## $42^{\text{nd}}$ meeting of the

# **IOWA FREIGHT ADVISORY COUNCIL**

September 8, 2023 10:00 AM to 2:00 PM

Ramada Des Moines Tropics Resort & Conference Center 5000 Merle Hay Rd, Des Moines, IA 50322

#### **Members**

	Members				
Χ	Mike Steenhoek (Chair), Soy Transportation Coalition	Х	Jillian Walsh (Vice Chair), Travero		
	Gabe Claypool, Des Moines Industrial	Х	Greg Dickinson, Ten D, Inc. Companies		
Χ	Jackson Doud, Iowa Farm Bureau	Х	Amy Homan, Iowa Northern Railroad		
Χ	Matthew Leyser, John Deere Des Moines Works		Larry Lloyd, CPKC Railroad		
	Doug Martin, Amazon DSM5		Joe McConnell, Perishable Distributors of Iowa		
	Allison Meiners, Iowa Motor Truck Association	Х	Bob Rafferty, Truckstops of Iowa		
Χ	James Niffenegger, Landus Cooperative	Х	Kelli O'Brien, Union Pacific Railroad		
	Joe Parsons, Iowa Interstate Railroad	Х	Ty Rosburg, Rosburg Livestock		
	Peter Skosey, BNSF Railway	Х	Jessica Sprung, Sukup Manufacturing		
Χ	Marty Wadle, Ruan Transportation	Х	Mark White, Smith Fertilizer and Grain		
Χ	Ron White, Artco Fleeting Service				

## **Ex-Officio Members**

Χ	Tom Bruun, Iowa DPS, Iowa State Patrol	Χ	Zhi Chen, DMAMPO
	Colonel Jesse Curry, USACE, Rock Island District	Х	Amie Davidson, Iowa DNR, Land Quality Bureau
			Mike Hadley, Keokuk County Board of
	Andrew Goodall, USACE, Rock Island District	Χ	Supervisors
Х	Mike Harrington, IDALS	Χ	Sean Litteral, FHWA, Iowa Division
Χ	Scott Marler, Iowa Department of Transportation	Х	Shirley McGuire, FMCSA
Χ	Tim Marshall, FHWA, Iowa Division	Х	Zach James, SEIRPC
Χ	Joseph Rude, Iowa Economic Development Authority	Χ	Louis Vander Streek, Iowa Utilities Board

## **Iowa Department of Transportation**

	Zahrah Alghalibi	Х	Stu Anderson		
	Zac Bitting		Mikel Derby		
	Brenda Freshour-Johnston		Melissa Gillet		
	Jim Glaspie	Х	Sam Hiscocks		
Χ	Maria Hobbs	Х	Alex Jansen		
	Renee Jerman		Troy Jerman		
Χ	David Lorenzen	Х	Amanda Martin		
Χ	Tammy Nicholson	Х	Garrett Pedersen		
Χ	Charlie Purcell		Jeff von Brown		
	Andrea White	Х	Caleb Whitehouse		
	Lee Wilkinson		Spencer Thompson		

## Guests

Χ	Mark Walter, NEW Cooperative	Х	Thomas Skinner, Canadian National
Χ	Francis Edeker, Operation Lifesaver	Х	Bill Northey, Agribusiness Association of Iowa
Х	Paul Avenarius, CPKC	Х	Marcus Tyrance, CPKC
Х	Dee Studebaker, OOIDA	Х	Garrett Reid, Iowa DPS, Iowa State Patrol

#### Meeting input objectives

- 1. Provide ideas for future tours or meetings held at FAC member facilities.
- 2. Provide input on new agriculture-focused truck guide being developed by Iowa DOT.
- 3. Provide questions and comments related to intermodal and transloading operations in the state and identify any opportunities for lowa DOT to enhance.

## 10:00 AM Safety Briefing

Amanda Martin lowa DOT

Amanda gives the weather forecast and designates Maria as 911 caller and Caleb Whitehouse as a backup. Amanda points out the emergency exits, fire alarms, tornado shelter areas, and gathering areas. Amanda also points out tripping hazards.

#### **Welcome & Introductions**

*Ice breaker: Provide any comments, updates, notable items, etc.* 

Mike Steenhoek, Chair Soy Transportation Coalition

#### **Future Tours and/or Meeting Locations**

lowa DOT would like feedback from the group for other potential tour locations and or meeting locations, potentially hosted by a member.

- Matt Leyser says volumes are still good at their factory.
- Marcus Tyrance says volumes are still good and introduces himself as the director of business development for CPKC. He is excited about opportunities in Iowa for CPKC.
- Niffenegger says that Landus is a week away from being extremely busy.
- Harrington says IDALS is a week away from inspecting [...].
- Ty Rosburg says he is worried about road damage in the springtime. Rosburg has been working with the National Association of Counties on ways to reduce the impact of freight on county roads. Rosburg says we all should be thinking about moving more freight with fewer trucks/drivers and reducing the carbon footprint.
- Wadle updates the FAC on historic low freight rates and bankruptcies (including Yellow) that are impacting the labor market positively for Ruan.
- Walsh seconds Wadle's comments on truck driver labor issues.
- Steenhoek says he's nervously watching the drought conditions on the inland waterway system. Conditions are already impacting barge transportation, and the forecast does not look good. Drought conditions are also impacting the Panama Canal. 600 million bushels of soybeans pass through the Panama Canal every year.
- Marler says that DOT is seeing steady demand for CDLs and wait times are 3-4 days. Iowa is experiencing much higher fatalities on the road system from last year. Marler points at speeding, distraction, and impairment as the cause. Marler welcomes thoughts from the FAC for solutions.
- Steenhoek asks if distractions from phones have correlated with increased fatalities. He also asks what the cause of increased fatalities is since COVID.
- Marler says that lower traffic volumes during the pandemic enabled increased speeds, and that
  behavior has only gotten worse despite greater enforcement and volumes returning to pre-pandemic
  levels. Additionally, there are higher fatality rates among motorcyclists, but lower (than other states)
  rates of fatalities for vulnerable road users (bicyclists and pedestrians).
- Northey says that the harvest is coming soon. With the current drought, it probably won't be as big and will happen earlier than previous years.

- O'Brien says there have been changes at UP and the leadership has been divided into President, CEO, and Chairman. UP won some new business from ADM in Clinton. O'Brien is going to be talking with the City of Des Moines about driver behavior at railroad crossings.
- Hadley says that bridge weight increases is concerning for the counties. County engineers will likely
  have to cut the bridge weighting for some local bridges to prevent catastrophe.
- White says that members in Northeast Iowa are having to travel farther to get fingerprints certified for hazmat certification. Certification is required every 5 years.
- Rosburg says that his group has a machine that is operated locally to send fingerprinting in for certification.
- McGuire says that fingerprinting is a requirement from TSA and that FMCSA has had difficulty getting the fingerprinting done for their staff. Few entities are interested in providing the service.
- White says that they've seen the same issue with centers closing. He also builds on Steenhoek's
  concerns about drought and low water levels on the river. He says that there are a lot of available
  barges in the upper Mississippi region.
- Studebaker introduces herself to the group.
- Bruun talks about the changes to his office as part of the State of Iowa realignment plan.
- James says that SEIRPC has been working with the City of Keokuk on finding funds to repair or replace
  the swing span bridge that the city owns and operates. SEIRPC has also been working to clean up a
  rail-served brownfield site.
- Chen says DMAMPO is working on an action plan to address traffic fatalities in the metro.
- Rude says that lowa exports are flatlining since last year, and nationwide exports are 1.5% lower from last year.
- Homan says business has been phenomenal. An ongoing challenge is grade-crossing incidents and IANR is looking at federal crossing elimination programs. IANR is also looking to get young people into the industry. Homan also offers to host FAC at Manly or a new industrial park in Butler County.
- State patrol statistics says that speed citations more than 100 mph increased from ~700 to over 1000 during the pandemic. The highest speeds measured are frequently over 120 mph.
- Lorenzen says that the traffic management center has reworked their plan 3-4 times for the Cy-Hawk game in Ames tomorrow. System Operations is also adding rumble strips in Dallas County to reduce incidents.
- Jansen says that they have been working on implementing the all-systems permit.

#### 10:40 AM Agriculture Truck Guide

Alex Jansen

Overview of a new guide being developed and opportunity to provide lowa DOT input on information drivers would fine useful.

Jansen says that the Motor Vehicle Division is looking into developing an Agriculture specific truck guidebook to share with commercial vehicle operators and farmers. The new guide will help clarify many rules and regulations related to ag hauling. MVD has an internal draft that is not ready to be shared publicly.

Jansen directs FAC members to scan the QR code shown on the slides to complete a survey for feedback on what would be helpful.

Steenhoek asks if there will be a hardcopy version. Jansen says that both a hardcopy and digital version will be available. Jansen says that the goal is to complete the survey by the end of January. Feedback would be appreciated as soon as possible. Jansen says that he has copies of the current guide.

10:44 AM Railroad Safety: Operation LifeSaver

Francis Edeker
Operation Lifesaver

Overview of Operation Lifesaver and other rail safety initiatives ahead of 2023 Rail Safety Week (Sept. 18-24).

Edeker introduces himself and Operation Lifesaver to the FAC. Operation Lifesaver promotes grade-crossing safety in all 50 states and five foreign companies. Edeker is a retired employee of IANR.

Operation Lifesaver is a free program that presents for many different organizations, especially schools and drivers ed classes. Operation Lifesaver began 51 years ago in 1972. The organization is completely volunteer driven and has difficulty finding new volunteers. Operation Lifesaver uses a Safety Display that travels the state including the state fair. The display includes a map of lowa and all the incidents in the state.

Every three hours, a person or vehicle is hit by a train in the United States. Operation Lifesaver spent 150 hours at the state fair. People from 32 states and nine different countries visited the booth at the fair this year.

In the last year, there have been 35 farmer fatalities because of collisions with trains. Edeker directs the FAC to the brochure provided to attendees. Operation Lifesaver produces several brochures for different classes of motorists including delivery drivers, cyclists, and pedestrians.

O'Brien asks Edeker to explain who funds Operation Lifesaver. Edeker says that the railroads donate money, as well as other businesses including Hy-Vee and ethanol plants.

## 10:55 AM Railroad Safety: Company Perspective

Overview of safety issues from the railroad perspective.

Thomas Skinner CN
Paul Avenarius CPKC

Avenarius and Skinner introduce themselves as law enforcement persons employed by railroads. Avenarius says that education is the most critical component for understanding safety. People do not understand that the rail lines are private property.

Skinner says that CN focuses on education, enforcement, engagement, and engineering. Both Skinner and Avenarius are presenters with Operation Lifesaver. A motorist is 20% more likely to die if hit by a train over another motorist. Skinner says that a driver can lose their CDL if found violating laws surrounding rail crossings. School bus drivers are frequently involved in near misses with trains. Railroads see an uptick in violations during harvest season.

O'Brien asks how often they see motorists driving into the sides of trains. Avenarius says that it happens, and that people are just in such a hurry that they put up their blinders to try and beat a train. Skinner says that 1/3 of all grade crossing collisions occur when a vehicle hits the side of a train. Skinner says that part of the issue is lack of light. They can be hard to notice at night when they are stopped.

Skinner says that passive crossings on gravel roads are especially unsafe because of lack of stopping ability. White asks if there is a trend of the age of individuals involved in crossing incidents. Skinner says that there is no specific age group (shotgun blast).

Studebaker asks if commercial driver experience correlates with violations. Skinner says that there is no correlation, but some anecdotal evidence suggests that drivers completing CDL certification online might not be tested on that element of the regulations and thus aren't aware of the law.

Steenhoek asks if there are certain crossings that experience more violations. O'Brien says that UP has a list of top 5 crossings. Martin says that 45% happen at active crossings and 55% happen at passive crossings.

Nicholson says that Iowa DOT has \$5.7 million for grade crossing safety. The rail team has a benefit/cost analysis that identifies the top crossings, and DOT can fund around 10 per year for improvements. The funding has been consistent for 10 years, but Iowa has a lot of crossings. Project costs have increased with inflation, which limits the ability of DOT to fund as many projects.

Hadley says that the train and rail becomes part of the landscape and asks why reflective tape isn't used. Skinner says that FRA requires reflective tape.

Steenhoek asks what would be done if the railroads had a "magic wand". Skinner says that a regulatory change for drivers to lose their license. Steenhoek asks if crossings have cameras to have cameras to spot violations. Avenarius says that CPKC has cameras for rail yards.

Amanda Martin mentions <u>lowa's Rail Safety Action Plan</u> and that Skinner had previously mentioned that hunters are occasionally a problem for rail incidents. Avenarius says that ice fishers in Northeast Iowa frequently violate rail laws.

Marler asks what Skinner and Avenarius are seeing that the public should be aware of surrounding derailments. Avenarius says that the term "derailment" applies to incidents ranging from a multi-car pileup to a single wheel leaving the tracks. Skinner says that the public should report any obstruction along the railroad tracks. The mere act of putting a train into an emergency stop could cause a derailment.

Hadley suggests that railroads or DOT should have early warning lights to flash when a train is approaching, or a blocked crossing.

## 11:30 AM Owner Operators Independent Drivers Association

Dee Studebaker OOIDA

Overview of the organization and results of the OOIDA annual member survey relating to issues/topics of interest in the trucking industry from the owner-operator perspective.

Dee Studebaker asks the FAC to text her mother "Happy Birthday". Studebaker represents the OOIDA foundation which is the research arm of the organization.

OOIDA has over 150,000 members who are professional drivers in the United States and Canada. OOIDA was started in 1973 to represent independent drivers across the country. The OOIDA foundation does education and research for their members.

96% of trucking fleets in America are made up of 20 trucks or less. Operating in Iowa, 14,000 truck fleets have 11 or fewer trucks.

Information from OOIDA surveys comes from drivers, not from large fleets or safety managers. Owner operators can be divided into those operating under their own authorities, or "leased on" drivers working for a larger firm.

Employee operators on average have changed carriers seven times in their career. Typical members have accumulated two million miles of driving without incident, two times below the nationwide crash rate.

Greatest challenges: regulations made by non-drivers, fuel prices, freight rates, detention time, and lack of qualified drivers. "There is not a driver shortage. That is a myth made by larger trucking fleets who don't want to pay for experienced drivers."

Regulations impact smaller fleets greater than they impact larger fleets. McGuire from FMCSA agrees. Drivers want regulators to listen to the operators because they care about safety.

Top reasons that drivers like the industry is the independence and freedom that the occupation offers. Drivers are becoming less reliant on social security and have more diverse retirement savings. Drivers are becoming more educated and more female. More people are encouraging their children to become truck drivers. Drivers are beginning to view their own industry as respectable. Fewer drivers are smoking and more are exercising regularly.

Studebaker says that she has begun to see commercial drivers differently and believes that truck drivers deserve more thanks.

Most important issues that leased-on drivers look for when picking a carrier: Freight rates, amount of freight, and company reputation. Most important issues that make you decide to leave a carrier: Low pay, lack of freight, and lack of respect.

39% of respondents say that driver facing cameras are more likely to harm safety than improve safety. Drivers are concerned that newer technologies take control away from the operator.

#### 12:00 PM Networking Lunch

#### 12:45 PM Discussion: Intermodal and transloading operations

A facilitated discussion of ongoing challenges and opportunities in multimodal freight movement. This includes a discussion of volatility in the transload market, developing new facilities, and other issues/topics of interest.

Mike Steenhoek, Chair Soy Transportation Coalition

#### Panelists:

- Jillian Walsh, Travero
- Greg Dickinson, Ten D, Inc. Companies/Merchants Distribution Service
- Amy Homan, Iowa Northern Railroad
- Marcus Tyrance, CPKC
- Mark Walter, NEW Cooperative/Port of Blencoe
- Ron White, Artco Fleeting Service

Mike begins the panel by asking: What's the difference between intermodal and transloading?

Walsh introduces CRANDIC which has a transload facility. For CRANDIC, transload is truck to rail or rail to truck. Commodities vary.

Dickinson says Ten D. merchants has two facilities in the Des Moines metro. Most of their operation comes from out of state (or out of the country) and is moved to truck for last mile services.

Homan says IANR has a ramp in Shell Rock, Iowa. Their biggest operation is in Manly, Iowa. Homan adds "cross dock" to the definition which is like boxcar movements.

White says that Artco's operation is mostly bulk commodities with a fair amount of steel. They also get things like windmill blades that get transloaded to trucks. It takes all different modes to make everything work. No single mode can do everything. They've experienced a decline in coal operations because of changes in the state's energy operations.

Mark Walter from NEW Cooperative says that they have reduced road miles from highway 20 by 300,000. NEW Cooperative brings rock, iron, corn, soybeans, soybean meal, and other dry goods. There is a rail line within 2 miles of their port in Blencoe that they have explored getting access to. Walter doesn't see Blencoe as a place to transload from rail to barge or barge to rail. They've had conversations with companies that would like infrastructure around the port to add manufacturing sites that could use either barge or rail.

Steenhoek commends the Iowa DOT for focusing on the use of the rivers (specifically the Missouri River) for freight. The goal is to reduce truck miles in the state and improve safety. Iowa DOT provided a grant that paved the road from Interstate 29 to the Port of Blencoe.

Tyrance says "transloading is my life". CPKC is the only railroad that serves US, Canada, and Mexico. For CPKC, transloading is critical for growth. Transload facilities are like the "on ramp" for moving materials to the rest of the world. Having access to transload opens opportunities for growth both for CPKC and shippers. "Everyone is rail served, they just don't know it."

O'Brien tells the FAC that she will have Hiscocks distribute a document from UP that explains the differences between transload and intermodal.

Steenhoek says one critique of the freight system is that each mode is "siloed". He asks the panelists for a remedy for that issue.

Walter says that he manages rail serviced grain elevators. The challenge he has is being at "the end of the line". His idea would be to bring empty containers into the interior by rail to be loaded and shipped out.

Tyrance says that the container is the commodity, and what is in it doesn't matter. There is a cost for moving empty containers. Homan echoes Tyrance and says that there are enough imports to lowa to get containers, it just might be difficult. Homan also commends the DOT for driving communication between modes.

Steenhoek asks what the multimodal focus means. Homan says that DOT can now look across all modes and "pair them up" to make things work for the state of Iowa. The more DOT can help business understand and appreciate the other modes, the more the barriers between modes break down.

Martin says that one example is that the Rail Section of the Modal Transportation Bureau is asked about impact to rail for different grant applications to encourage multimodalism.

Steenhoek says sometimes the mentality is "I will go to the dance with you if you go to the dance with me". Homan provides an example where a city must commit to the project for it to proceed.

Steenhoek asks for other examples of impediments or enablers from government (federal, state, local). Litteral points to transportation bills and the National Highway Freight Program. Walter says there isn't a good way for private ports to attract funds that are for public ports.

Tyrance says that it sometimes comes down to alignment of incentives. In this environment with high interest rates, few people know how to build a business. It requires working with other modes.

Steenhoek asks if there are sectors that are ripe for waterway movement. Walter says windmill blades in South Dakota. White says that there a lot of ideas in the barge industry and one person might be bold enough to take a leap on a test project (referring specifically to gypsum). One issue with containers on barge is that the weight of the container may take away cargo space.

Steenhoek asks about opportunities for states to collaborate. Tyrance says it's tough to get states to work together. KCMO and KCKS might work best together to collaborate. Anderson points to TPIMS as an example of multistate collaboration. Iowa has also sought grants for upper Mississippi River planning but were unsuccessful.

Steenhoek says that we have been rethinking what makes an effective supply-chain work. Walsh says that customers are looking at things differently. Some customers are just looking at storage for freight to ensure that customers are provided for. Customers are starting to have more confidence in the supply chain.

Steenhoek asks about how the locations of containers impacts freight. Tyrance says that railroads love moving freight on the same routes over and over. Homan says that using lowa's ag roots can be leveraged to bring containers into the state. Walsh says CRANDIC struggled to get a commitment from Class I railroads to get transload service.

Litteral asks what entities own transload facilities. Tyrance says that the entities vary, but private operators are the majority.

2:00 PM Adjourn

Future meetings: December 15, 2023