply Chain Management Professionals (CSCMP)
  - Co-chair, Bowersox Doctoral Symposium & Academic Case Collection
  - Academic Strategies Committee & Doctoral Dissertation Award Selection Committee
- Reverse Logistics Association (RLA)
  - Chair, Asia-Pacific Committee
  - Standards Committee and Software Solutions Committee, Consumer Products Committee
- The Reverse Logistics & Sustainability Council (RLSC)
  - Board of Advisors
- Sion-American Logistics Council (SALC)
  - Education Advisory Board
- Iowa FAC

**Haozhe Chen, Ph.D.**

Walker Professor in Logistics & Supply Chain Management

Interim Chair, Department of Supply Chain Management

Debbie and Jerry Ivy College of Business

Iowa State University

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# Iowa DOT Update

Iowa Freight Advisory Council – June 14, 2024



Stuart Anderson



 **Agenda**

**FY 2024 Status**

**2025-2029 Highway  
Program Update**

**2024 Legislative Session  
Legislative Priorities  
FY 2025 Budget Request  
Other Legislative Items**

**Commission Update**

## **FY 2024 Status**

- Operating Budget Status
- Highway Funding Status
  - State Funding
    - FY 2024 lettings through May: \$30.4 m above programmed amounts
    - FY 2024 revenue through April: \$36.5 m above forecast
    - Overall balance: \$18.8 million overprogrammed (started at \$24.9 m over programmed)
  - Federal Funding – FFY 2024 appropriation passed



# 2025-2029 Highway Program

- Approved June 11, 2024
- \$4.5 billion of state/federal funding over five years
- Increased investment on pavements with a focus on Interstate pavements
- Added final phase of I-380 widening between Iowa City and Cedar Rapids
- Adds 50 new truck parking spots on the Interstate
- Financial situation
  - No new revenue
  - Inflation is moderating
  - Three of the five years are beyond the life of the Infrastructure Bill – forecast flat revenue

# 2024 Legislative Session

- DOT legislative priorities
  - Removing sensitive information from printed vehicle titles (HF2185) – Signed by the Governor
  - Setting minimum value threshold for vehicles requiring a bond (HF2316) – Signed by the Governor
  - Right of Way Streamlining waivers for small areas of disposal (HF2186) – Signed by the Governor
  - Streamlining of Road Use Tax Fund reporting requirements (HF2187) – Signed by the Governor
- Boards and Commissions

# FY 2025 Budget Request

- Governor approved our budget request as submitted (operations and modal programs)
- FY 2025 Budget Request: \$452.9 million (FY 2024 budget was \$454.7 million)
- Status quo for positions
- Overall reduction in Capital due to large capital appropriation in FY 2024
- Increased funding for vehicle safety improvements (light bars and GPS/AVL)
- Passed House and Senate and signed by the Governor

# FY 2025 Modal Program Appropriations

Program	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 Governor Recommendation	FY 2025 Appropriation
Commercial Service Vertical Infrastructure	\$1,900	\$1,900	\$1,900	<b>\$1,900</b>
General Aviation Vertical Infrastructure	\$1,000	\$1,000	\$1,000	<b>\$1,000</b>
State Recreational Trails	\$2,500	\$2,500	\$2,500	<b>\$3,500</b>
Public Transit Infrastructure	\$1,500	\$1,000	\$1,500	<b>\$1,500</b>
Railroad Revolving Loan and Grant Program	\$2,000	\$500	\$2,000	<b>\$2,000</b>
Commercial Service Airport Terminals		\$10,000		
Total	\$8,900	\$16,900	\$8,900	<b>\$9,900</b>

# Commission Updates

- New Commissioners – July 2024
  - Bill Anderson, Cherokee
  - Mary Mulgrew Gronen, Dubuque
  - Replacing Charese Yanney (Sioux City) and Kathy Fehrman (Des Moines)
- Commission Tours – CY 2024
  - ✓ April: Cedar Rapids
  - ✓ June: Council Bluffs
  - August: Honey Creek Resort
  - October: Decorah

*Thank you!*

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Questions?



[stuart.anderson@iowadot.us](mailto:stuart.anderson@iowadot.us)



515-239-1661



# Rail Revolving Loan and Grant Program

Modal Transportation Bureau/Rail

## Rail Revolving Loan & Grant (RRLG) Program

- What is the RRLG program?
  - History
  - Structure
- What is the goal of RRLG?
- How is RRLG funded?
- Who uses RRLG and what are the results?



## History

- Created in 2005 by an amendment to Iowa Code 327H.20.
- Created within what was Iowa Railway Finance Authority (IRFA).
- The IRFA was created in 1980 and was active until 2009.



## Structure – What is it today?

- Competitive - application based - reimbursements
- Recommendations are formulated by rail staff and system planning staff
- 3 program parts
  - (1) Targeted jobs creation and retention (grant)
  - (2) Infrastructure creation or improvement (loan)
  - (3) Rail port planning study (grant)
- Project solicitation April, Commission award October

- **(1) Targeted jobs creation and retention (grant)**
  - Jobs created by infrastructure creation or improvement.
  - Requires a 50% match and payroll verifications following completion
  - Can provide up to \$12,000 per job created or retained
  - 3-year completion window after a funding agreement is executed
  - Funded once per fiscal year

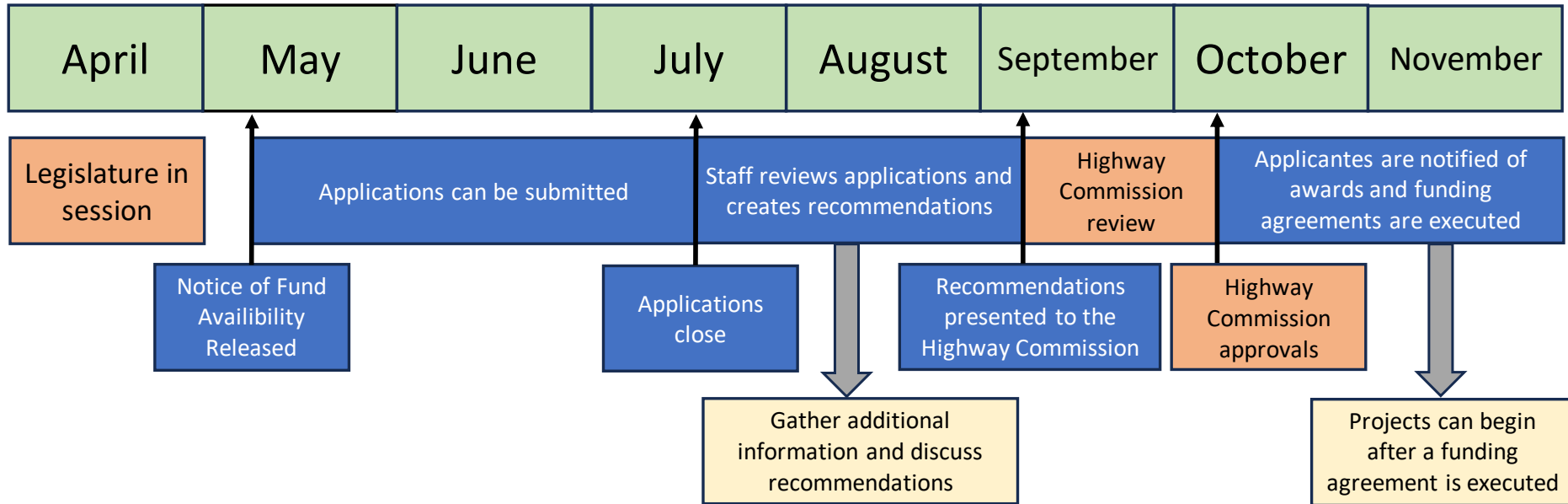
- **(2) Infrastructure creation or improvement (loan)**
  - Infrastructure improvement that does not create jobs
  - Requires a 20% match
  - No max on request amount
  - 3-year completion window after a funding agreement is executed
  - 0% interest loan for 10 years, following completion period
  - Funded once per fiscal year

- **(3) Rail port planning study (grant)**
  - \$100,000 max amount request
  - Requires a 20% match
  - 18-month completion window after a funding agreement is executed
  - Can be approved any time of the year based on funding availability

- Competitive - application based - reimbursements
- Recommendations are formulated by rail staff and system planning staff
- 3 program parts
  - (1) Targeted jobs creation and retention (grant)
  - (2) Infrastructure improvements or creation (loan)
  - (3) Rail port planning study (grant)
- Project solicitation April, Commission award October

Parts 1 & 2 can  
be combined

# Structure



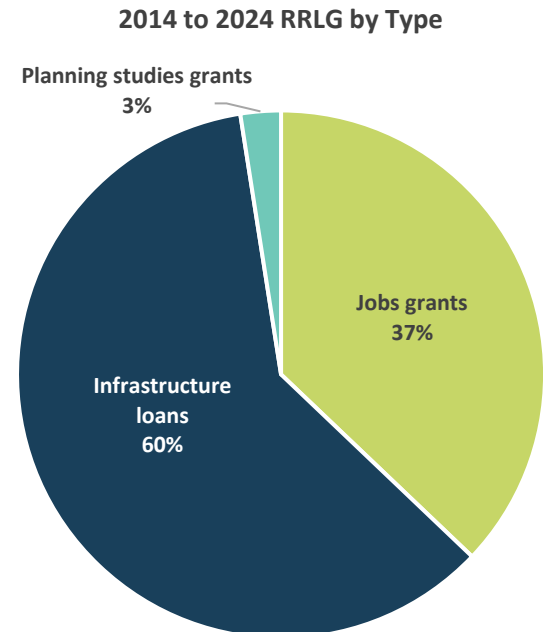
## What is the goal of RRLG?

- Foster improvements to Iowa's economy by leveraging rail
  - Support new jobs coming to Iowa and keeping jobs in Iowa
    - Targeted job creation grants
  - Support the "last mile" of infrastructure improvements
    - 10-year, interest free loans
    - Planning study grants
  - Ensure stewardship of resources available
    - Competitive application process and staff oversight

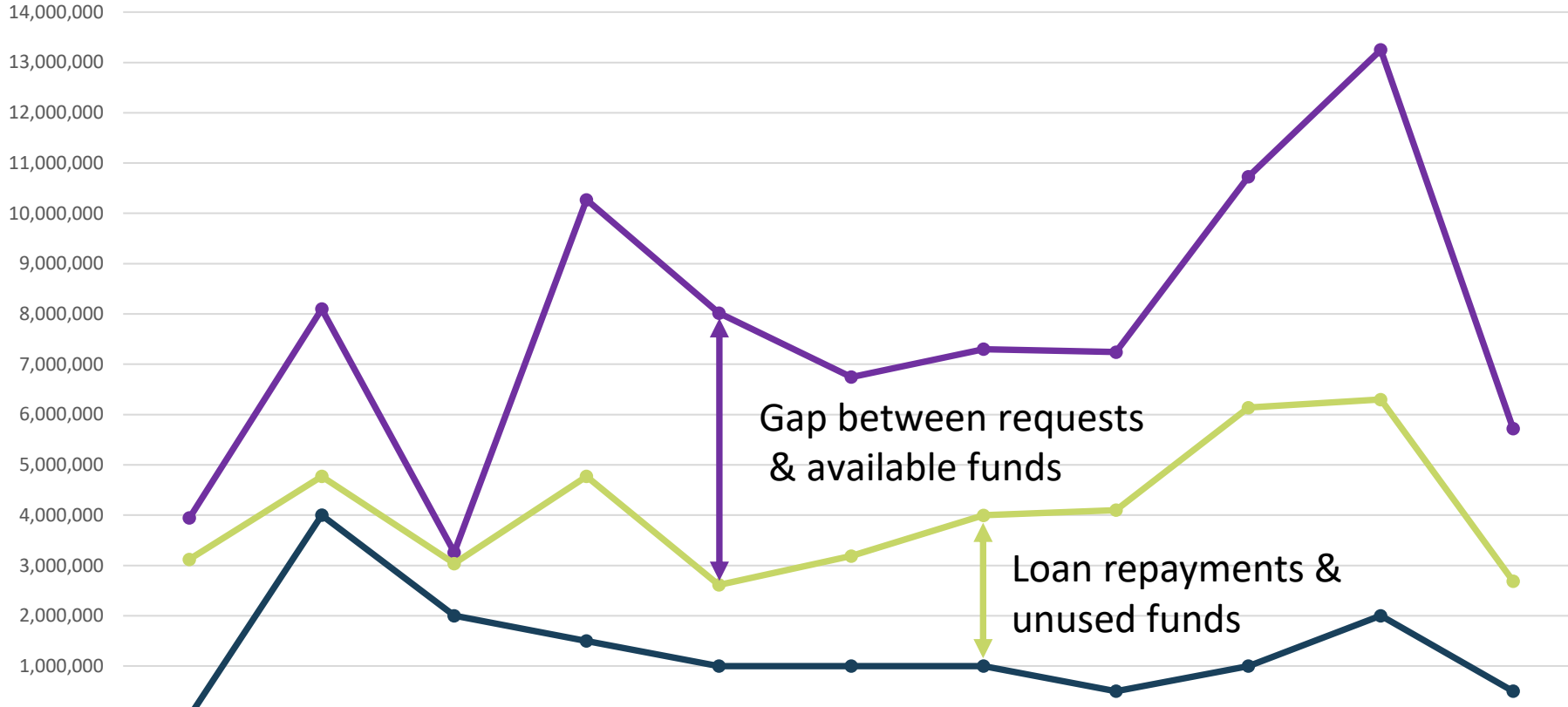


## How is RRLG funded?

- Rebuilding Iowa's Infrastructure Fund (RIIF)
  - Appropriations from the Legislature
- Loan repayments
- Unused & rescinded funds



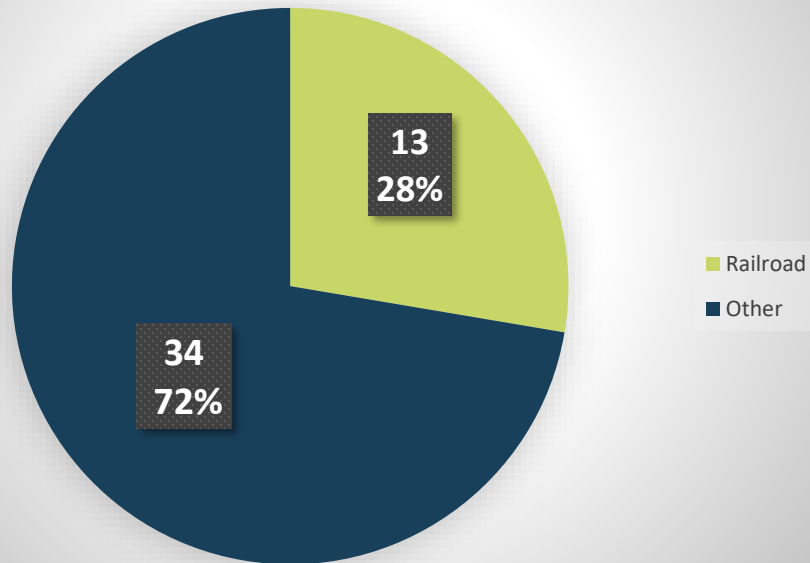
FY2014 to FY2024 Revolving Loan & Grant program funding



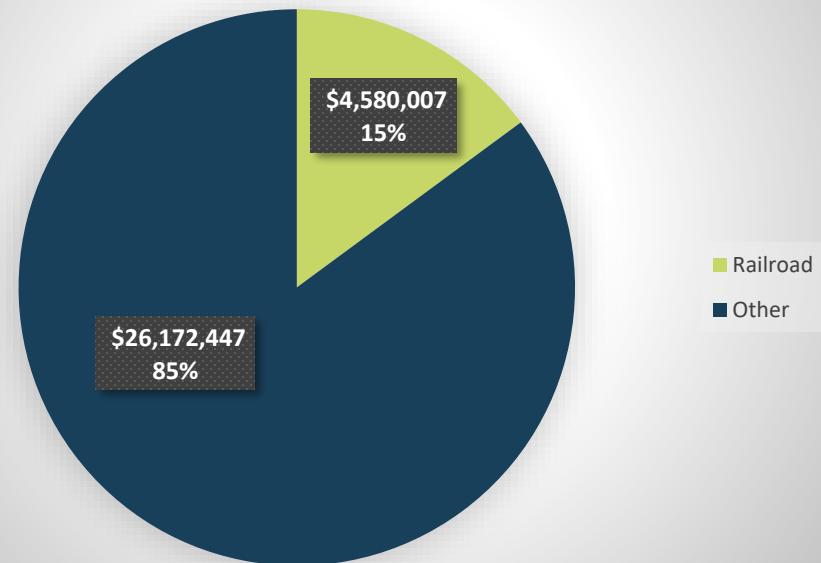
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Requests	\$3,945,400	\$8,100,000	\$3,260,000	\$10,270,000	\$8,018,000	\$6,745,645	\$7,301,027	\$7,242,907	\$10,730,712	\$13,250,230	\$5,722,000
Available	\$3,122,272	\$4,771,985	\$3,039,427	\$4,771,234	\$2,615,482	\$3,186,863	\$3,996,994	\$4,100,000	\$6,138,746	\$6,300,000	\$2,687,982
Appropriations	\$-	\$4,000,000	\$2,000,000	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$2,000,000	\$500,000

## Who uses RRLG?

FY2014 - FY2024 Total 47 RRLG applicants

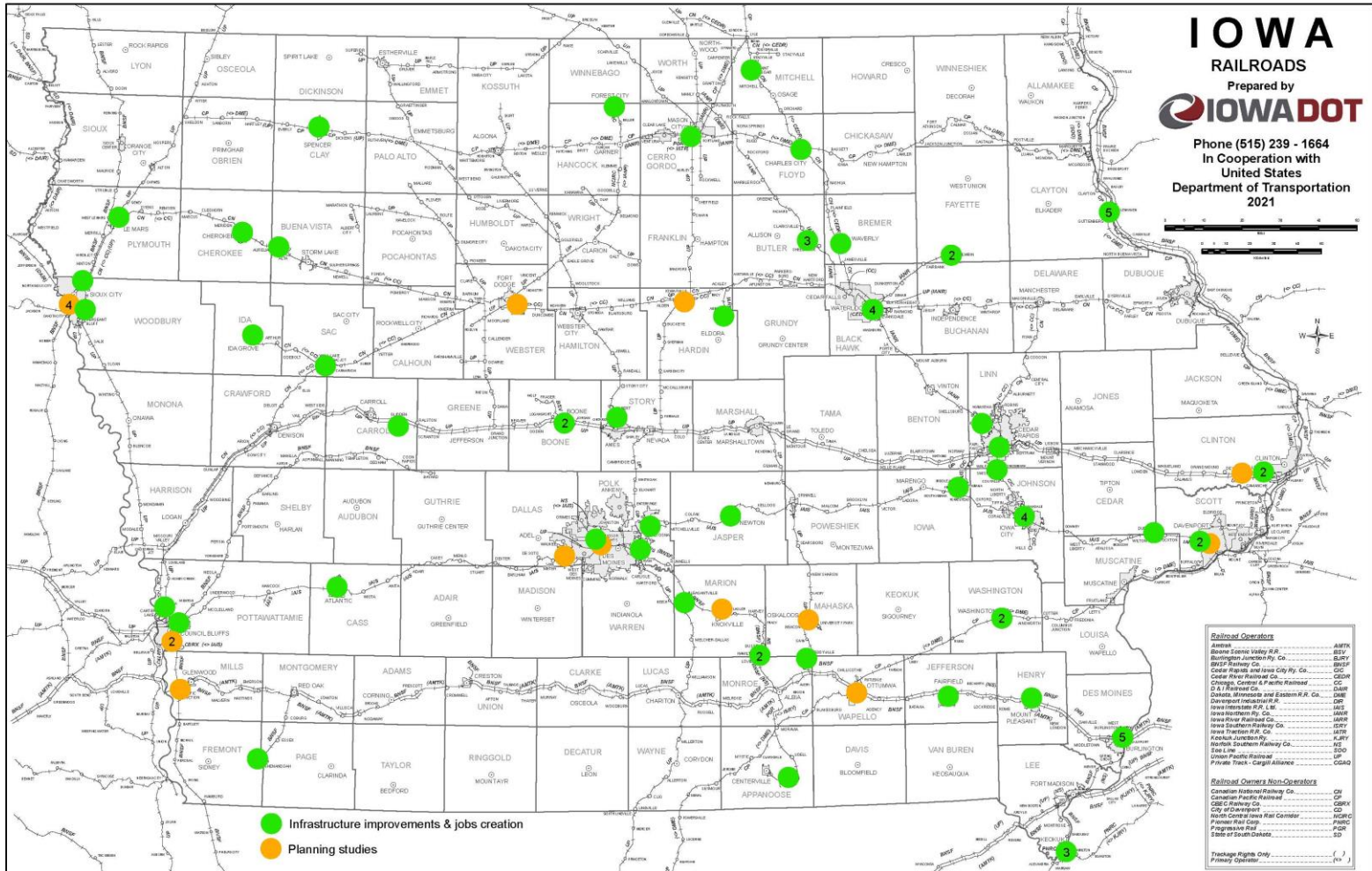


FY2014 - FY2024 \$30.8 million RRLG funding awarded



Other includes businesses, cities, counties, development organizations, etc...

# 2006 – 2024 RRLG project locations



# What are the results?

RRLG-ST22(06)--9T-08

BSVR Harrison-Meridian Rail Rehab, Boone Co

Project closed out 12/20/2023

RRLG funding \$373,540.73 (loan)

The project replaced failing ties for about a mile of the existing track, starting at Harrison St. and extending 650 feet beyond Meridian St. in the city of Boone, Boone County. This project finished under budget and supports continued growth leveraging rail access to the industrial park on the East side of Boone.



# What are the results?

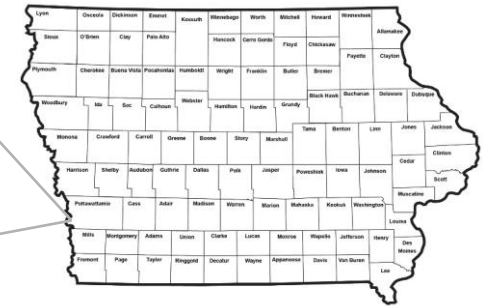
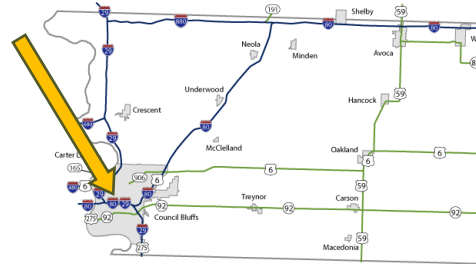
RRLG-ST23(03)--9T-78

IceCap Cold Storage Co, Council Bluffs, Pottawattamie Co

Project closed out 04/11/2024

RRLG funding \$503,315 (loan) & \$576,000 (grant)

This project is an expansion to the new facility built in 2022. It adds 1,458 feet of new, dock accessible, track and a rail spur. Along with access to rail, this project also creates 48 full-time equivalent employee positions, paying at least \$22.30 per hour.



## What are the results?

RRLG-ST23(01)--9T-11 Platinum Crush, LLC  
Project closed out 03/18/2024

The Platinum Crush facility at Alta, Iowa processes soybeans into soybean oil and soybean meal. The total onsite storage of unprocessed soybeans is 5.1 million bushels. While running at full capacity, this plant can process those 5.1 million bushels in 45 days. The oil and meal will leave the facility using rail. Built at an estimated cost of more than \$14 million, the seven track, 50,147-foot loop track can accommodate 5-unit trains on site. This facility will also create 51 jobs at an average wage of \$22.32/hour.

Alta, Buena Vista County  
RRLG funding \$2,000,000 (loan) & \$612,000 (grant)



## RRLG goal recap

- Foster improvements to Iowa's economy by leveraging rail
  - Support new jobs coming to Iowa and keeping jobs in Iowa
  - Support the “last mile” of infrastructure improvements
  - Ensure stewardship of resources available



*Thank you!*

---

Questions?

**IOWA | DOT**



[james.glaspie@iowadot.us](mailto:james.glaspie@iowadot.us)



515-567-0715

# Land O'Lakes Shrinks Empty Miles Through Industry Collaboration

SHARE: [✉](#) [f](#) [t](#) [in](#)

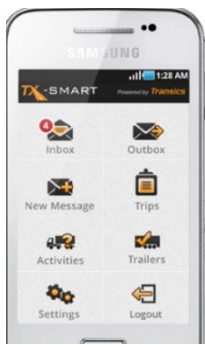


With truck capacity experiencing wide swings in availability, and shippers struggling to get product to market in a time of highly uncertain demand, it has never been more important to make optimal use of the space that's actually available.

So goes the ideal — but in practice, the industry is subject to substantial amounts of underused over-the-road capacity. The culprit is deadheading: the running of empty trucks on one leg of a round trip. Estimates put the amount as high as 40% of all moves.

**Horizontal collaboration:  
How to be successful**  
Dr. Henrik Sternberg  
Iowa State University

<https://www.fourkites.com/press/land-olakes-shrinks-empty-miles-through-industry-collaboration/>

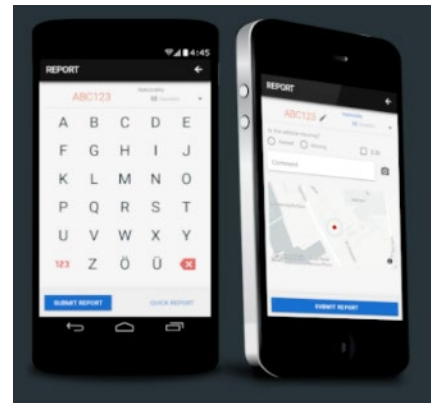
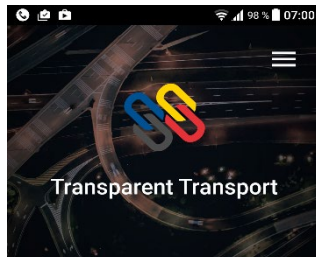


# Henrik Sternberg: *Engaged research*

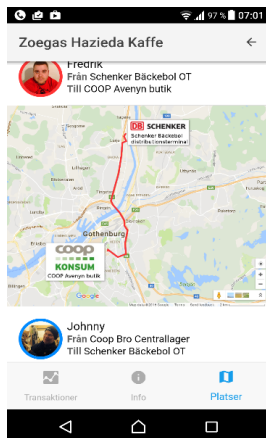


# Transics VOLVO

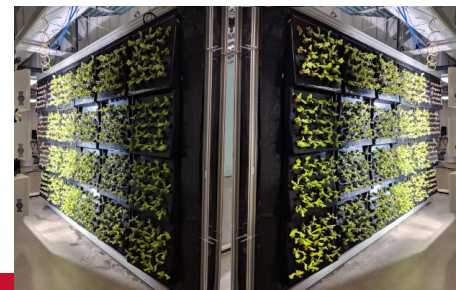
Volvo Transport Company  
Consulting



[app.cabotagestudien.com](http://app.cabotagestudien.com)



Tryck for att scanna in produkt



Home / Newsletters / Loaded and Rolling / Poor trailer space utilization continues in 2023

Loaded and Rolling

News

Newsletters

Sponsored Insights

# Poor trailer space utilization continues in 2023

Flock Freight survey reports 43% of truckload orders were partially empty



Thomas Wasson · Thursday, May 23, 2024

- Trucking transports 70% of all goods
- 20% to 30% empty miles
- Trucking volumes will increase 45% by 2050





*177 000 miles saved  
after 1 year!*

# Questions

- What is horizontal logistics collaboration?
- How do you execute it?
  
- *What are the antecedants of success and failure?*

# TRI = VIZOR

THE WORLD'S FIRST CROSS SUPPLY CHAIN<sup>®</sup> ORCHESTRATOR<sup>™</sup>

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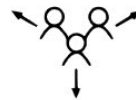
**TRI = VIZOR** is setting up horizontal collaborations to:



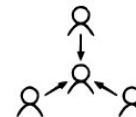
Bundle flows



Cluster activities



Share capacity



Pool resources

# How to collaborate?





# Horizontal Logistics Collaboration

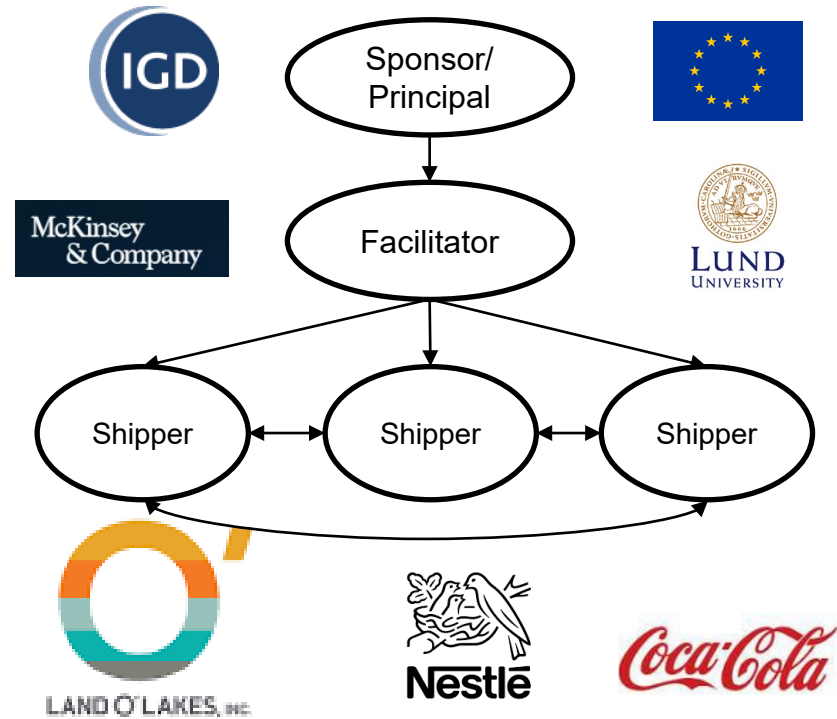
- HLC: collaborations among suppliers, customers, and logistics service providers focusing on activities such as transport sharing (Crujssen et al, 2007; Pan et al, 2019)

Empirical reports / calculated savings:

- Palmer & McKinnon (2011): -16%
- Crujssen et al. (2007): – 30%
- Frisk et al. (2010): -14%
- *CO3 projects: savings 10 to 30%*







Opportunistic -> Systematic horizontal collaboration?

## Legal context

### A) Cartel prohibition (Art. 101 EU), but is not prohibiting

- cooperation between non-competitors; -> OK
- cooperation between competing companies that cannot independently carry out the project or activity covered by the cooperation - OK

### B) EU Guideline (2011/C 11/01) on Art. 101 EU 'horizontal co-operation agreements' is not prohibiting Horizontal Collaboration, if using a **trusted party** (eg 'joint purchasing organisation')

#### Legal role of Trustee to comply with EU law:

- no direct information exchange between the parties
- trustee does not compete with the parties on the selling market,
- all information necessary for the purchases is only disclosed to the joint purchasing organisation, not to the other parties
- example: quality specifications, quantities, delivery dates, maximum purchase prices

⇒ **Horizontal co-operation agreement is not violating EC Competition law !**

⇒ **Recommendation: Use a trustee to avoid anti-trust 😊 !**

# Antitrust Guidelines for Collaborations Among Competitors



Issued by the  
Federal Trade Commission  
and the  
U.S. Department of Justice

ICA: 43% market share  
COOP 22% market share



ICA

COOP









*Cloetta*




# Method

- Qualitative abductive case study
- Unit of analysis each collaboration project
- Covers >20 years of SHLCs
  - United Kingdom 
  - Germany 
  - Sweden 
  - Denmark 
  - USA 
- Interviews with sponsors, facilitators, participants
- Secondary data: presentations, project documents, public reports

# Cases

Case	Initiator		Sponsor - Principal	Facilitator	Shippers
<b>DE Furniture (1998)</b>	Principal		Local Industry Association	Research institute	50 furniture manufacturers
<b>DE MUC (2004–2007)</b>	Principal		Bavarian Ministry of Economics	Research institute	3 automotive suppliers
<b>SE Forestry (2004–2008)</b>	Principal & Facilitator		Research institute		8 Swedish forestry producers
<b>UK Starfish (2009–2011)</b>	Facilitator		Institute of Grocery Distribution	University	27 companies: 6 retailers, 3 wholesalers, and 18 of their suppliers
<b>SE Starfish (2012–2014)</b>	Principal & Facilitator		Swedish Administration of Transport and a research orchestrator	University	2 retailers and 5 of their suppliers
<b>DK Log (2014–2017)</b>	Facilitator		Danish government and Danish Transport Administration	University	6 Danish companies: 4 manufacturers, 1 industrial material supplier, and 1 B2B retailer

# Contrast Cases

Case	Initiator		Sponsor - Principal	Facilitator	Shippers
SE Retailers (2000–now)	Shippers		NA	NA	2 Large retailers
US FMGC (2001-2004)	Shippers		NA	Network facilitator	3 large FMGC producers
UK FMGC (2007-now)	Shippers		NA	NA	2 large FMGC producers



# Guiding Theoretical Frameworks

- Commons Theory (Ostrom 1990, 2000)
  - Decentralized collaboration
  - What failed?
  - Boundaries, equivalence, conflict resolution
- Agency Theory (Jensen & Meckling 1976; Eisenhardt 1986)
  - Delegated relationships
  - Why did they fail?
  - Adverse selection, moral hazards

# Results: Which projects do progress?

		Project progress ->				
		Launch	Feasibility study	Pilot	Horizontal Coordination	Horizontal Collaboration
Principal	Government	-DK Log (2014)	-DE MUC (2004)			
			-SE Starfish (2012)			
	Industry Association		-DE Furniture (1998) -UK Starfish I (2009)	-SE Forestry (2010)		
	Shippers				-US FMCG (2001- 2003)	-SE Retailers (2000-2020) -UK FMCG (2007-2020)

# Results: What Failed?

		Project progress ->				
		Launch	Feasibility study	Pilot	Horizontal Coordination	Horizontal Collaboration
Principal	Government	DK Log (2014)	-DE MUC (2004)			
	Industry Association		-SE Starfish (2012)			
	Shippers		-DE Furniture (1998) -UK Starfish I (2009)	-SE Forestry (2010)	-US FMCG (2001-2008)	SE Retailer (2000-2020) UK FMCGs (2007-2020)

Commons Polycentric Principles

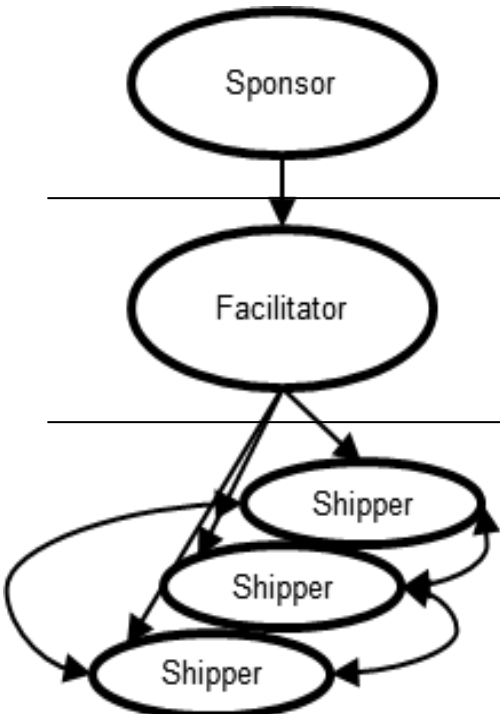
	DK Log	UK Starfish	SE Starfish	SE Forest Transport	US FMCG	SE Retailers
	DK Log	UK Starfish	SE Starfish	SE Forest Transport	US FMCG	SE Retailers
	GE MUC / Furniture					
Clear Boundaries	NO	YES	YES	YES	YES	YES
Clear Cost-Benefits	NO	NO	YES	YES	YES	YES
Collective decision	NO	NO	YES	YES	YES	YES
Conflict identification and resolution	NO	NO	YES	YES	YES	YES
Self-determination	NO	NO	YES	YES	YES	YES
Agency	Sponsor or Facilitator	YES	YES	YES	YES	NO

# Results: Why Did they Fail?

**Goals**

**Adverse Selection**

**Moral Hazards**



Change  
Cost-Co2  
Recognition

Data  
Publications  
Funding

Cost-Co2  
Experiment  
Reputation  
Funding

Theoretical Concept

Rivalry  
Heterogeneity

Limited Search  
No Failure Studies

Passive Role

# Practical Implications

## Government and Industry Associations

- Many projects have been conducted, but few failure reviews have surfaced
- Need to implement mechanisms to learn from projects and disseminate findings

## Shipping Firms

- Need to develop capabilities to achieve collaboration success
- Not all negative, some shippers considered project learning experience for future

# Key takeaways



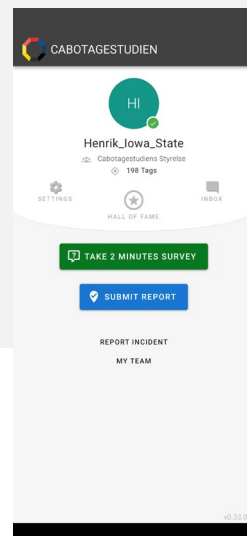
- Collaboration between two or three parties is highly beneficial
- Collaboration projects initiated by the shippers are likely to succeed
- Systematic horizontal collaboration does not yet work
- Public sector trying to orchestrate collaboration usually fail
- Research/external experts can be very helpful for, e.g., profit-sharing, SC design
- External facilitator makes legal compliance easier

# ONGOING PROJECTS



CABOTAGESTUDIEN

# Crowdsourcing: Strategy & Policy implications



- New Swedish and Danish laws are enacted
- EU legislations on further deregulations halted, partly re-regulated
- Topic of Scandinavian elections
- Conditions improved for thousands of drivers

*“Of course, I downloaded the app... we really need facts about cabotage” (C. Elmsäter, Swedish infrastructure minister)*



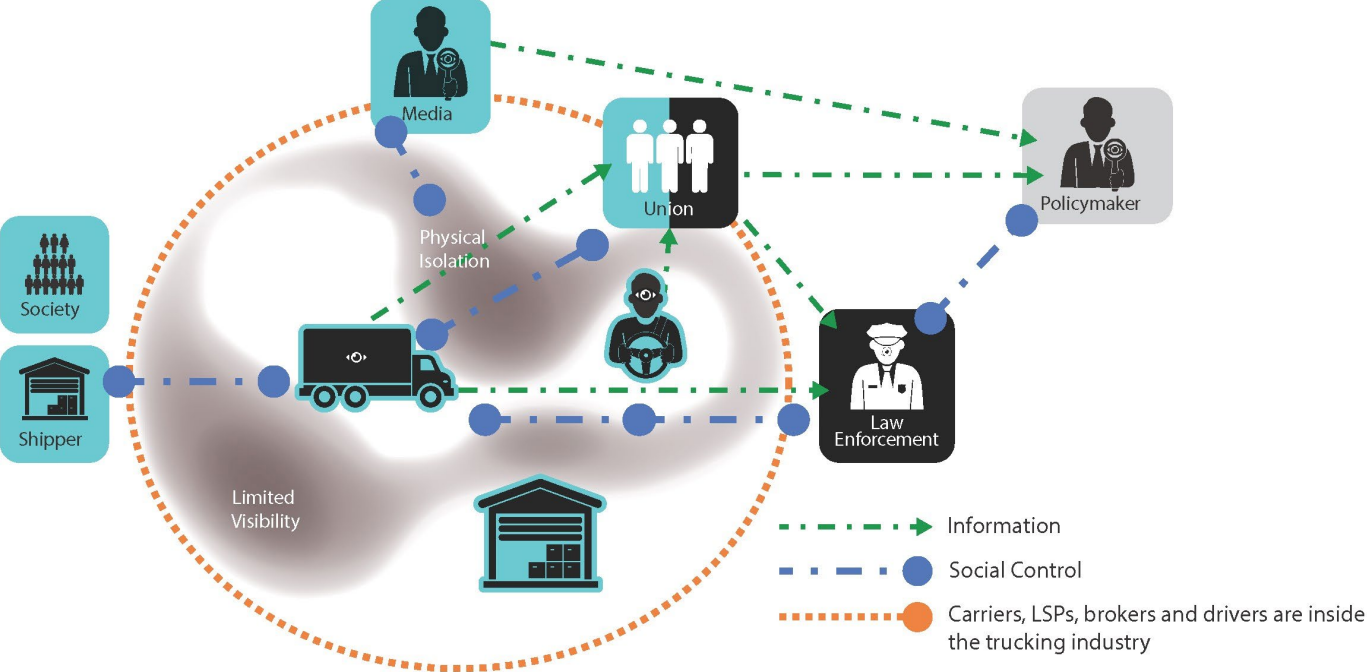


# MISCONDUCT AND WHAT MAKES THE TRUCKING INDUSTRY BETTER?

Code	Organization	Job Title	Duration (min)	Years of Exp.	Region	Incidents count
T01	Medium/Small Carrier	Owner	45	20	US	7
T02	Broker	Broker	32	15	US	10
T03	Large Carrier	Vice President	56	35	US	7
T04	Large Carrier	Dispatcher & Driver	61	22	US	7
T05	Large Logistics Co.	General Counsel	37	18	US	13
T06	Local Excavating Co.	Driver	29	12	US	8
T07	Broker	Owner	71	50	US	7
T08	Large Carrier	Driver	52	37	US	4
T09	State Patrol	Sergeant	42	24	US	6
T10	Small Carrier	President	53	28	US	11
T11	University	Professor	43	27	US	5
T12	Small Carrier	Owner	30	19	US	4
T13	Specialized Carrier	Driver	18	19	US	5
T14	Broker Association	Program Director	51	2	US	10
T15	Carrier Association	Representative	60	10	Scandinavia	3
T16	Carrier Association	Representative	48	12	Scandinavia	4
T17	Large LSP	Freight Manager	40	13	Scandinavia	4
T18	Retail Company	Freight Manager	58	40	Scandinavia	2
T19	Medium LSP	Freight Manager	20	10	Scandinavia	5
T20	Large LSP	Quality & Environment Manager	59	21	Scandinavia	3
T21	Owner-Operator	Owner-Operator	58	33	Scandinavia	9
T22	Specialized Carrier	Driver	32	25	Scandinavia	6
T23	Distributor	Driver	48	35	Scandinavia	3
T24	Union	Representative	32	18	Scandinavia	4

Soft Social Control

Hard Social Control



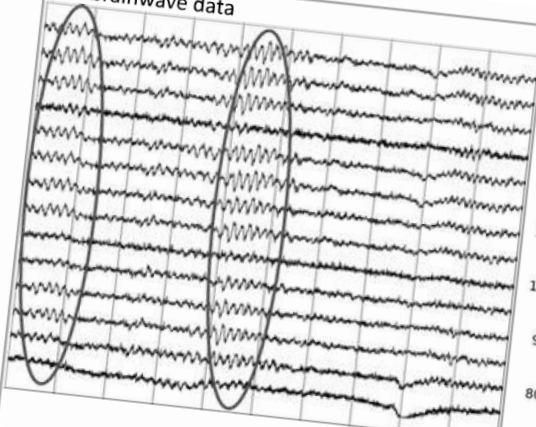
Characteristics in italics. Flows and control are examples and do not represent every single control and information flow.

# Blue collar worker stress and resilience

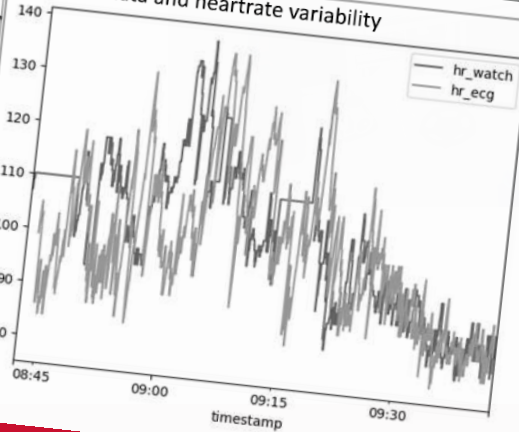


Data

EEG brainwave data



Heartrate data and heartrate variability



Electro-dermal activity (galvanic skin conductivity)

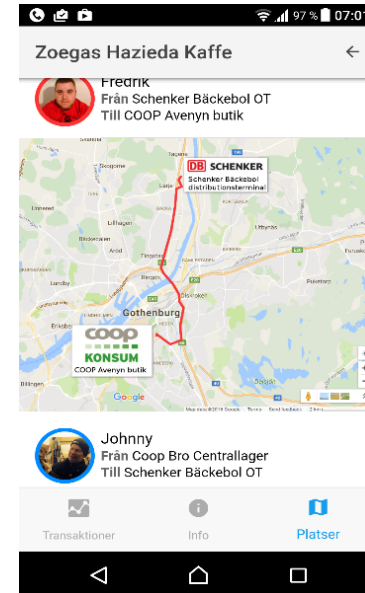
# Transparency sells

- Repeated scientific studies show that transparency significantly increases sales and increases supply chain trust (Buell & Kalkanici, 2020). Often associated with increased sales in the area of 18-45%. Consumers like to see employees, e.g., Nature Sweet tomatoes.



# Would transparency help trucking?

- Studies show drivers often feel a lack of public appreciation.
- For products like apparel and coffee, increased transparency is proven to drive sales (Buell & Kalkanci 2020).
- We believe driver spotlight could increase carrier business. In the EU such initiatives have gained traction:  
<https://www.youtube.com/watch?v=nWVdg6KU1MI>.



# Questions?

henrik@iastate.edu





# 2024 State Rail Plan

2025 Iowa DOT State Rail Plan Vision Statement  
June Freight Advisory Council Meeting





## Agenda

Draft Vision  
Statement and  
Survey





# Engagement Plan



**MPOs and  
RPAs (Cities  
and  
Counties)**

December 13, 2023  
March 20, 2024  
June 19, 2024

**Rail  
Advisory  
Council  
(RAC)**

December 14, 2023  
March 7, 2024

**Freight  
Advisory  
Council  
(FAC)**

December 15, 2023  
March 8, 2024  
June 14, 2024

**Passenger  
Rail  
Advisory  
Council**

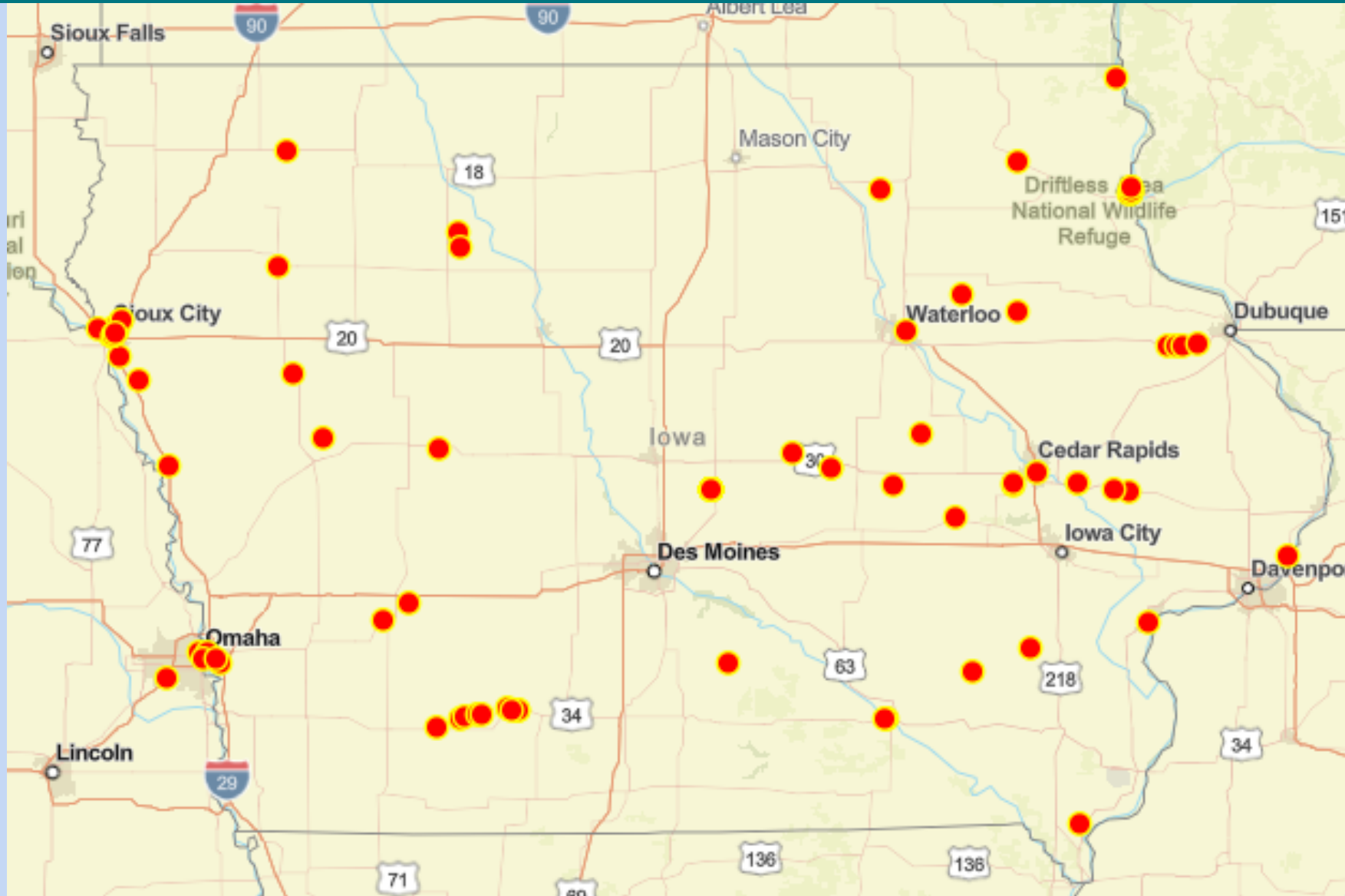
April 22 2024

**DOT Staff**

Ongoing

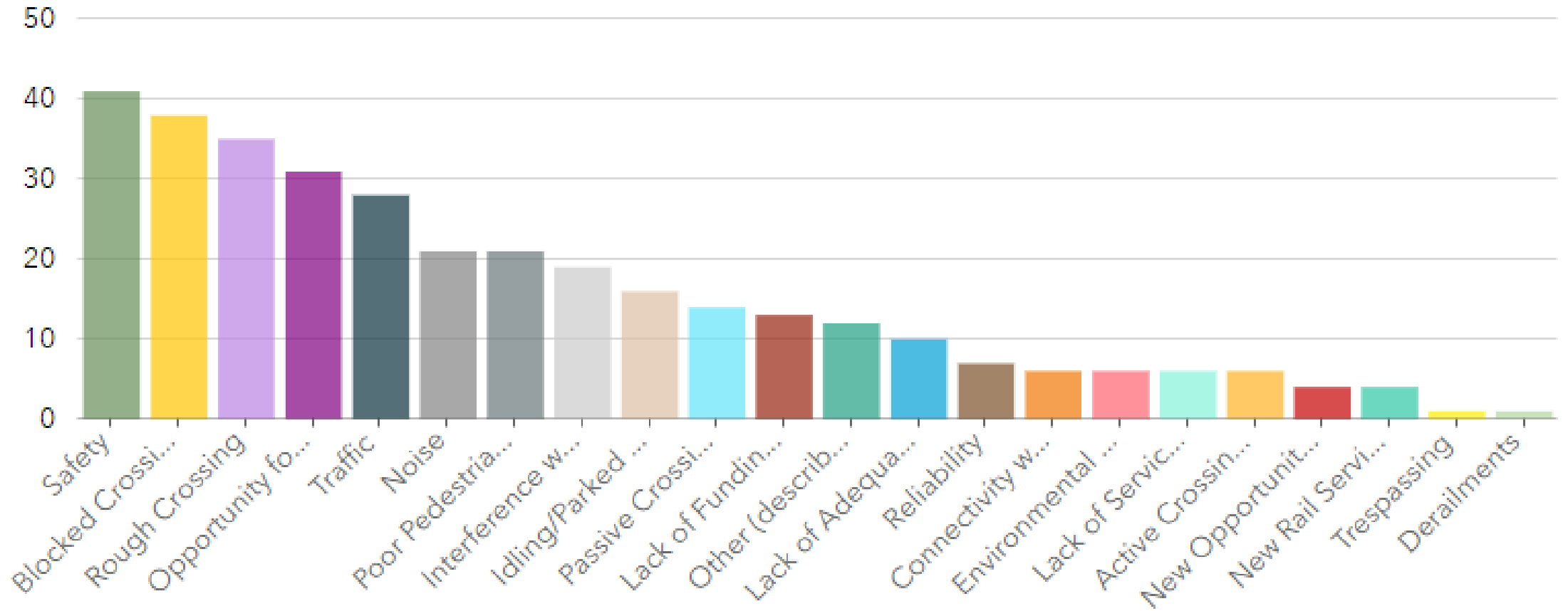
## Vision

A safe and efficient rail system that provides Iowa with economic growth opportunities and competitiveness by maintaining the rail infrastructure, ensuring connectivity for people and goods in an environmentally sustainable manner.



What is the nature of your response as indicated by the point above? \*

Column Bar







*Thank you!*

---

**Questions?**



[Maria.Hobbs@iowadot.us](mailto:Maria.Hobbs@iowadot.us)  
[Caleb.Whitehouse@iowadot.us](mailto:Caleb.Whitehouse@iowadot.us)



515-239-1088  
515-233-7767



## **Iowa's Exports**

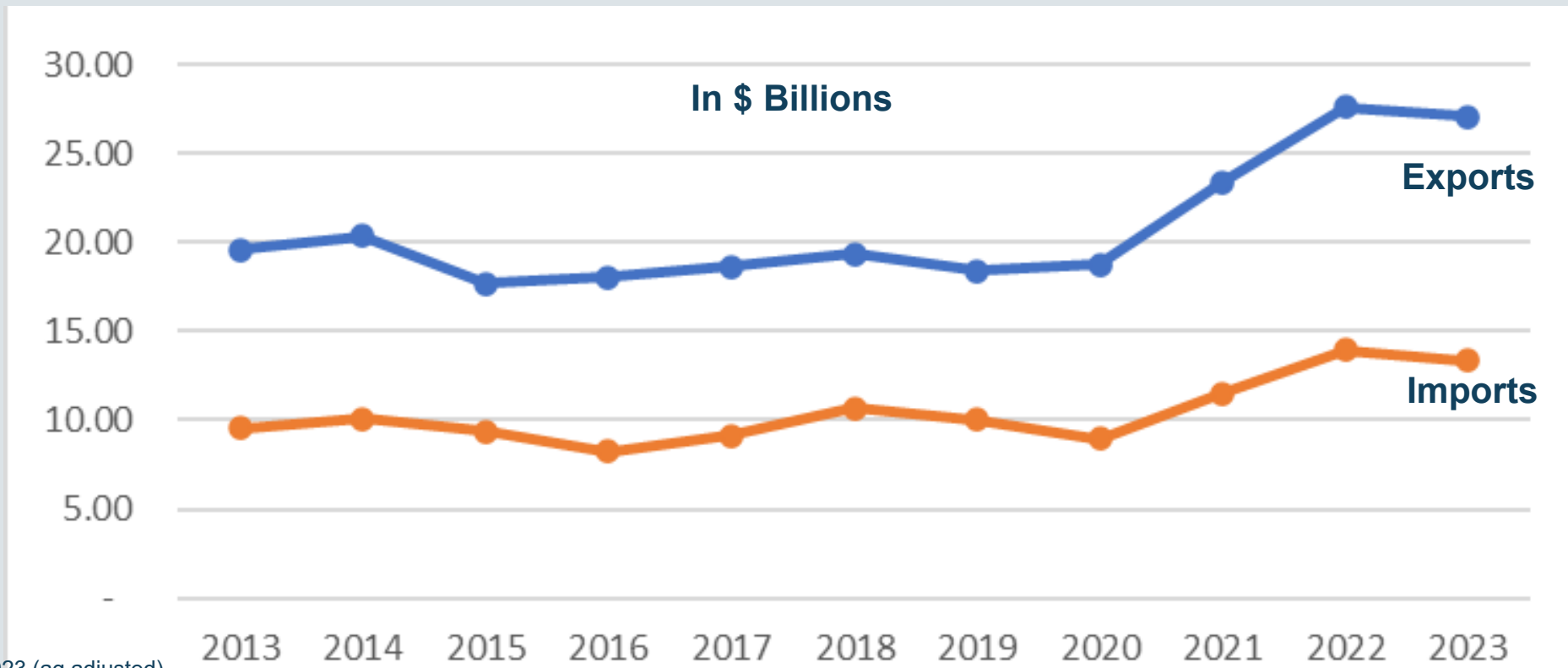
**Joseph Rude**

Global Business Development

Iowa Economic Development Authority

# Iowa's 2023 Trade Balance

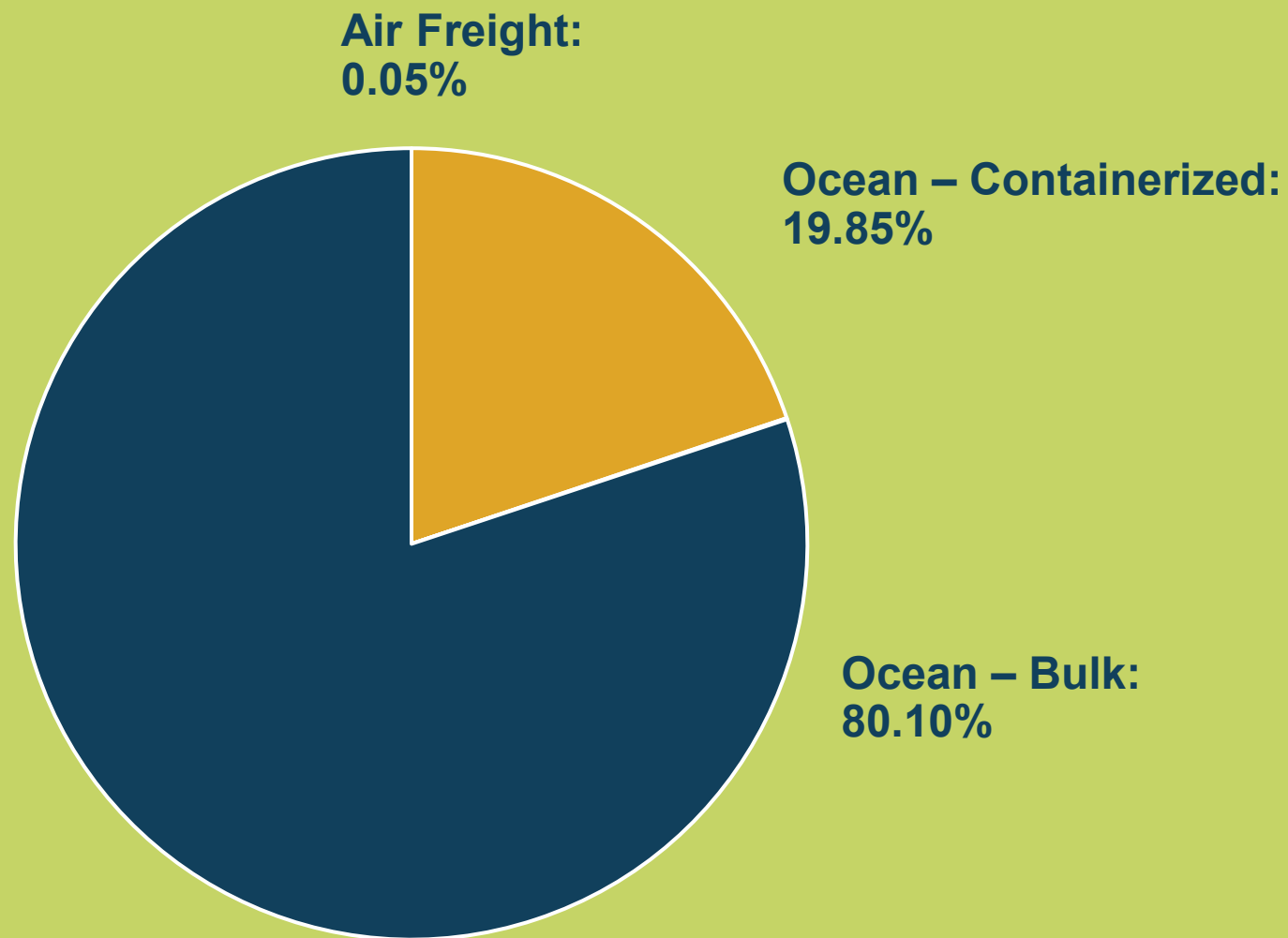
- Iowa exported \$27.1 billion in goods
- Iowa is ranked in the top 5 of net exporting states



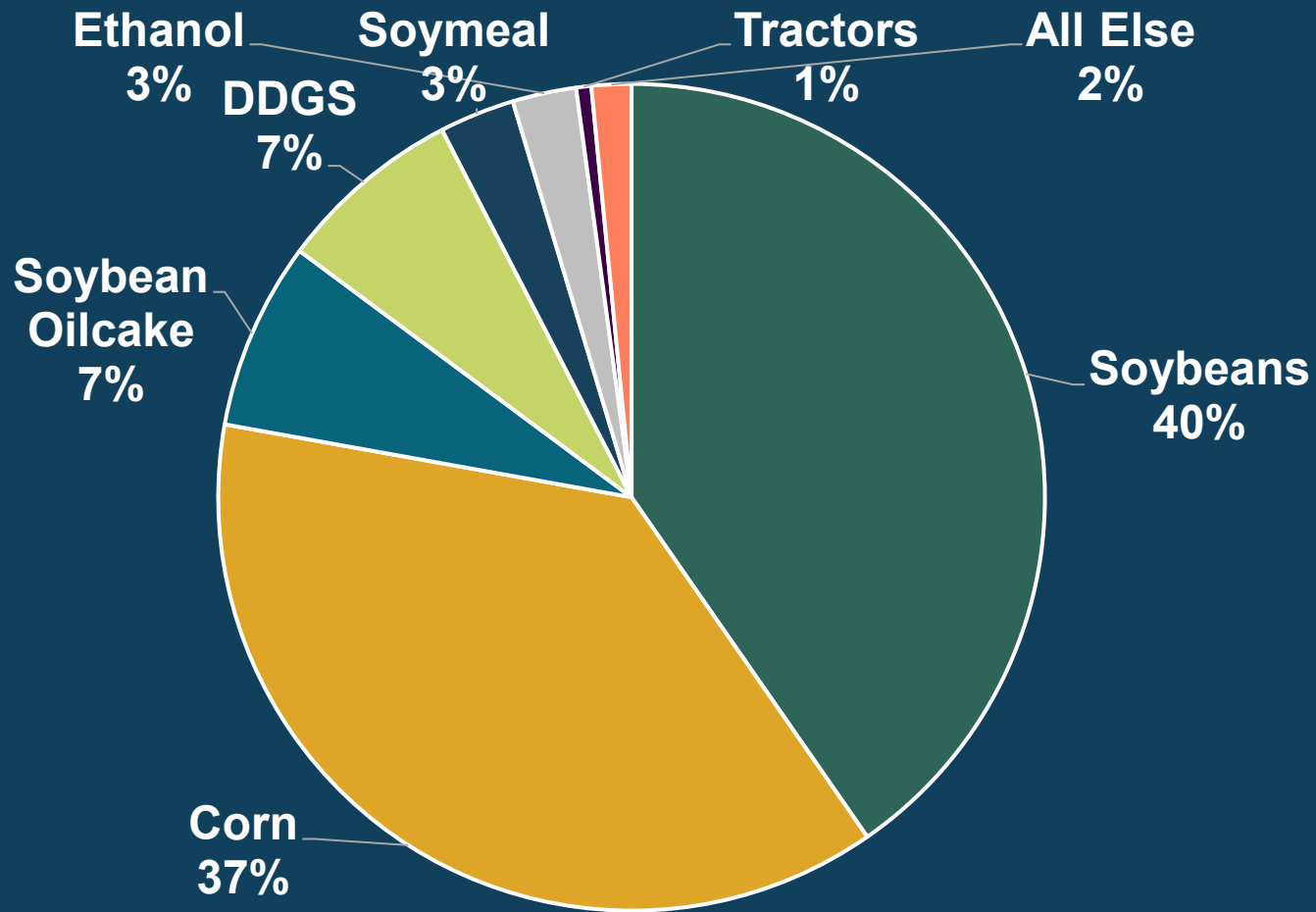


# Export Modes of Transportation

**2023**  
**17.5 MMTs**



# Ocean Exports – Non Containerized



Product Category	2023 Exports (lbs)
Soybeans	5,624,494,358
Corn	5,225,754,017
Soybean Oilcake	1,023,023,612
DDGS	1,012,383,626
Soymeal	409,772,414
Ethanol	347,827,157
Tractors	82,536,266
All Else	216,511,760

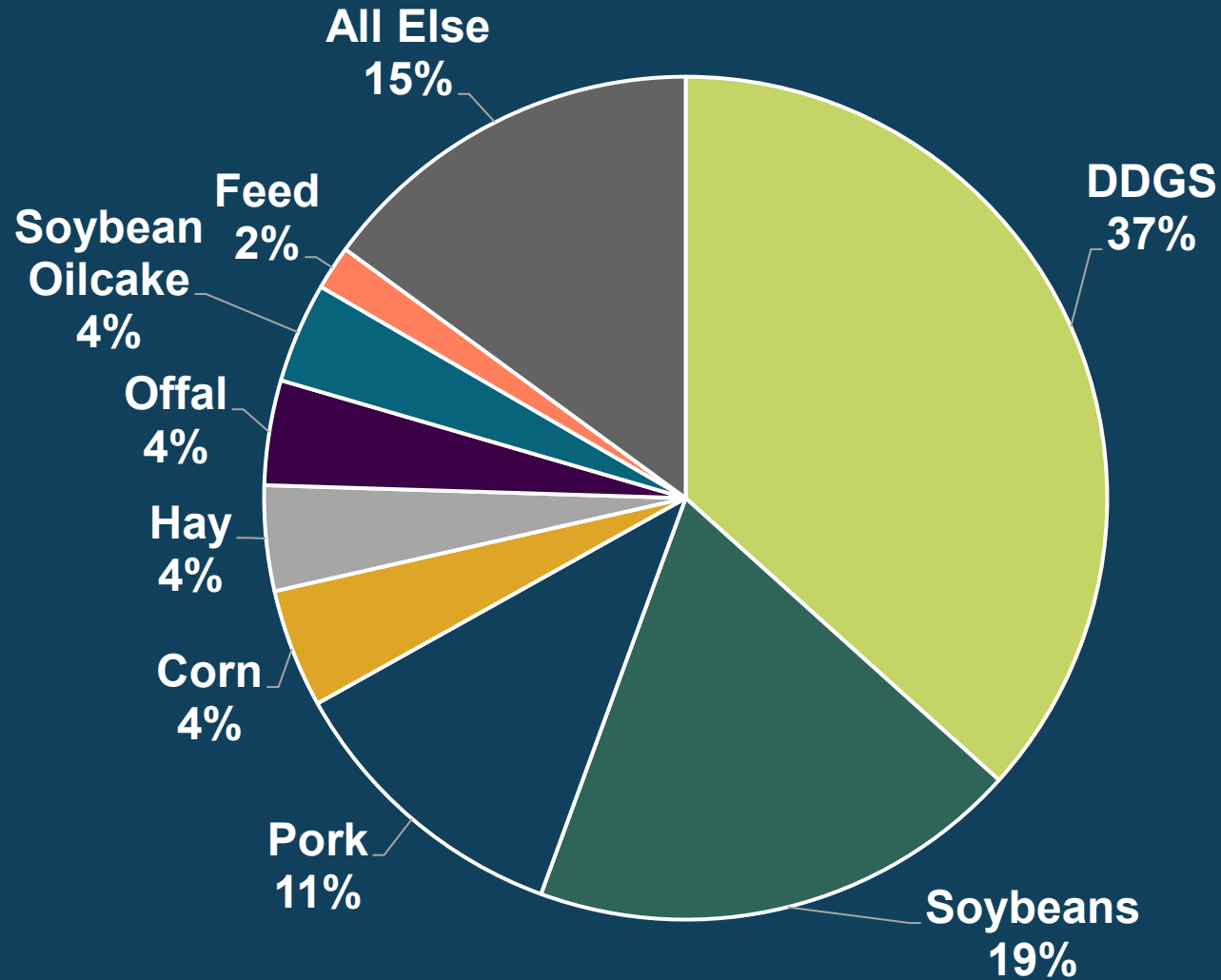
# Export Modes of Transportation - RoRo



# Export Modes of Transportation - Grain



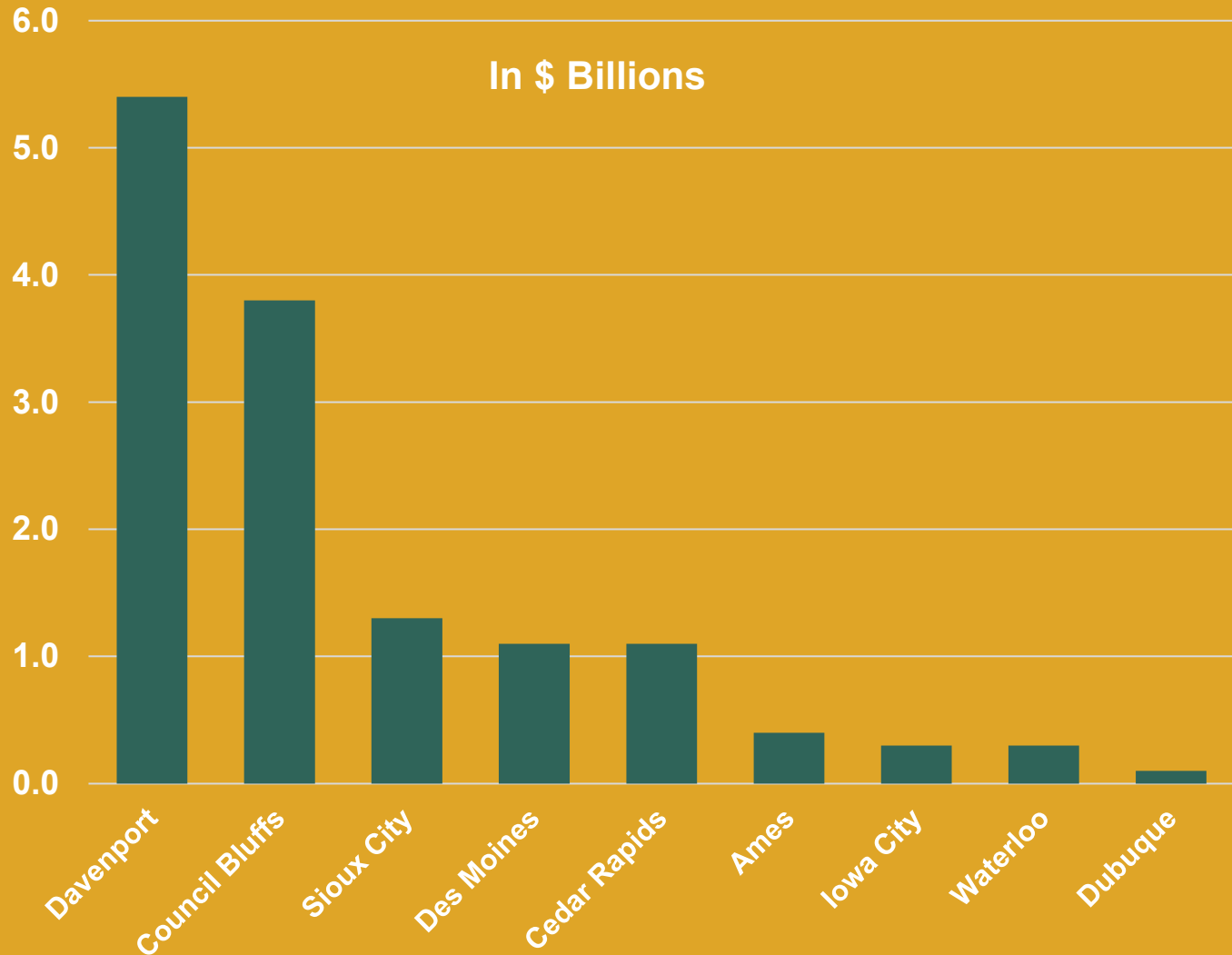
# Ocean Exports – Containerized



Product Category	2023 Exports (lbs)
<b>DDGS</b>	<b>1,266,679,584</b>
<b>Soybeans</b>	<b>653,428,278</b>
<b>Pork</b>	<b>391,350,830</b>
<b>Corn</b>	<b>157,288,759</b>
<b>Hay</b>	<b>139,479,510</b>
<b>Offal</b>	<b>138,895,931</b>
<b>Soybean Oilcake</b>	<b>133,003,078</b>
<b>Feed</b>	<b>58,457,159</b>

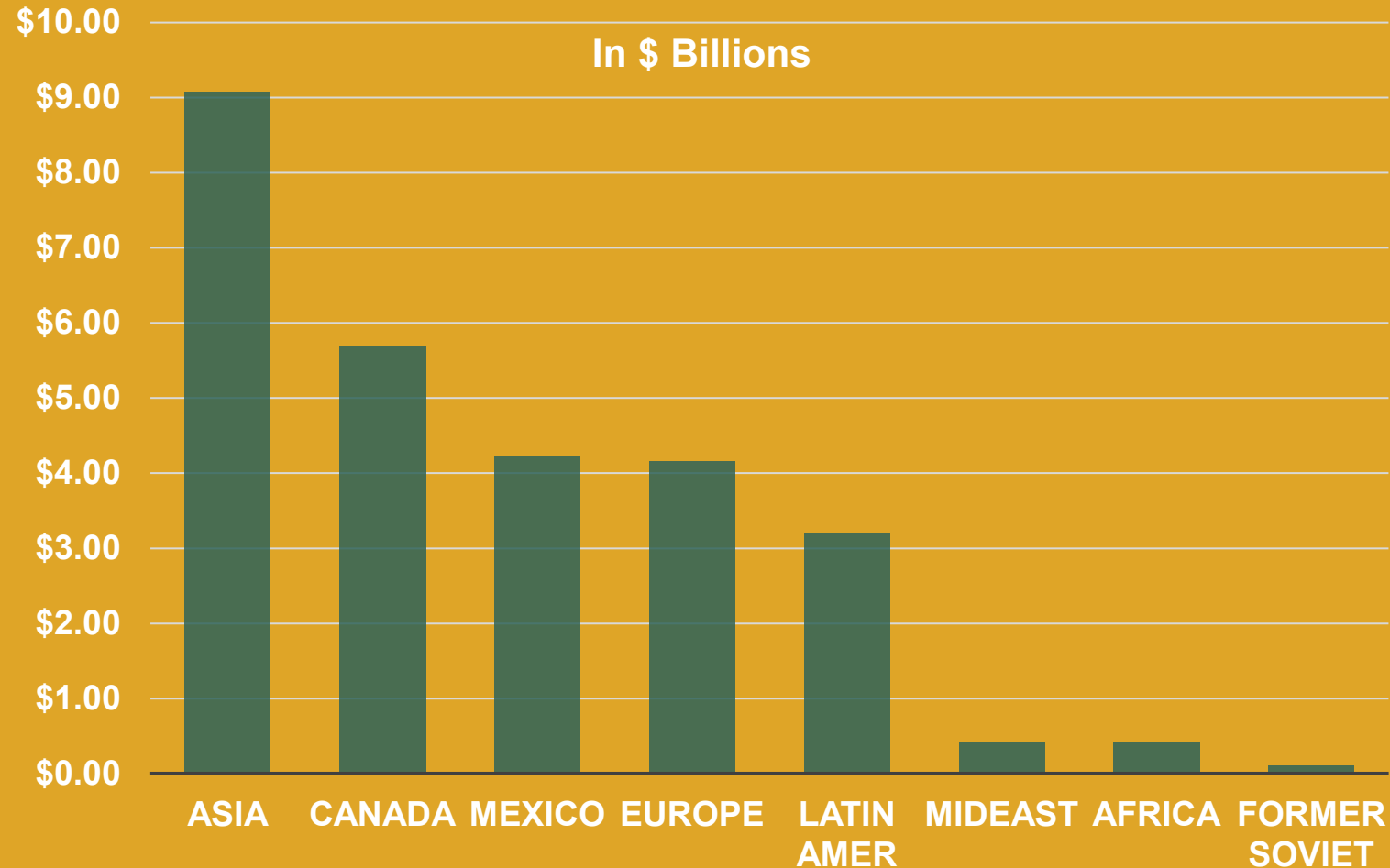


# Metro Exports



Metro Area	2023 Exports (In \$ Billions)
<b>Davenport</b>	<b>5.4</b>
<b>Council Bluffs</b>	<b>3.8</b>
<b>Sioux City</b>	<b>1.3</b>
<b>Des Moines</b>	<b>1.1</b>
<b>Cedar Rapids</b>	<b>0.4</b>
<b>Iowa City</b>	<b>0.3</b>
<b>Waterloo</b>	<b>0.3</b>
<b>Dubuque</b>	<b>0.1</b>
<b>Elsewhere</b>	<b>4.2</b>

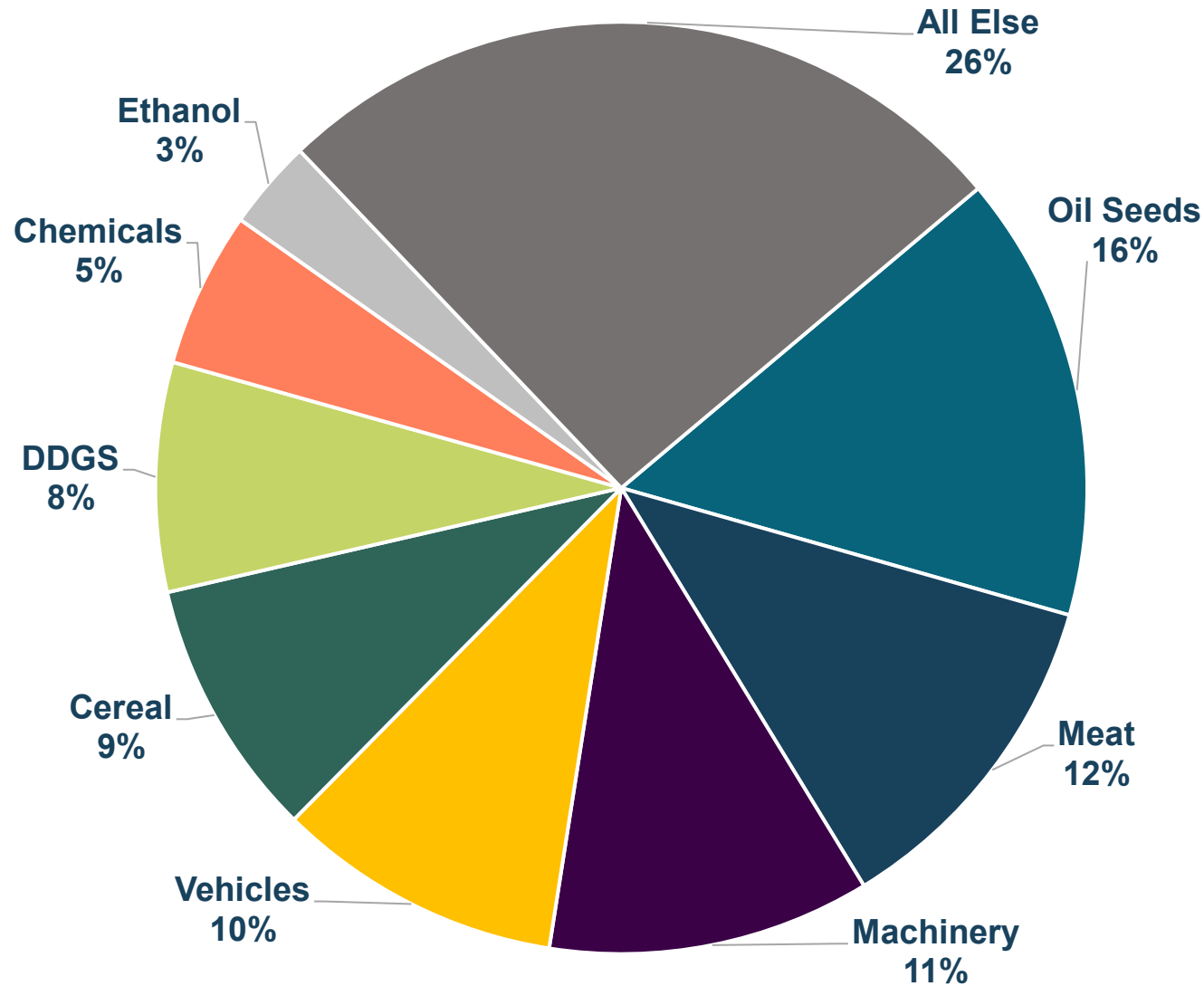
# Top International Regions



Metro Area	2023 Exports (In \$ Billions)
<b>Asia</b>	<b>\$9.08</b>
<b>Canada</b>	<b>\$5.69</b>
<b>Mexico</b>	<b>\$4.21</b>
<b>Europe</b>	<b>\$4.16</b>
<b>Latin America</b>	<b>\$3.19</b>
<b>Middle East</b>	<b>\$0.43</b>
<b>Africa</b>	<b>\$0.42</b>
<b>Former Soviet</b>	<b>\$0.10</b>



# Iowa's Leading Exports



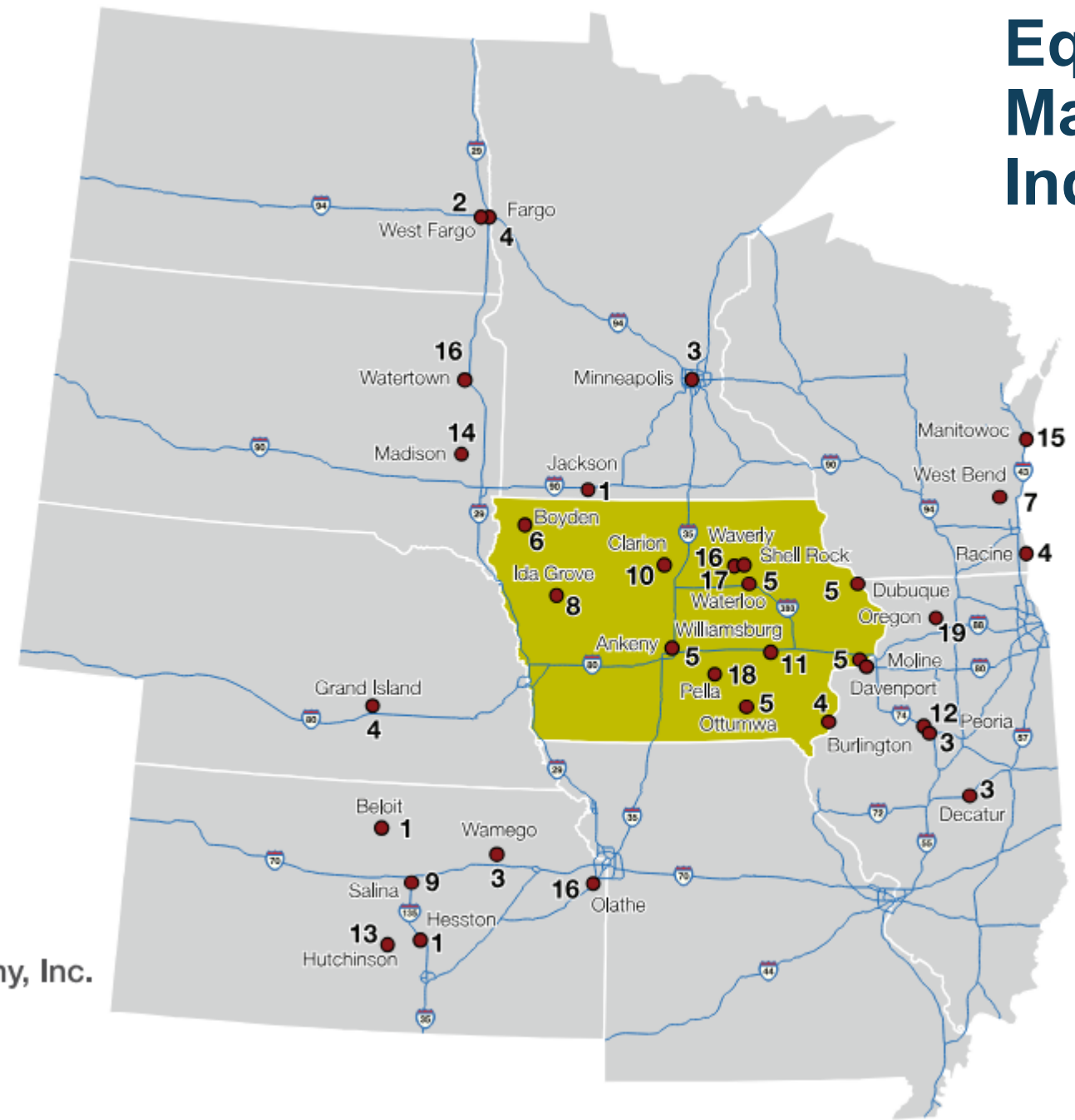
Product Category	2023 Exports (lbs)	HTC
Oil Seeds, etc.; Misc. Grain, Seed, Fruit, Plant, etc.	4,183,317,134	12
Meat & Edible Meat Offal	3,203,558,322	02
Industrial Machinery, including Computers	3,019,350,507	84
Vehicles, except Railway or Tramway & Parts, etc.	2,676,254,095	87
Cereals	2,428,047,782	10
Food Industry Residues & Waste; Prep Animal Feed	2,144,056,529	23
Misc. Chemical Products	1,459,410,729	38
Beverages, Spirits & Vinegar	839,841,899	22
Electric Machinery, etc.; Sound Equip; TV Equip	775,587,675	85
Pharmaceutical Products	592,513,973	30
Sugars & Sugar Confectionary	496,563,542	17
Ores, Slag & Ash	431,716,918	26
Optic, Photo, etc.; Medic or Surgical Instruments, etc.	421,773,497	90
Plastics & Articles Thereof	373,354,542	39
Organic Chemicals	316,612,473	29
Aircraft, Spacecraft & Parts Thereof	277,308,147	88
Prep of Meat, Fish, Crustaceans, Insects	274,549,265	16
Albuminoidal Subst; Modified Starch; Glue; Enzymes	271,629,216	35
Animal, Vegetable or Microbial Fats & Oils, etc.	217,452,516	15
Iron & Steel	201,502,950	72
All Else	2,363,816,604	

# Iowa's Leading Exports – Quick Analysis

Leading Products	HTC	Leading Markets
Oil Seeds	12	China, Mexico, Germany
Meat	02	Mexico, Japan, China
Machinery	84	Canada, Brazil, Australia
Vehicles	87	Canada, Australia, Germany
Cereal	10	Mexico, Japan, China
DDGS	23	Mexico, Canada, Colombia
Chemicals	38	Canada, Brazil, China
Ethanol	22	Canada, Mexico, UK

# Equipment Manufacturing Industry

- 1 AGCO Corporation
- 2 Bobcat Company
- 3 Caterpillar, Inc.
- 4 CNH Industrial
- 5 Deere & Company
- 6 DEMCO
- 7 Gehl Company
- 8 GOMACO Corporation
- 9 Great Plains Manufacturing, Inc.
- 10 Hagie Manufacturing Company
- 11 Kinze Manufacturing, Inc.
- 12 Komatsu America Corporation
- 13 Krause Corporation
- 14 Manitou Americas, Inc.
- 15 Manitowoc Company, Inc.
- 16 Terex Corporation
- 17 Unverferth Manufacturing Company, Inc.
- 18 Vermeer Manufacturing Company
- 19 Woods Equipment Company



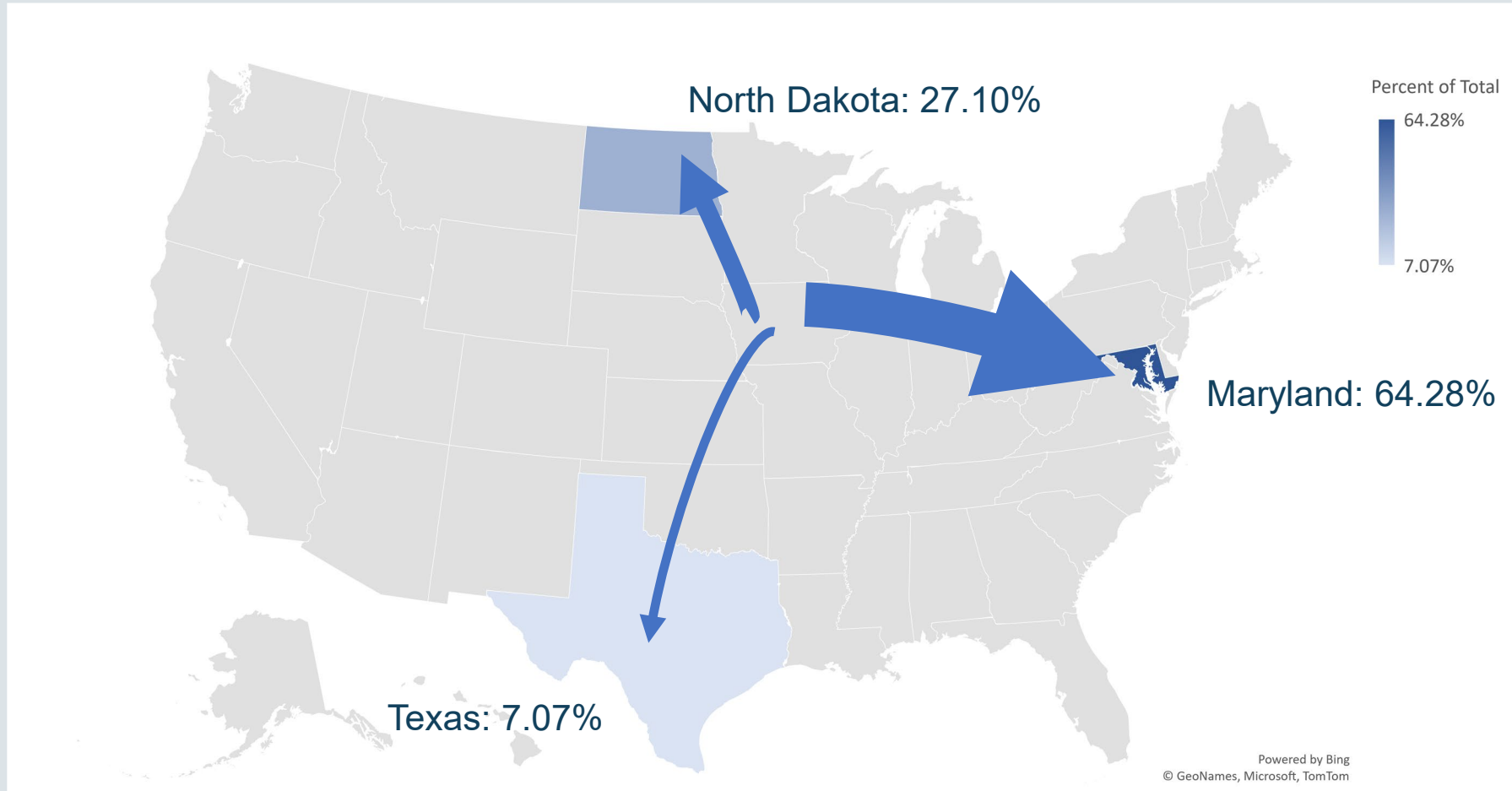
# Port of Baltimore



# Equipment Manufacturing – Export Routing

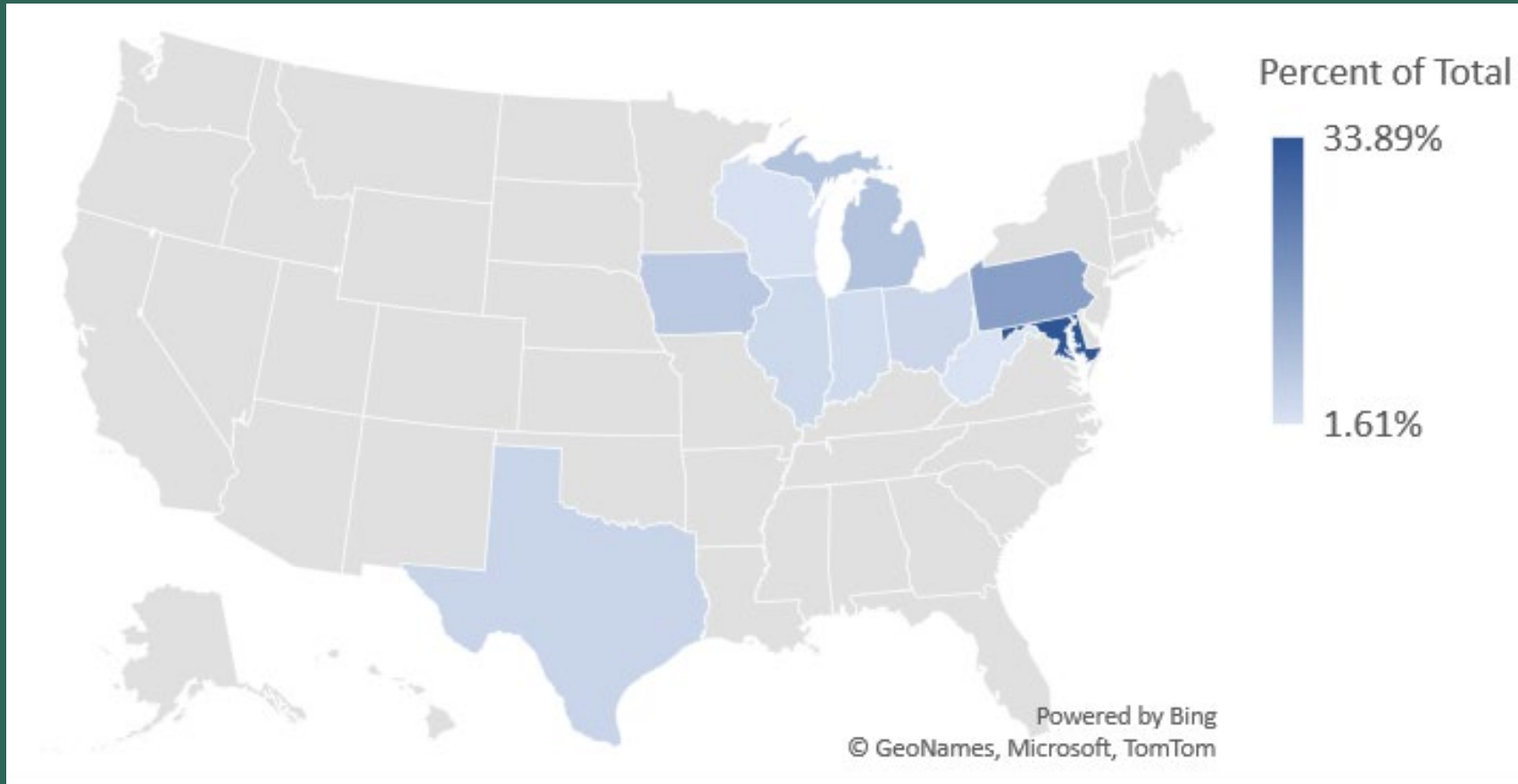
Ag & Construction Equipment

\$4.4 Billion



HTC  
8701  
8708  
8436  
8431  
8408  
8432  
8430  
9401  
8433  
8429  
8705

# Port of Baltimore – Catchment Area

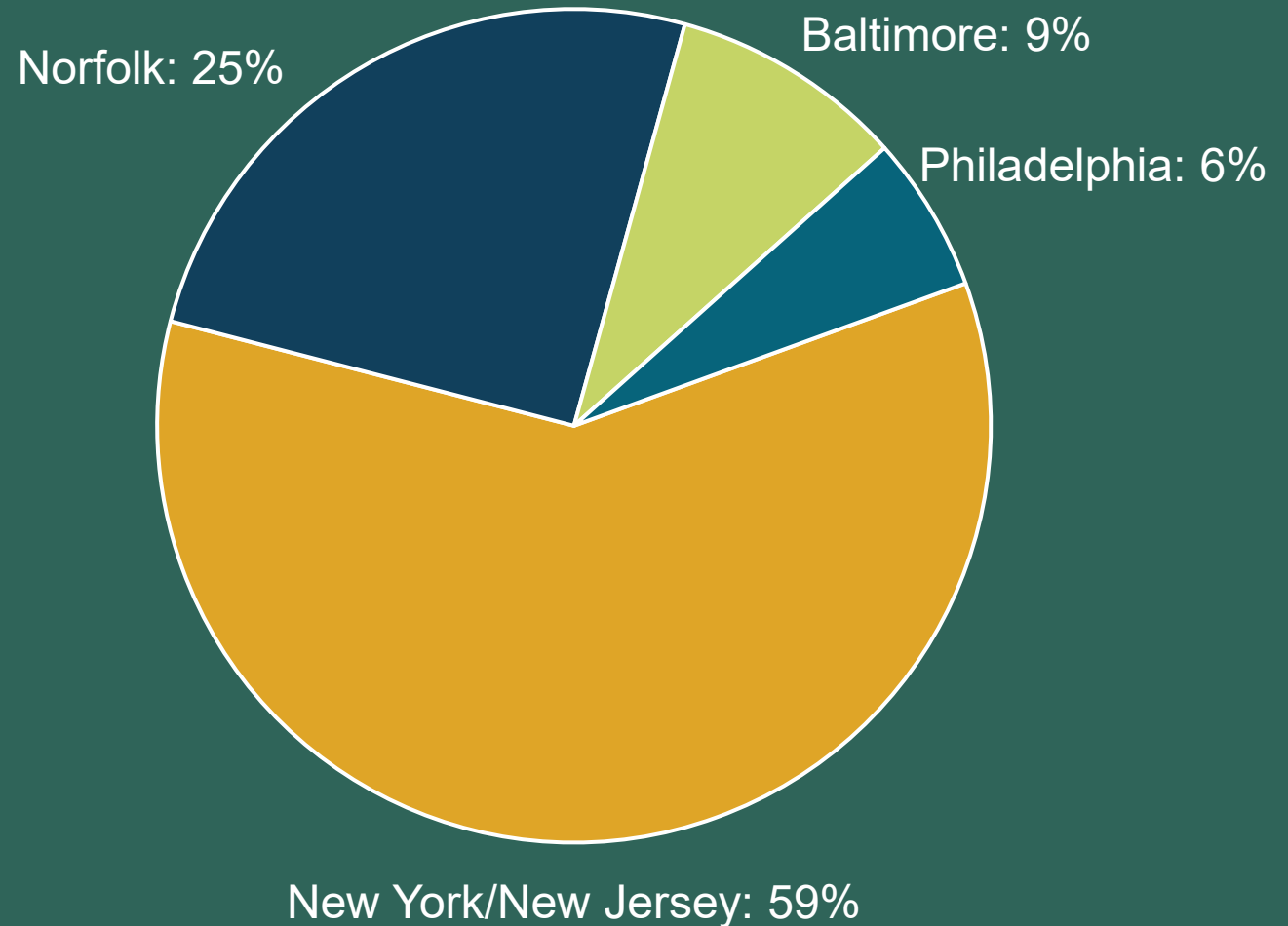


Point of Origin	Percent of Total
<b>Maryland</b>	<b>33.89%</b>
<b>Pennsylvania</b>	<b>16.73%</b>
<b>Michigan</b>	<b>8.74%</b>
<b>Iowa</b>	<b>7.29%</b>
<b>Texas</b>	<b>4.73%</b>
<b>Ohio</b>	<b>4.31%</b>
<b>Illinois</b>	<b>3.98%</b>
<b>Indiana</b>	<b>3.23%</b>
<b>Wisconsin</b>	<b>2.08%</b>
<b>West Virginia</b>	<b>1.61%</b>

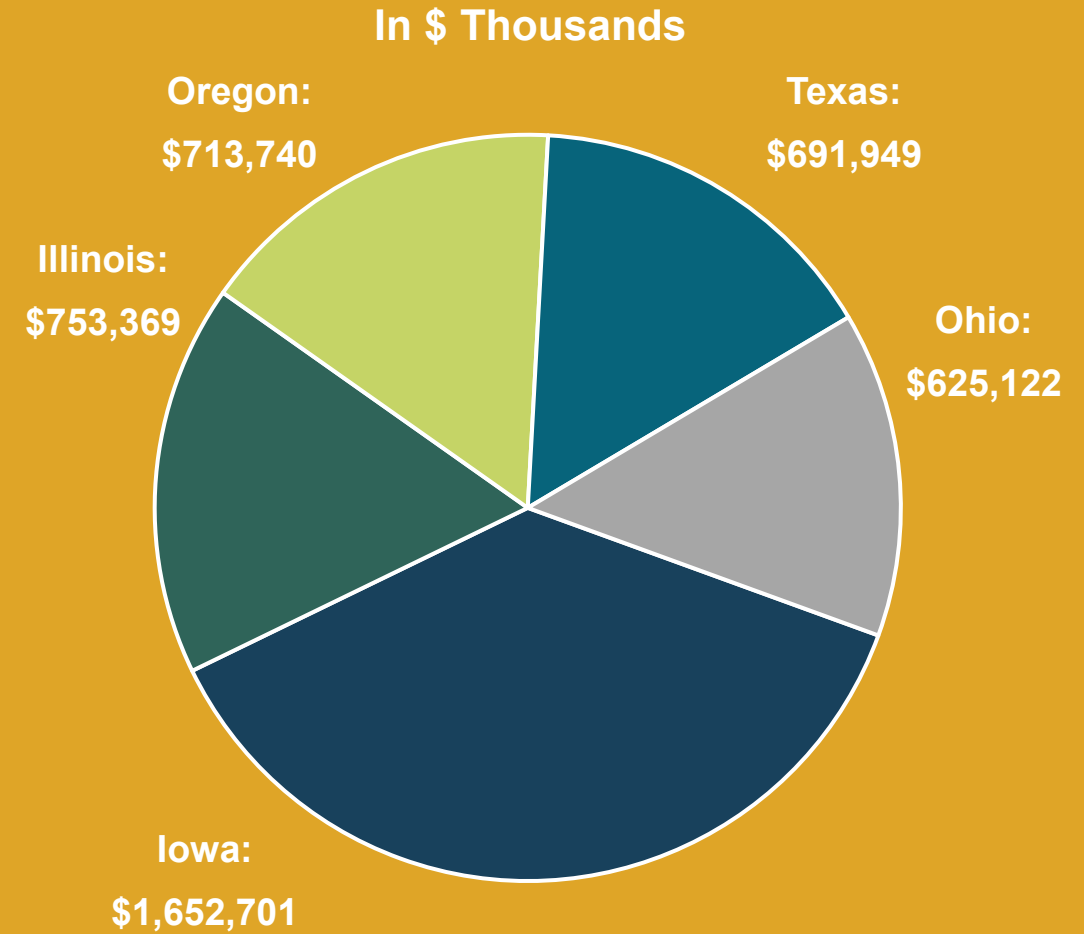
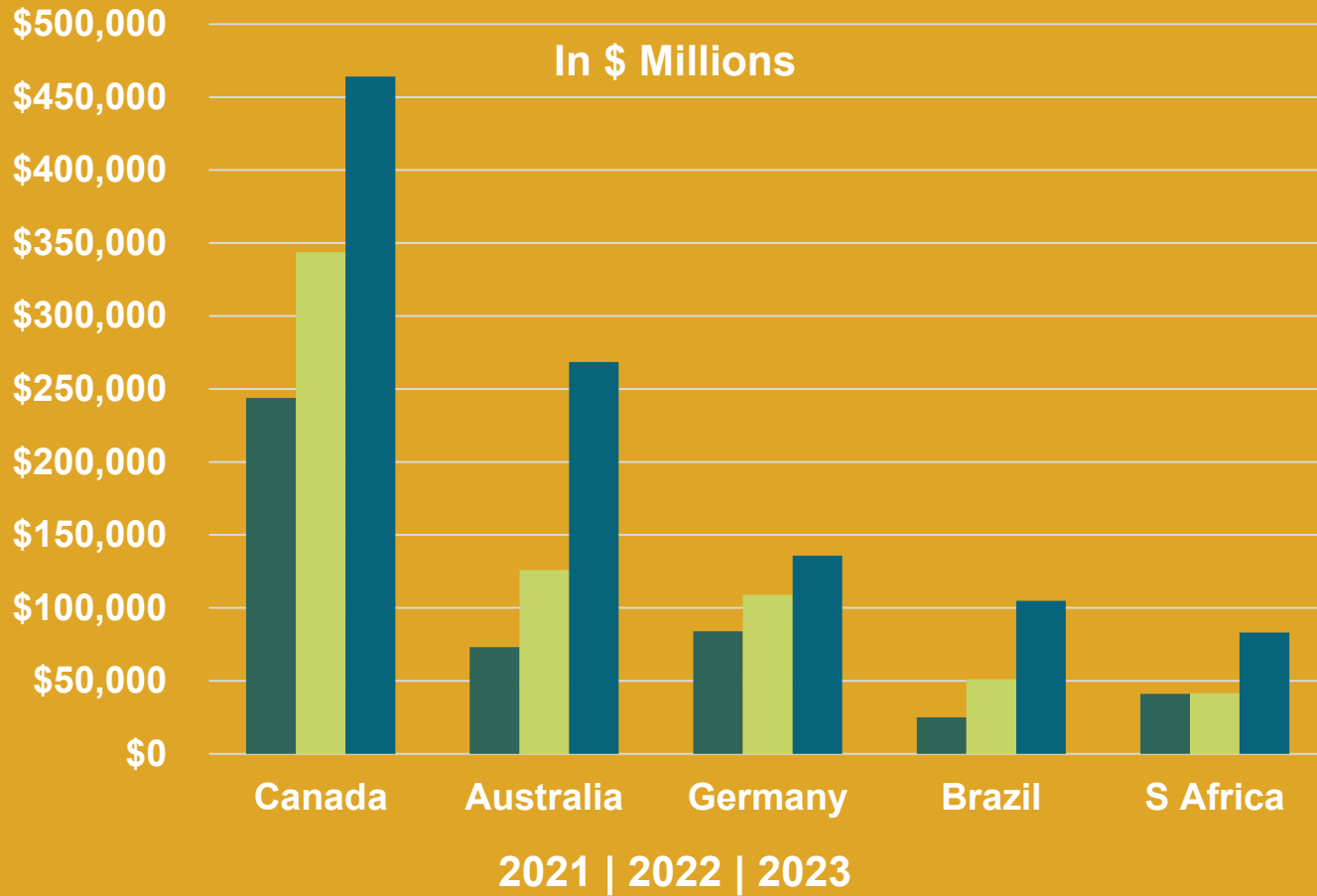
# Port of Baltimore

- Sea cargo vessels destined for Baltimore are being diverted to nearby ports such as New York, New Jersey and Norfolk Virginia
- There are resulting implications for the coast and capacity of other principal trade modes like road, air and rail, as companies re-route goods across the country to West Coast ports to avoid delays

Leading container ports on East Coast

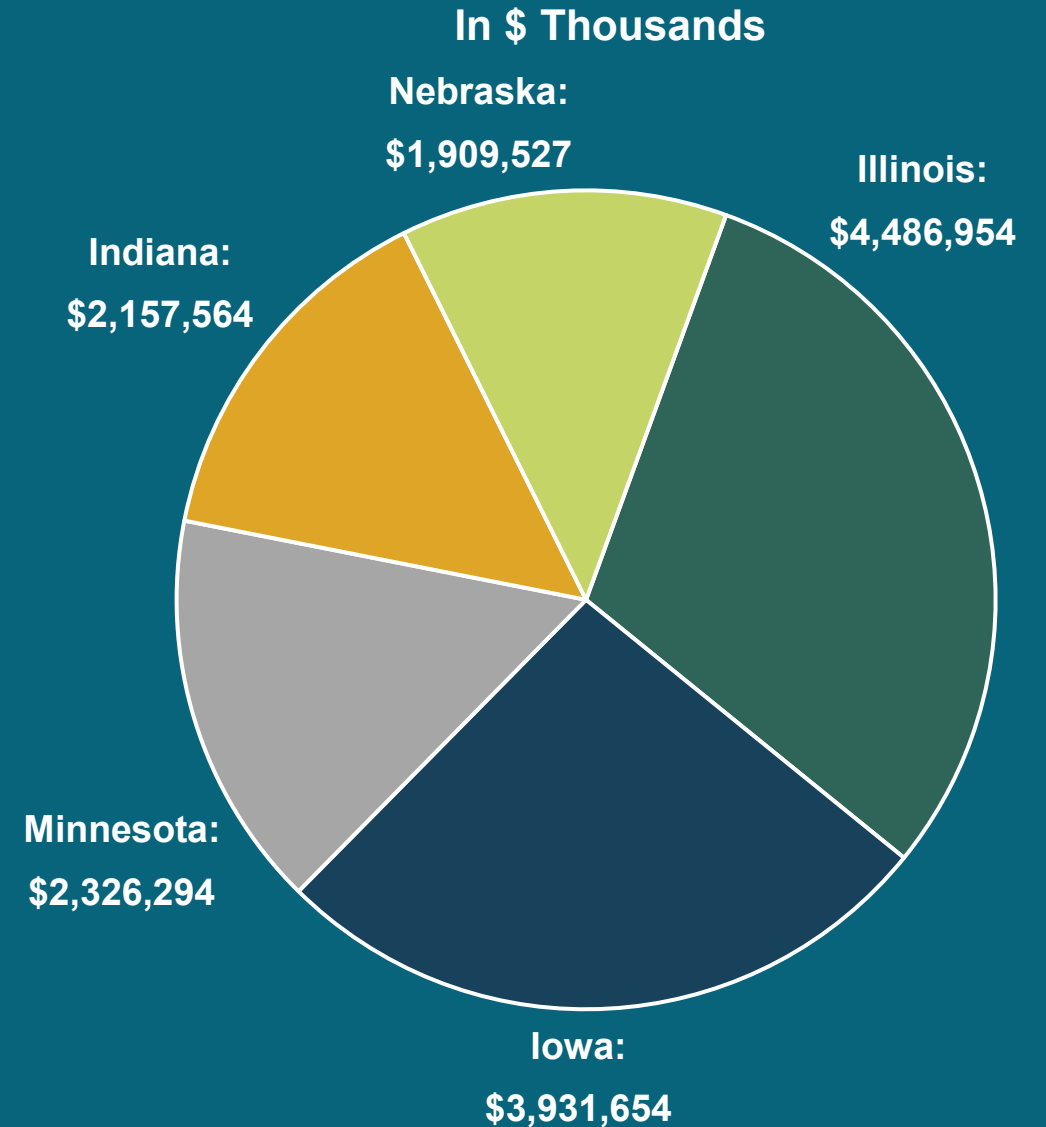
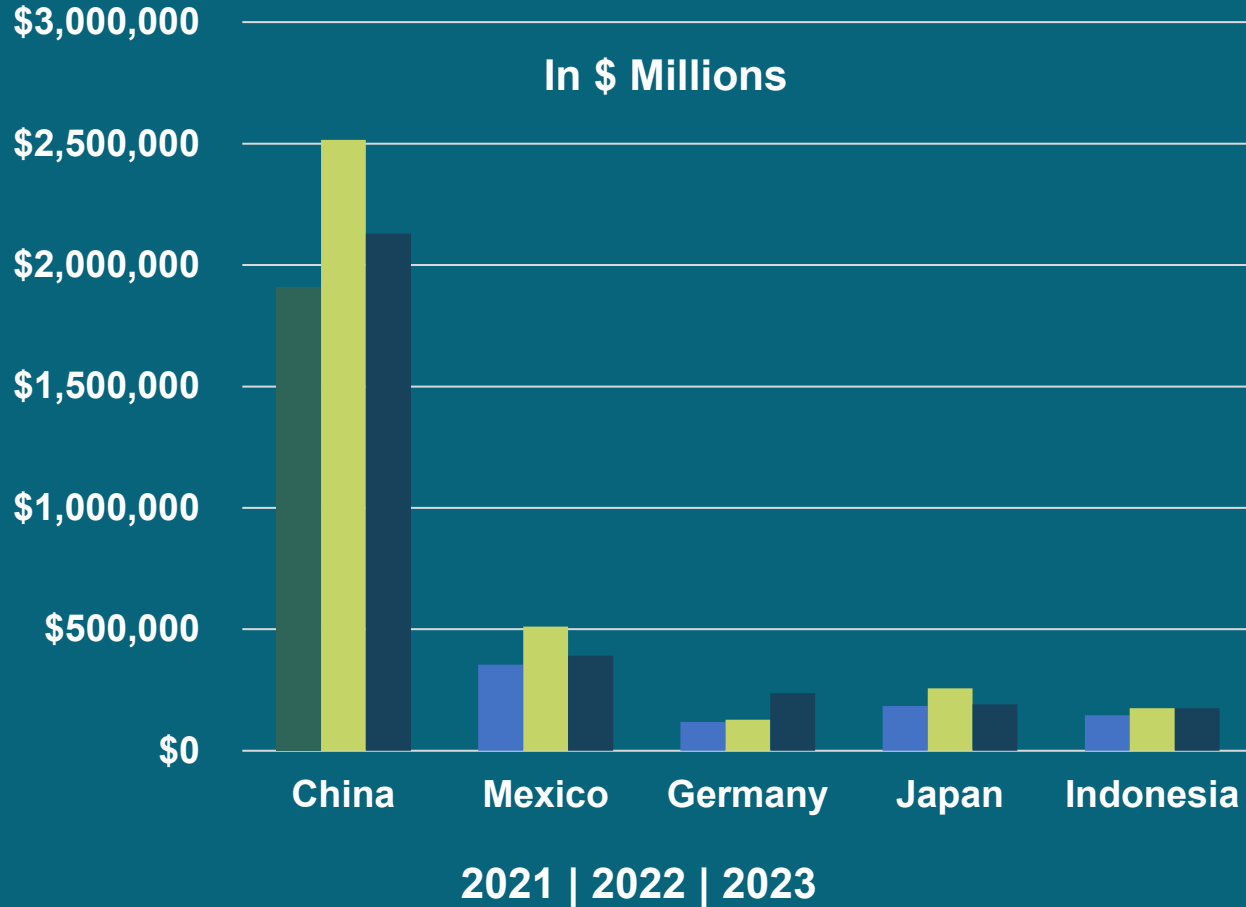


# Tractor Exports





# Soy Exports



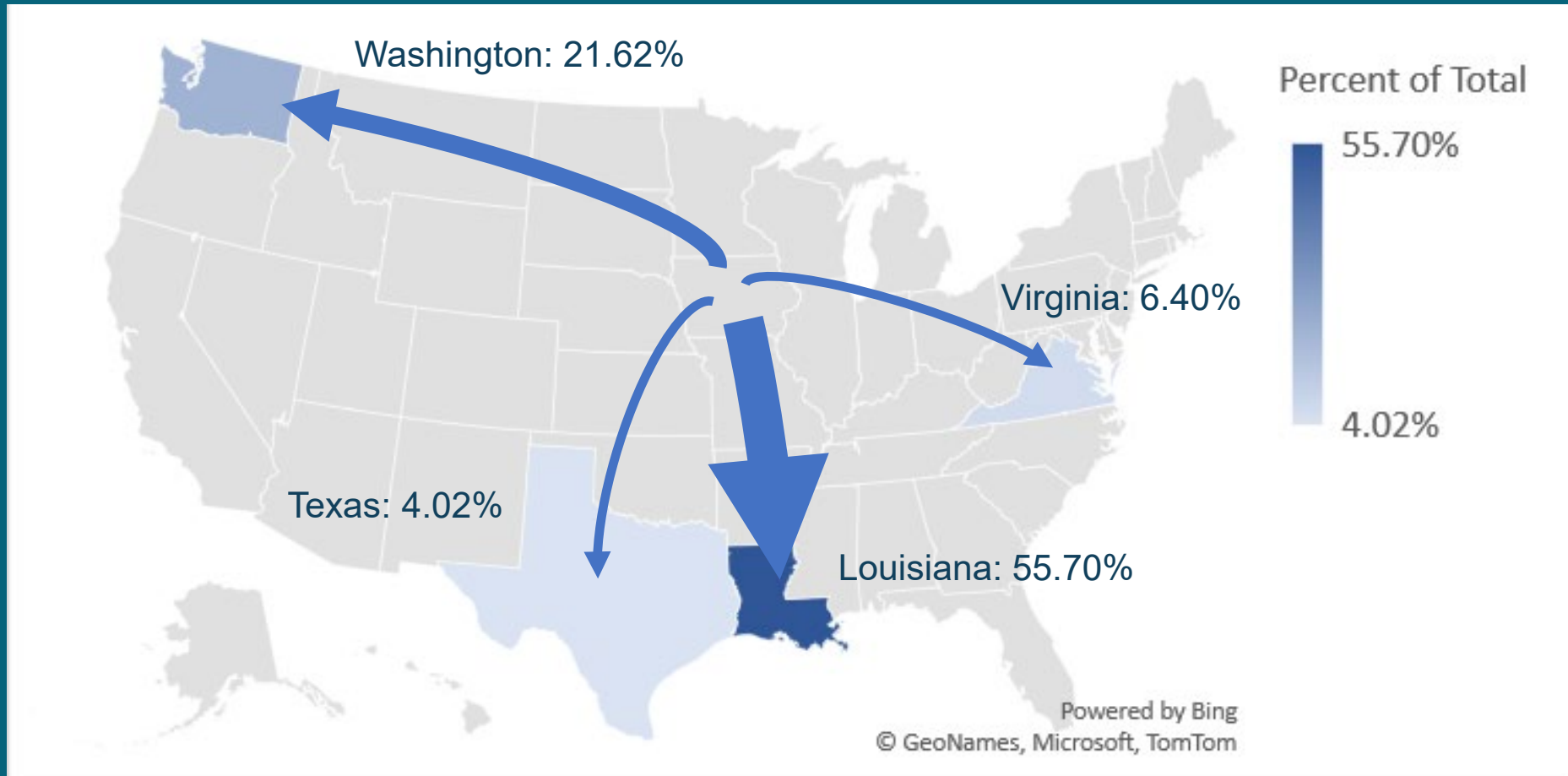


# Containerized Grain & DDGS



# 2023 Soy Exports

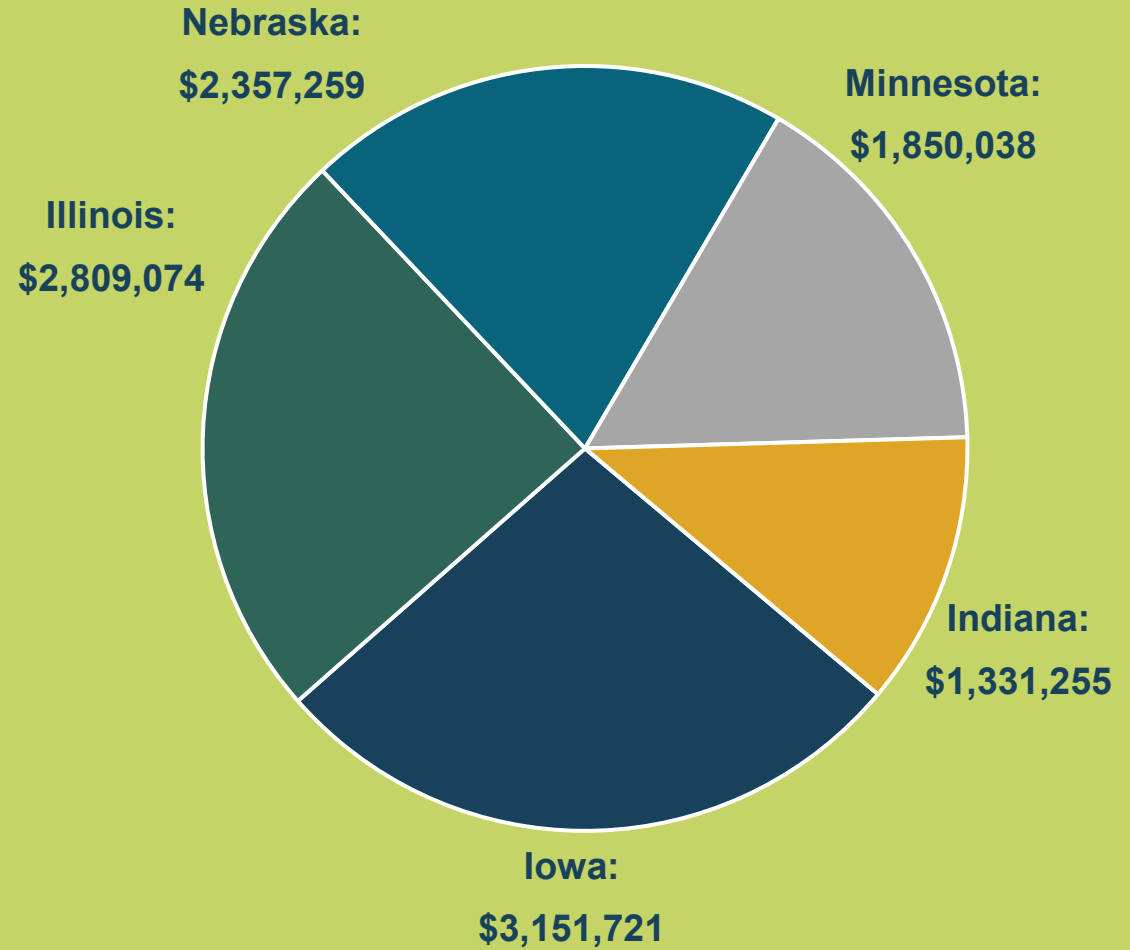
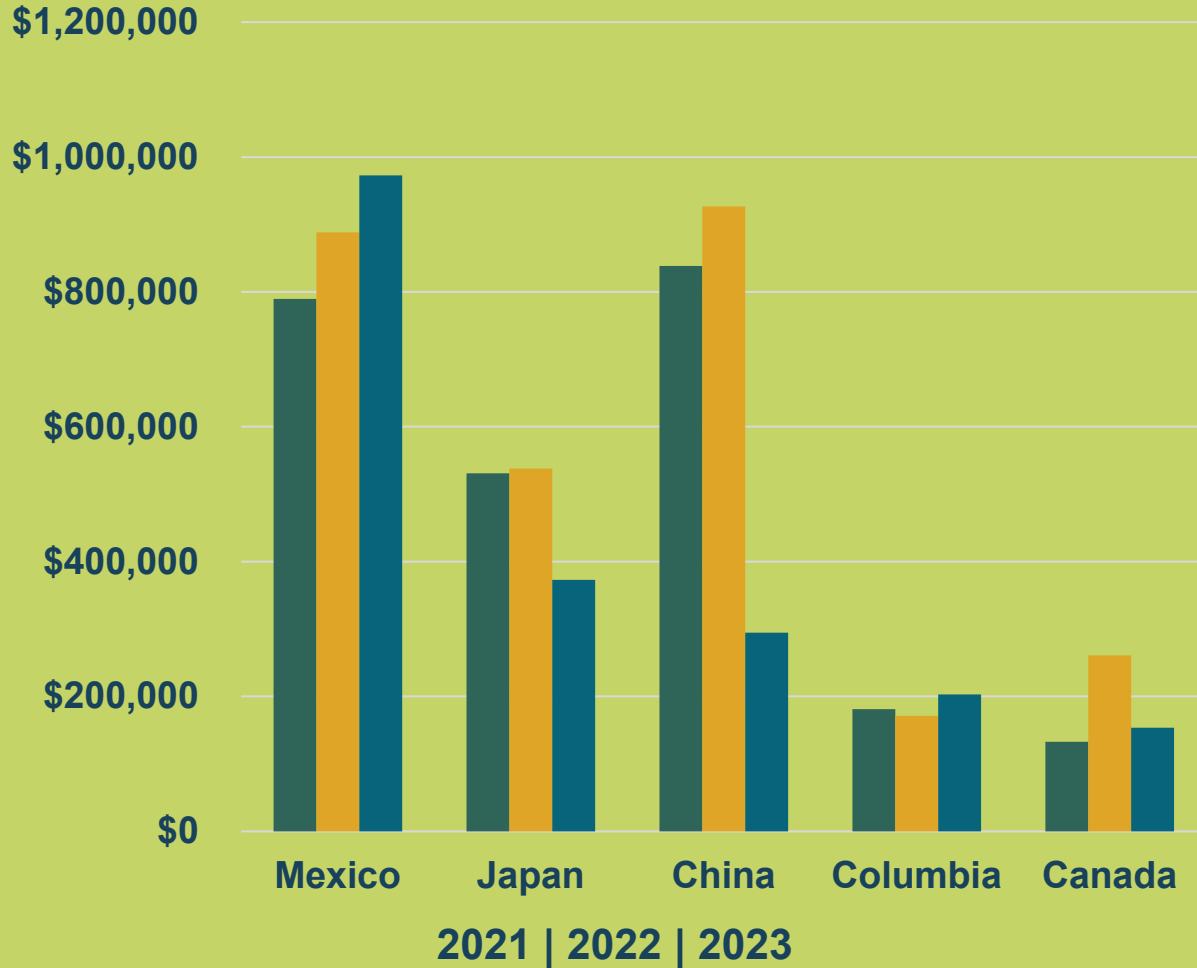
\$5 Billion



HTC  
1201  
2304  
1208

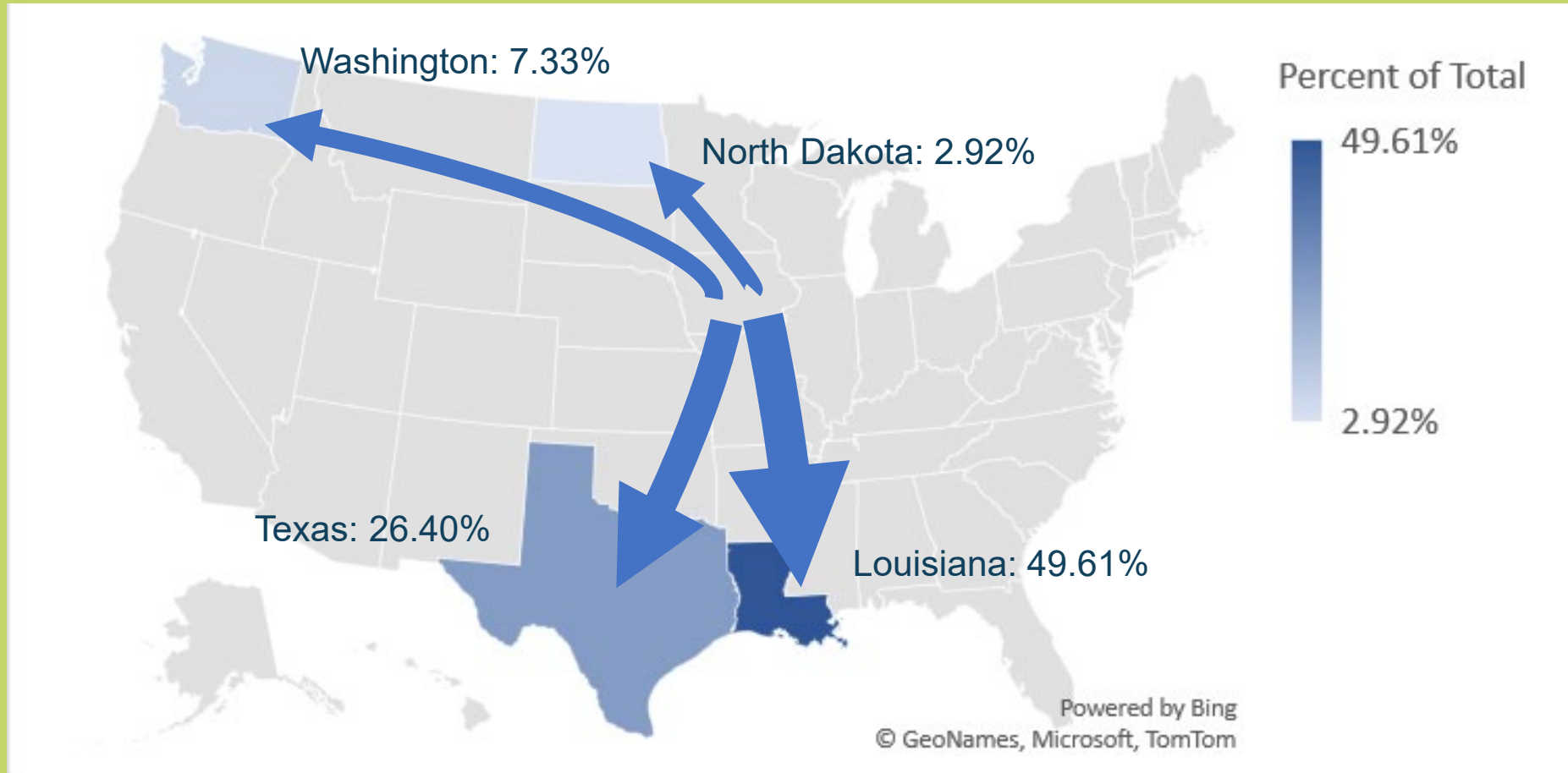
# Corn Exports

In \$ Millions



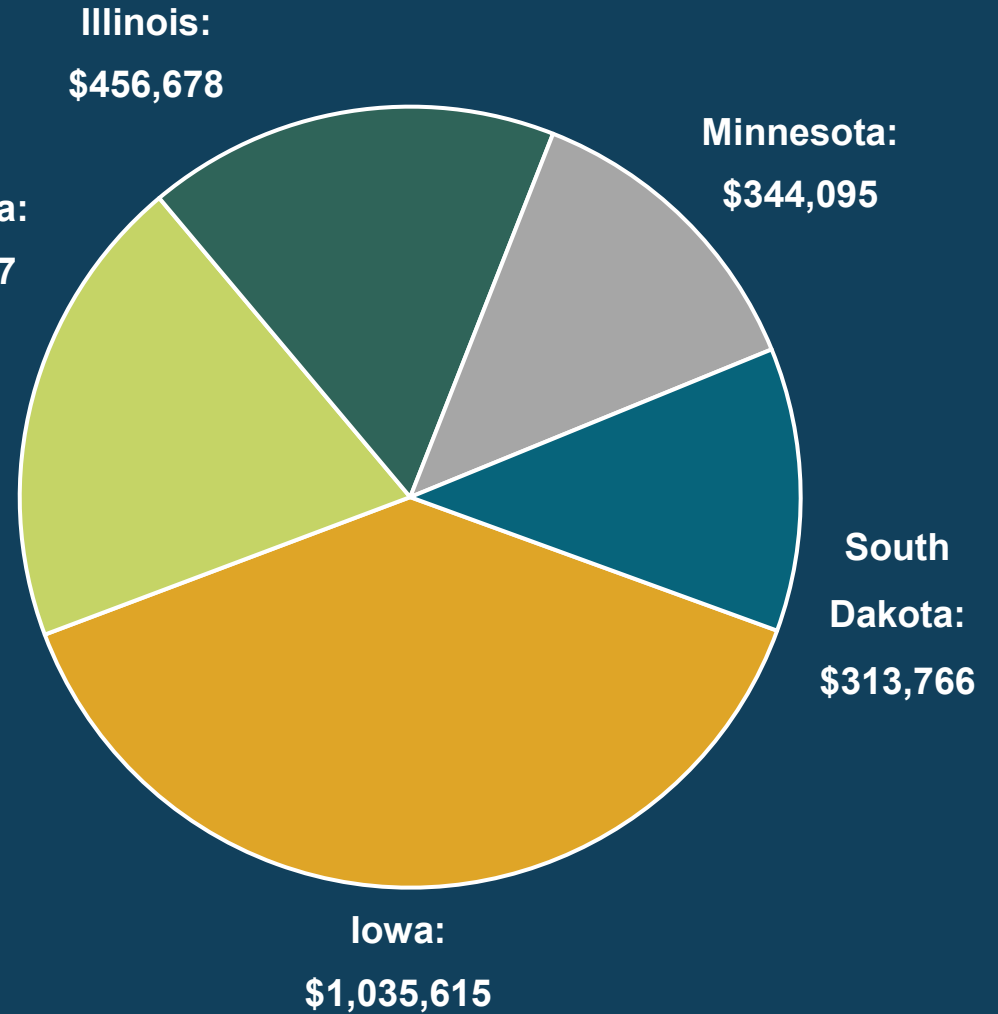
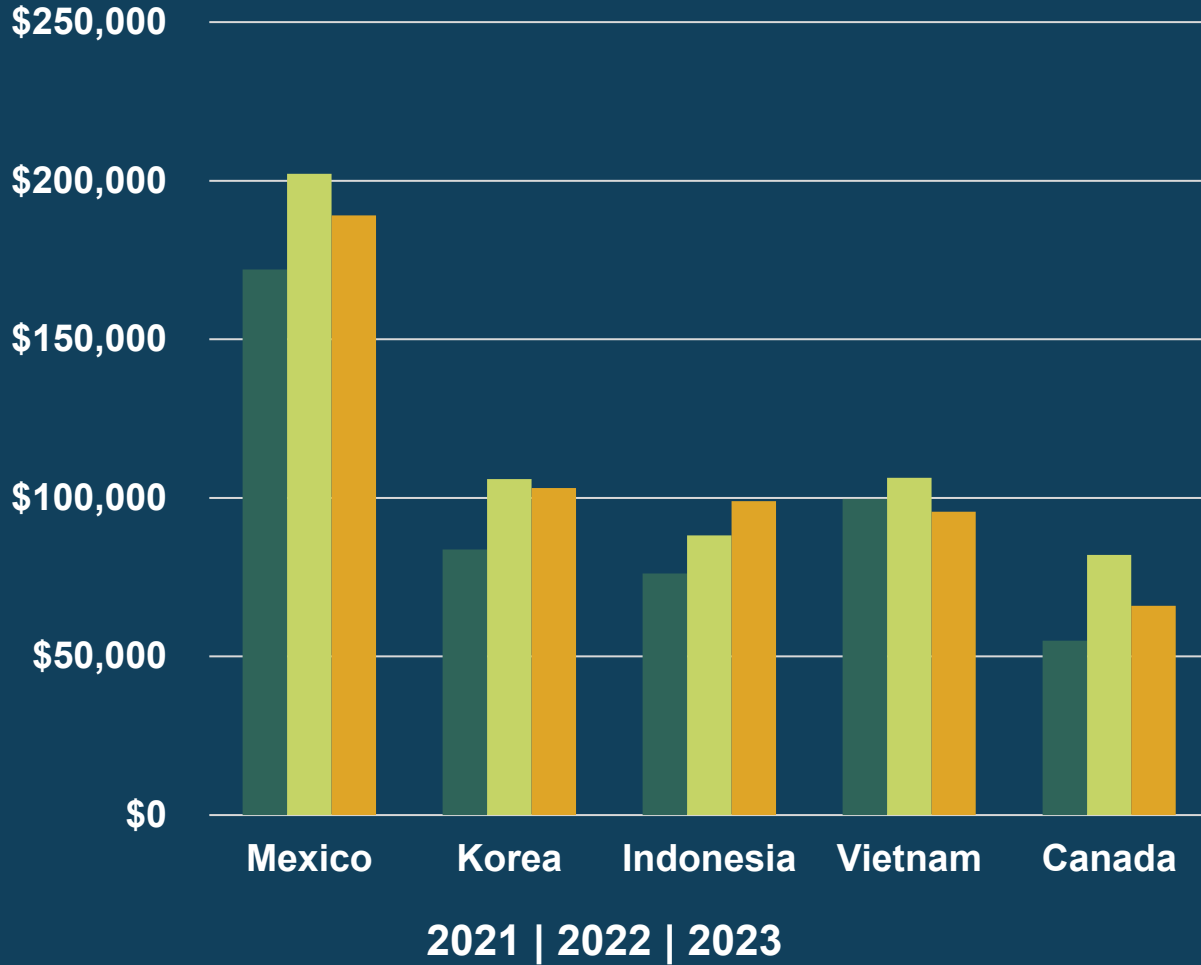
# 2023 Corn Exports

**\$3.1 Billion**



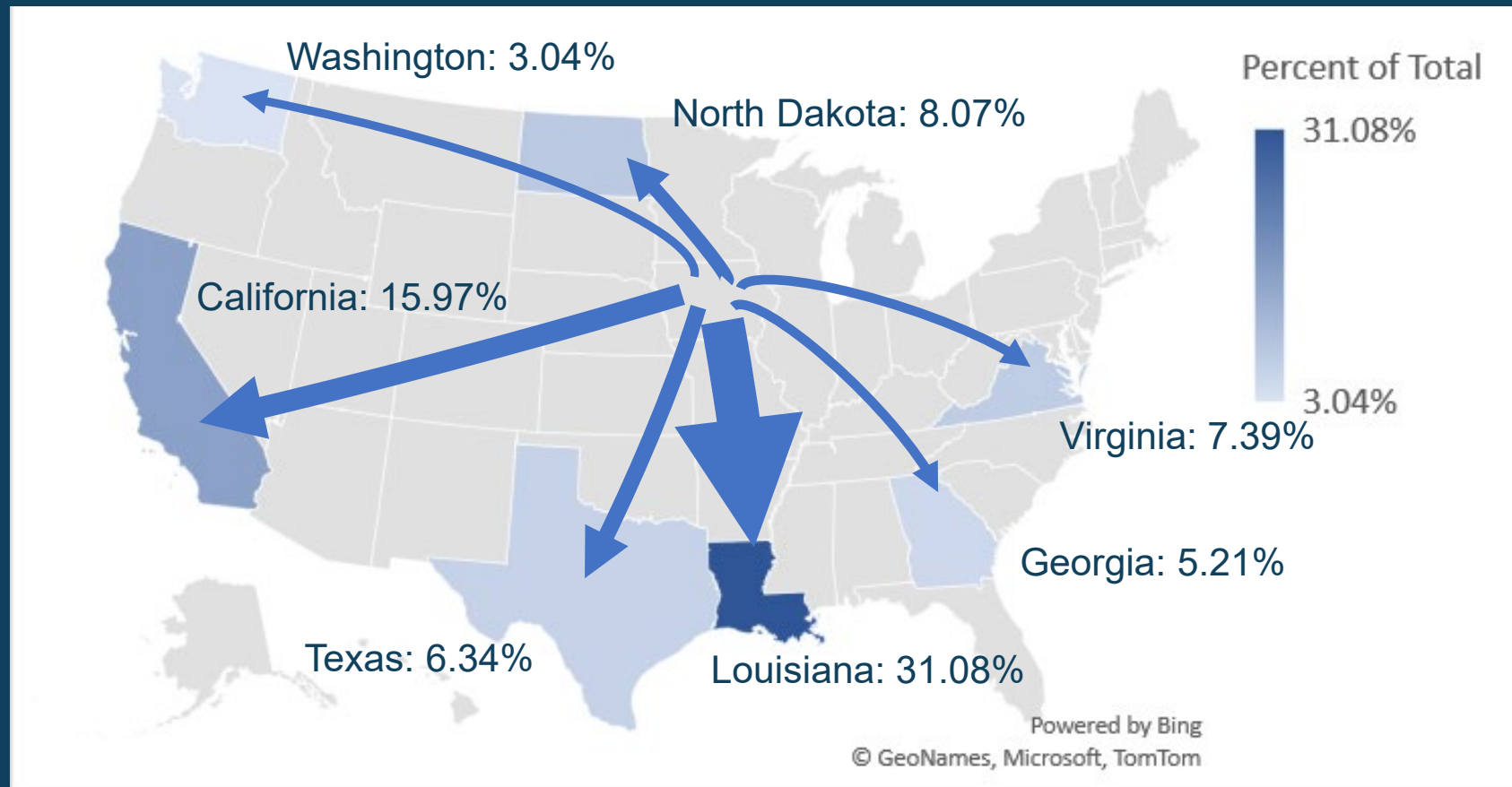
# DDGS Exports

In \$ Millions

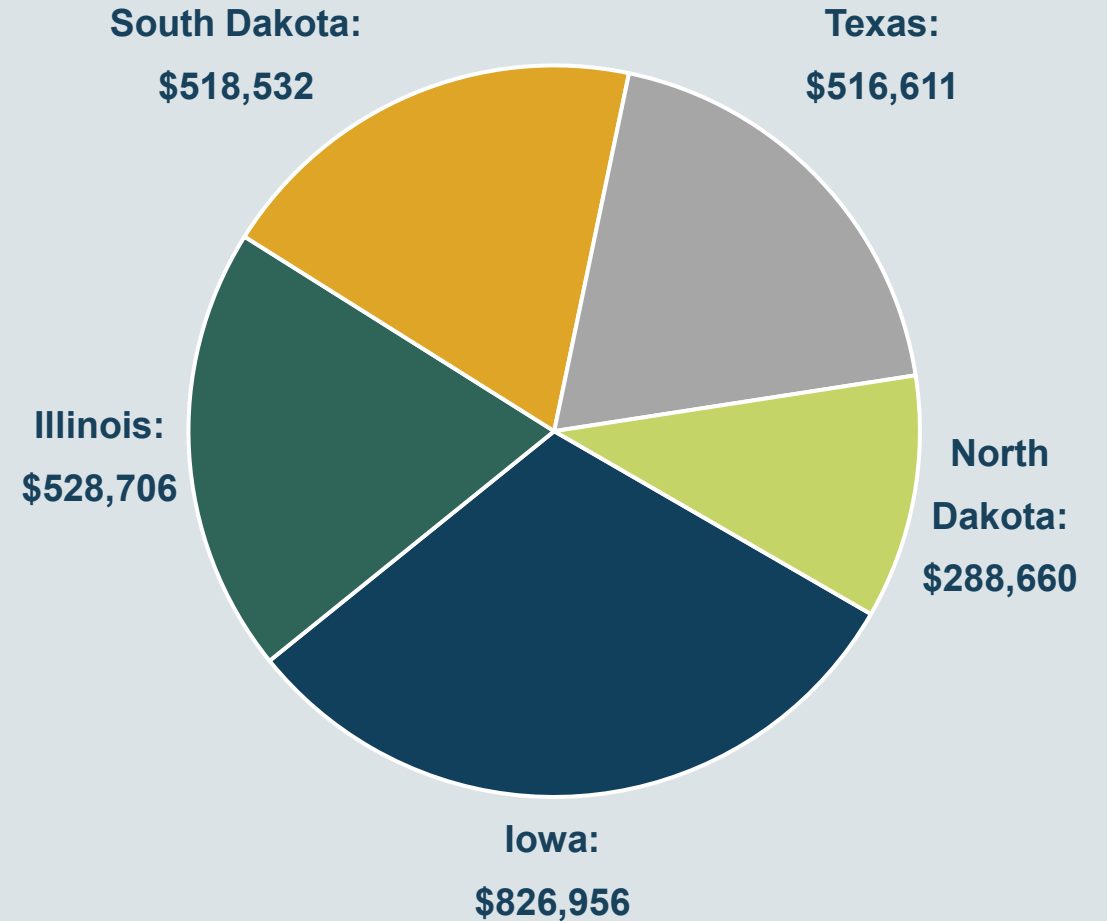
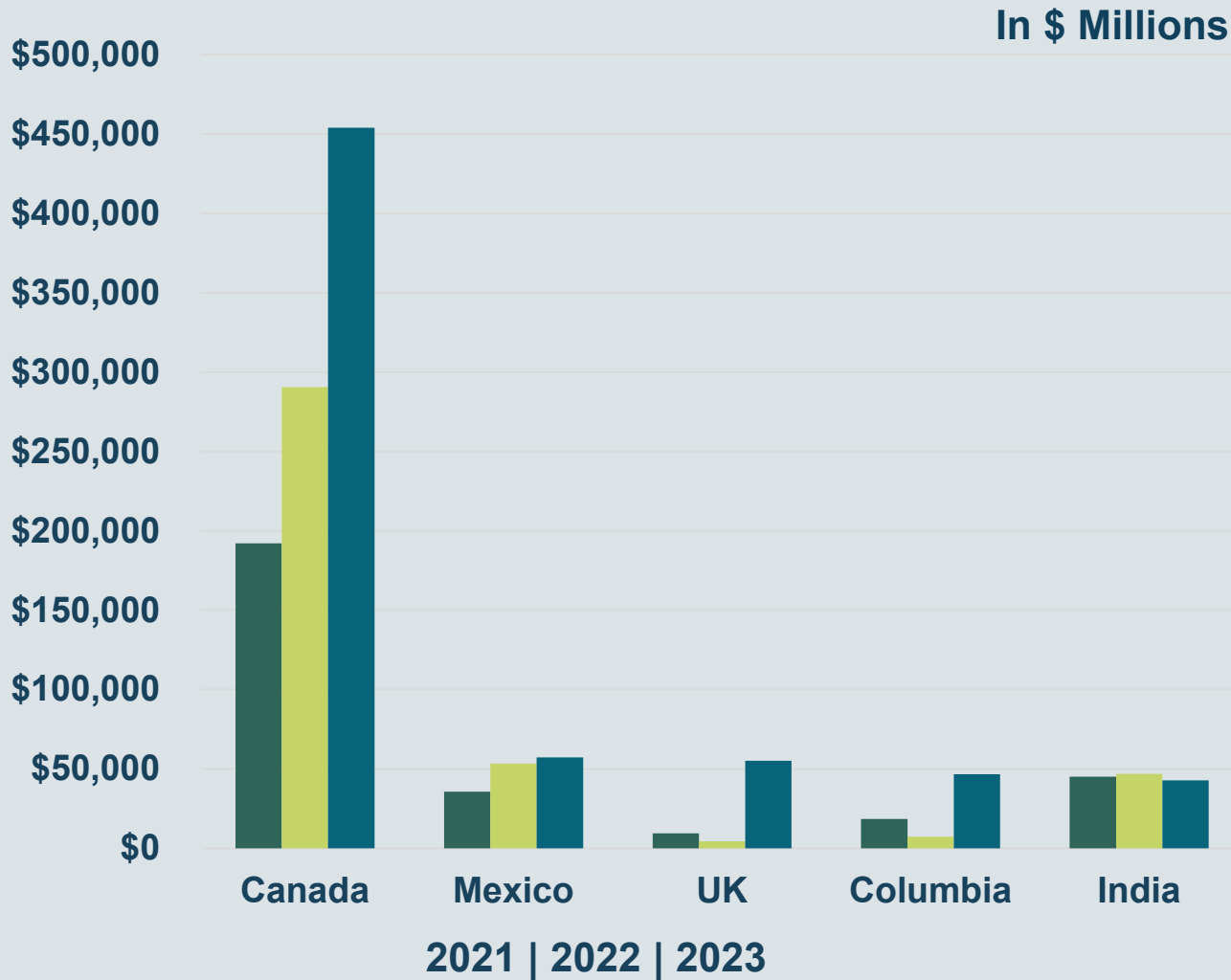


# 2023 DDGS Exports

**\$1.0 Billion**



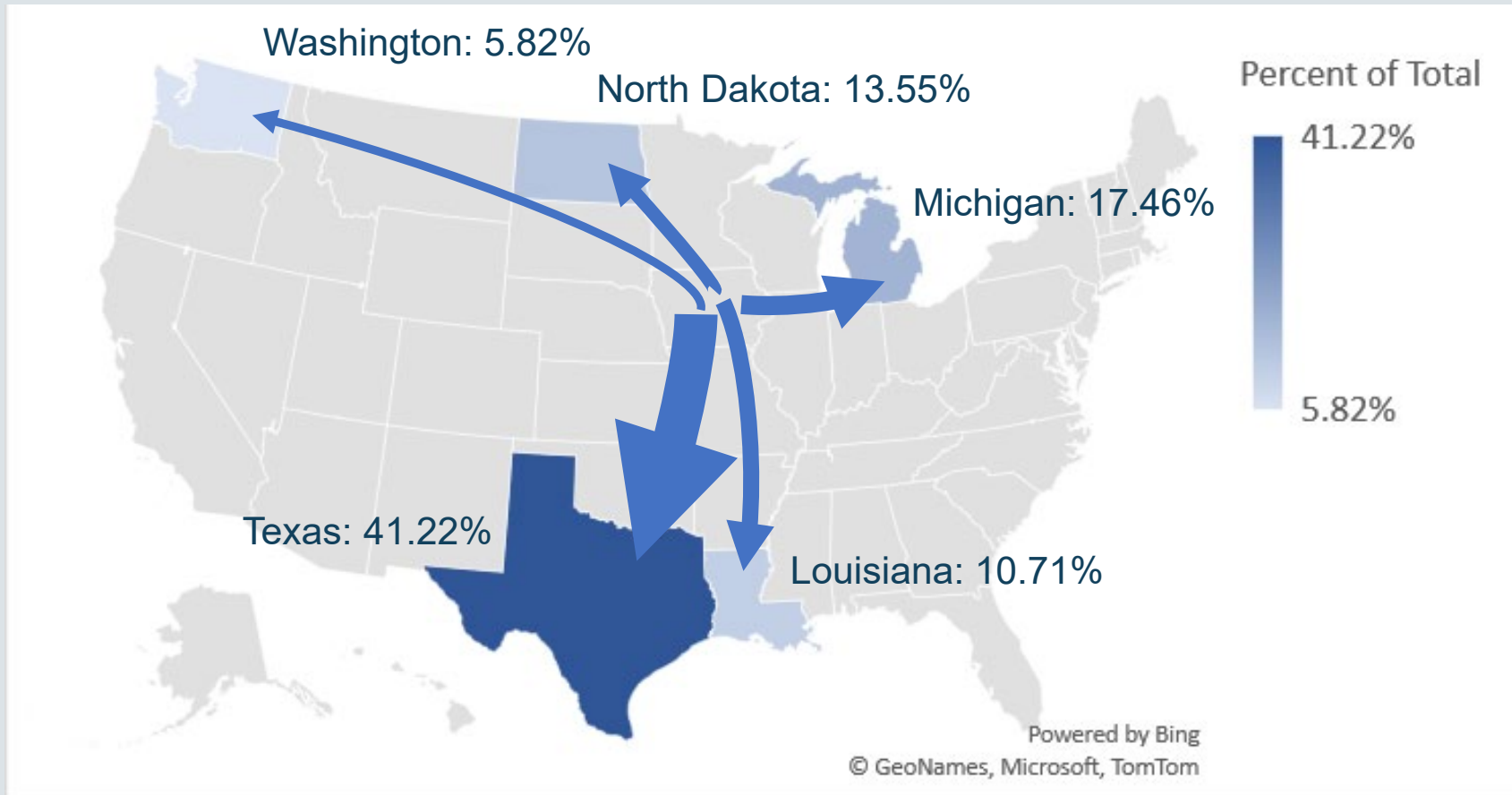
# Ethanol Exports



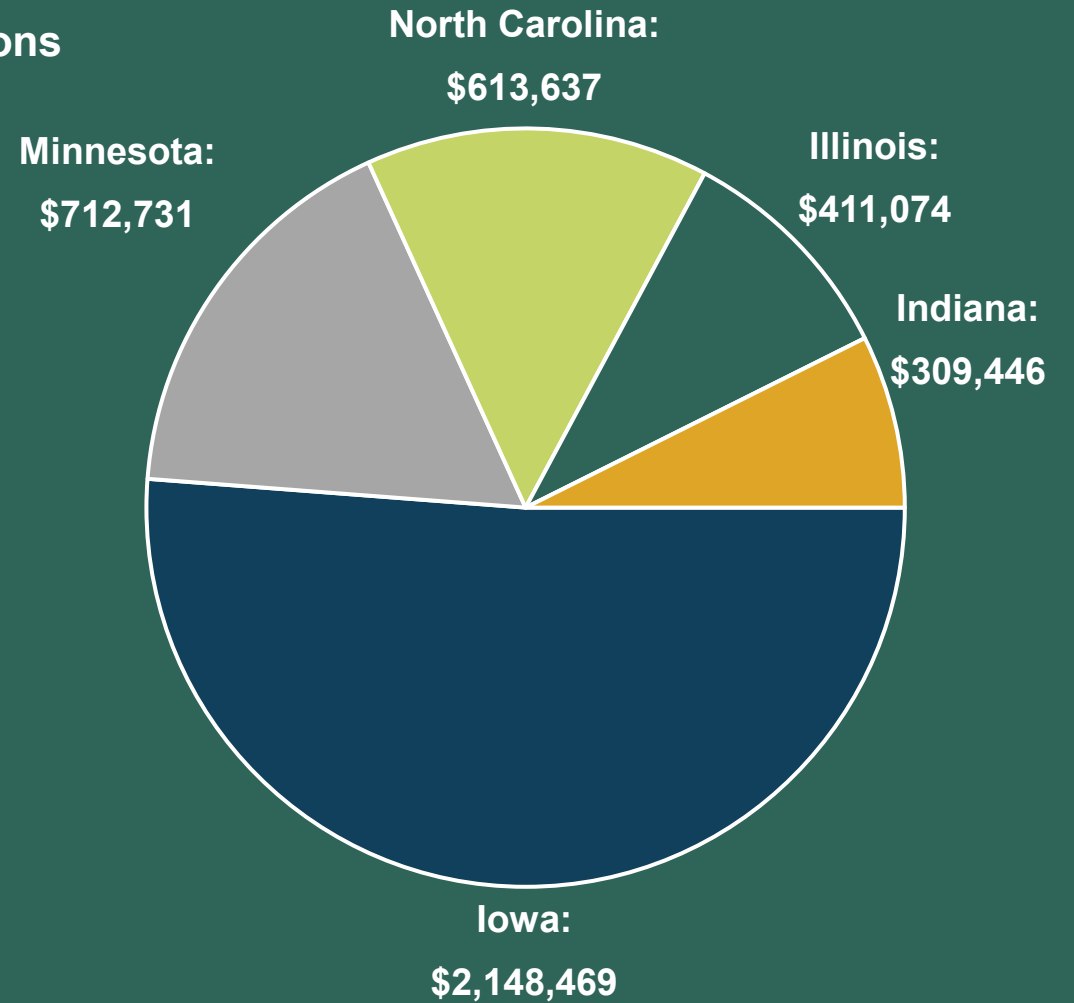
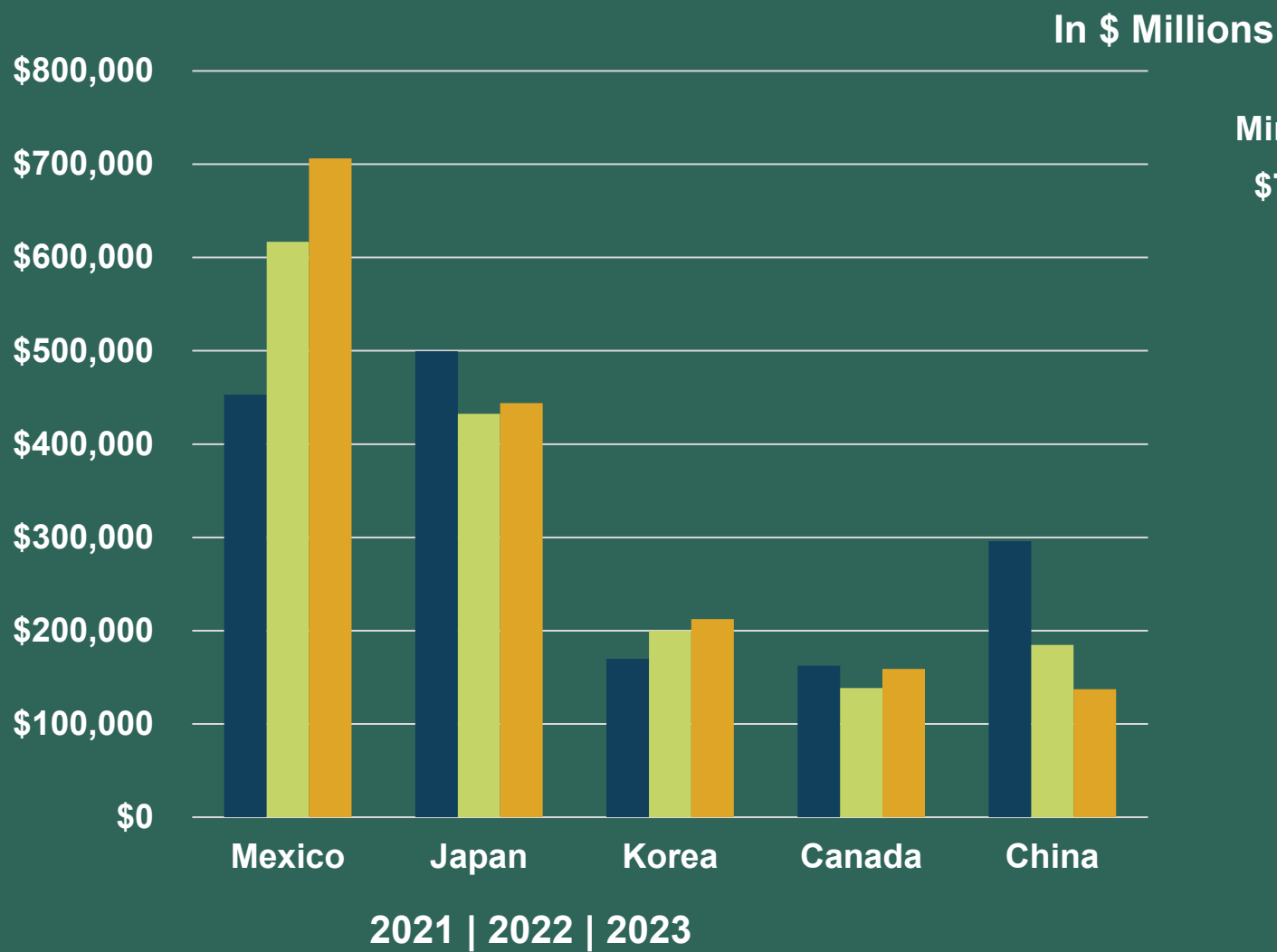


# Ethanol Exports

**\$827 Million**



# Pork Exports

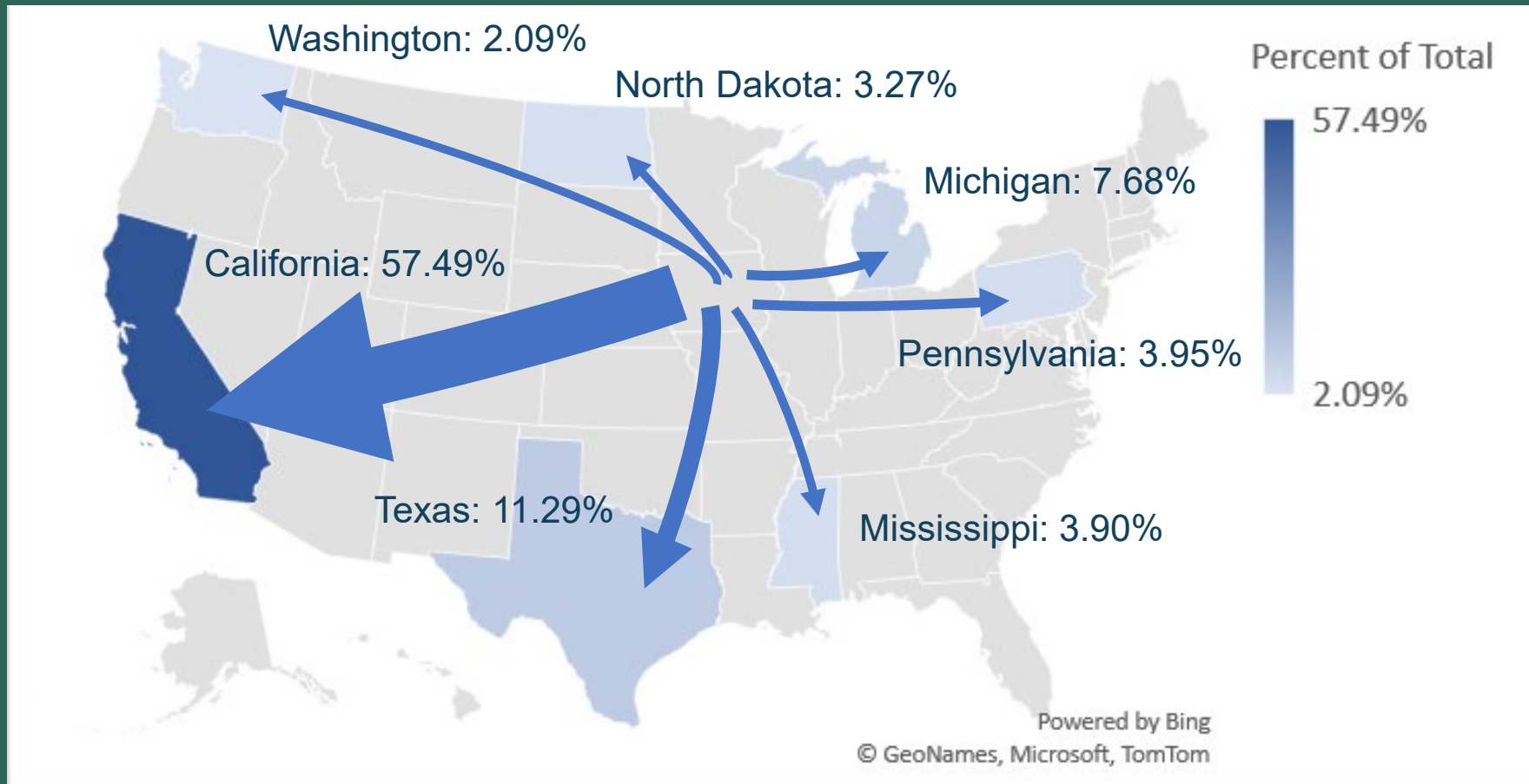


# Refrigerated Shipping



# 2023 Pork Exports

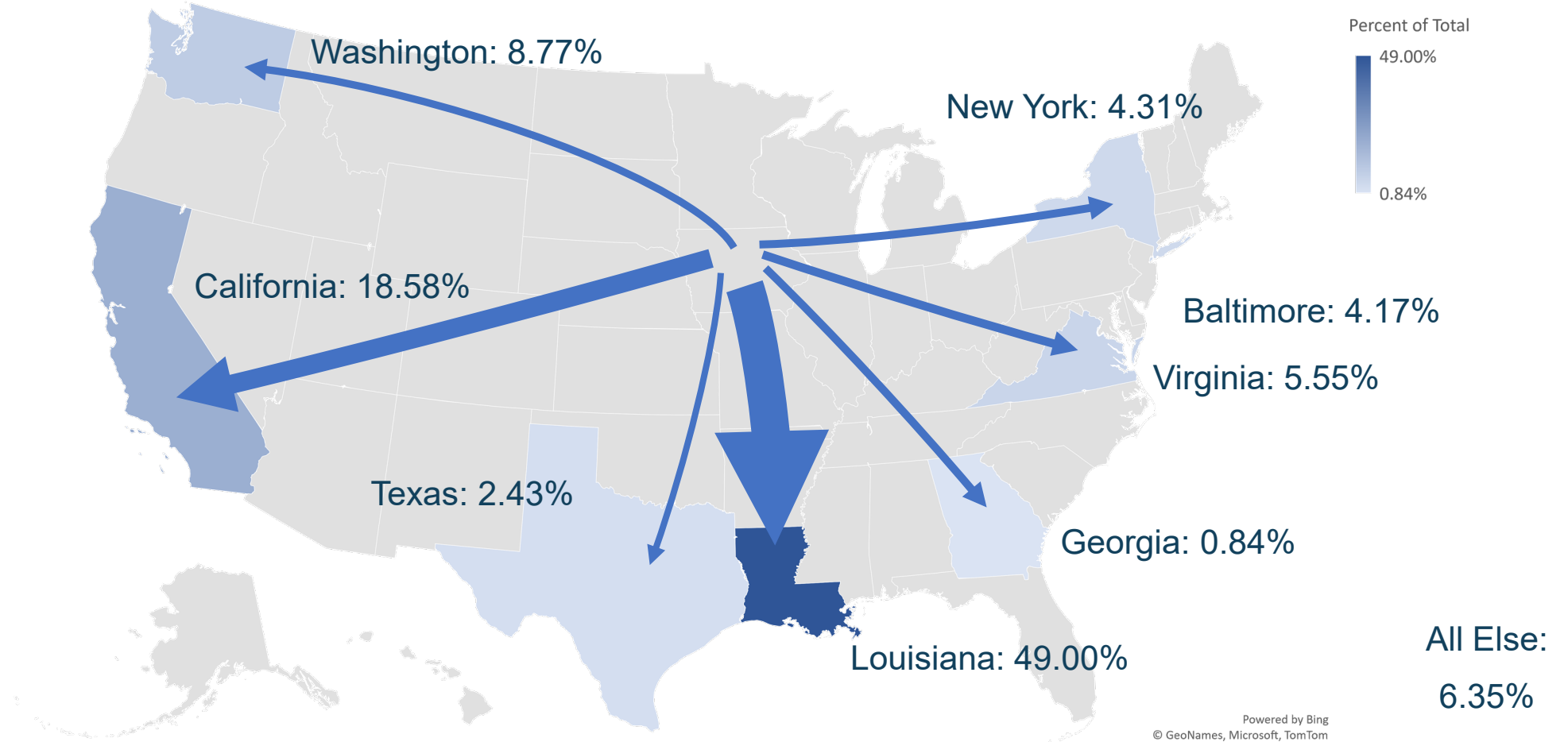
**\$3.3 Billion**



HTC  
0203  
0206  
1602  
3002

# Port of Embarkation – All Ocean Ports

**\$27 Billion**





**THANK YOU**

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Iowa Economic Development Authority