



## MAASTO Intermodal Freight Summit Summary

On April 10-11, 2017, MAASTO convened a summit on intermodal freight in Chicago, IL. The purpose of the summit was to establish new MAASTO initiatives, with the ultimate goal of strengthening the Midwest economy and improving the mobility of goods and people. During the summit, discussion focused on two themes:

- **Capital Priorities:** Identify priority freight corridors/ bottlenecks and capital projects with Midwest benefits for targeted/ shared investment and related advocacy.
- **Eliminating Borders and Barriers:** Determine collaborative opportunities for MAASTO DOTs to create a seamless freight environment that better meets private sector needs.

This memo provides a summary of the summit activities, new initiatives MAASTO committees will pursue as a result of the summit, a financial report and feedback received from conference attendees.

### Summit Summary

The MAASTO summit included 43 participants from nine states, including the MAASTO Board of Directors; Strategic Transportation Issues, Planning Directors, Chief Engineers and Motor Carrier Committees; and the Mid-America Freight Coalition (MAFC) program manager.

#### *Illinois International Port District Tour*

The summit began with a tour of the Illinois International Port District, hosted by executive director Clayton Harris III. The tour provided an opportunity to learn more about the role ports play in intermodal freight activity. Attendees also had an opportunity to discuss the capital challenges faced by the port, which has not been adequately maintained despite its rich economic potential for Midwest freight movement.

#### *Private Sector Panel*

The second day of the summit began with a private sector panel to (1) discuss where state DOTs are seen as ineffective when it comes to the efficient movement of goods and (2) identify where states can better collaborate to meet private sector needs. Panelists included:

- Mark Bristol, Assistant Vice President of Network Development, [Union Pacific Railroad](#)
- Mike Mitchell, General Manger, [Denton Cartage](#) (Trucking Firm)
- Del Wilkins, Vice President of Northern Operations and Business Development, [Canal Barge](#)
- Ognen Stojanovski, [Otto](#) (Self-Driving Technology Company with Trucking Focus)

Meeting materials, available at [www.maasto.net/meetings.html](http://www.maasto.net/meetings.html), included:

- [Agenda](#)
- [Confirmed Attendees](#)
- [Private Sector Panelist Biographies](#)
- [Mid-America Freight Coalition Draft Research Ideas, 2017-2018](#)
- Corridor Maps and Table
  - [MAASTO High-Volume Freight Network](#) (printer-friendly version)
  - [MAASTO Marine Highways](#) (printer-friendly version)
  - [Significant Highway Freight Corridors in the MAASTO Region](#)
- [Summary of Challenges and Best Practices from MAASTO State Freight Advisory Plans \(MAFC study\)](#)
- [Motor Carrier Committee: Work to Date and Potential Initiatives](#)
- [Alternative Funding Proposal – Truck Axle Weights](#)
- [Federal Freight Funding Opportunities](#)
- [Summary of Autonomous Vehicle Regulations by State](#)

Major takeaways from the panel included:



- **Challenges.** For waterways, the federal government plays a larger role, yet shippers run into challenges when state agencies have different interpretations of federal law (for example, how to handle greywater discharge). State DOTs do not always recognize railroads as being part of the solution to our freight challenges. Turnover in leadership at states and their DOTs also can be challenging when collaborating on multi-year projects. Permitting on oversize and overweight trucks varies state-by-state, when greater harmonization would be very beneficial to the trucking community. While there is a lot of excitement related to autonomous vehicles (AVs), there is also much confusion, and greater education will be beneficial. There are opportunities related to platooning, but that should not be conflated with AVs; related policies should be handled differently. Congestion in areas across the Midwest is also problematic for the efficient movement of goods. Similarly, it can also be a challenge to move freight in and out of intermodal facilities efficiently because of traffic. Intermodal facilities need adequate access, and the more distribution centers located by interstate interchanges the better.
- **Autonomous Vehicle Technologies.** Self-driving trucks have the ability to move freight more safely and efficiently on our highways. As a company, Otto is focusing on developing level 4 and 5 technologies so there is no expectation of driver intervention unless desired. Level 3 AVs provide the most confusion and legitimate safety concerns, and thus will not be a focus of Otto. Following Otto's demonstration in Colorado, the company will be looking for trips to run regularly to show the technology can work. These AVs can be beneficial to the trucking industry, which is currently facing a shortage of drivers. Because technology is changing so rapidly, it's more worthwhile for states to invest in maintaining their roadways with clear striping, rather than focus on installing technology into infrastructure that may be quickly rendered obsolete. Sharing of work zone information and other safety data would be helpful for AV firms. On the rail side, positive train control will offer similar benefits once the technology is fully developed. With better technology, in the future we may be able to avoid at-grade separations because the trains will be able to communicate with the infrastructure. The waterways industry, likewise, sees similar benefits through the use of automated info systems (AIS) in broadcasting locations.
- **Opportunities for Partnerships.** On waterways issues, state DOTs can help circumvent knee-jerk solutions to challenges by partnering with fellow state agencies. Oregon DOT's Connect Oregon program was highlighted as a great example of states partnering with the private sector to pool funding for capital challenges. Projects are selected with transparent criteria. State Freight Advisory Councils also provide a good opportunity to gather input and partner with the private sector, particularly for their ability to facilitate the exchange of information. Learning what types of freight are moving through the state – and how – would be beneficial for the AV trucking industry. When statutory change is needed to find efficiencies, private sector support will be incredibly helpful.
- **Harmonization Prospects.** States are inconsistent in how they tax diesel for rail across states, which can influence where industry fuels up. Locals interested in taxing freight can also lead to excessive fees in a problematic patchwork approach. Harmonization may not be as large an issue when technology can even the playing field; for example, it's OK for states to have different speed limits because cars with the appropriate technology can adjust their algorithms and use GPS to know when their speeds have to change. What's more important in the AV space is to have consistent definitions, rather than consistent regulations. Bill-of-lading forms for waterway-born freight can be inconsistent across states, which proves problematic (especially when trying to maintain the integrity of a sealed load). If harmonization of oversize and overweight permits is unattainable, one online system for the entire Midwest to obtain permits would be helpful for the trucking industry.
- **Funding Capital Improvements.** Public-private partnerships are often sold as a great way to improve infrastructure, but that financing model won't work for all projects. When fees are assessed for infrastructure across states, ideally there is some level of proportionality. Private industry in some cases may be willing to pay more in funding if revenues are reinvested in transportation and the private sector



can assist in prioritizing projects. Showcasing return on investment will always be important. The CREATE partnership in northeastern Illinois (between state, local and federal government with the railroad industry) is a promising model worth expanding in places like St. Louis and the Twin Cities.

#### *MAASTO Committee Reports*

Following the private sector panel, attendees discussed common themes and areas most primed for MAASTO committee focus in the future. The Planning, Motor Carrier, and Strategic Transportation Issues Committees facilitated discussions in the afternoon on recent efforts and potential future opportunities related to intermodal freight collaboration.

- **Planning Committee.** The Mid-America Freight Coalition presented a list of proposed research projects for FY17-18, which prior to the summit were prioritized by the planning committee. Some topics aligned well with the themes of the summit, while a few new ideas were also discussed. Focus was placed on establishing a multimodal freight priority corridor network and evaluating commodity flows for their economic significance. A multimodal priority corridor for the Midwest could further assist in prioritization of capital funding with a better understanding of regional benefits.
- **Motor Carrier Committee.** The Sub-Committee on Highway Transport (SCOHT), which reports to the Motor Carrier Committee, provided a thorough update on accomplishments to date and planned activities on the horizon. The Midwest SCOHT is the most advanced region in the nation for oversize and overweight harmonization efforts. Collaboration is underway on a range of topics, including how to handle truck parking for superloads (such as trucks carrying wind farm components). Their next conference will be in Kansas. The Motor Carrier Committee itself, which is fairly new, met for the first time in person at the April summit. They compiled a summary of work to date and potential new initiatives for discussion.
- **Strategic Transportation Issues Committee.** An update was provided on the funding proposal to examine and pilot alternative registration fees for heavy trucks. A PowerPoint summarizing various federal freight funding opportunities, largely discretionary, was also presented. Finally, opportunities around autonomous vehicles were discussed following a survey of existing regulations by state.

#### **Next Steps**

Based on feedback from the panel and subsequent discussions, MAASTO committees will pursue several new efforts.

#### *Planning Directors Committee:*

- Further refine MAFC research proposal with additional budgetary detail. Future research could focus on updating analysis related to regional freight flows and related economic significance.
- Explore the creation of a Midwest regulatory model for platooning that could ultimately become a national standard.

#### *Motor Carrier Committee/ Subcommittee on Highway Transport:*

- Survey harmonization opportunities between states on oversize and overweight permits, including where statutory vs. regulatory changes could be made; create a roadmap for future harmonization efforts.
- Explore the potential of using one online system for these permits for the entire MAASTO region.

#### *Strategic Transportation Issues Committee:*

- Develop a survey for State Freight Advisory Council members to evaluate the most effective ways to engage the private sector in state DOT work and decision-making around freight, including the identification of multimodal bottlenecks and the economic impacts in investing in those improvements. Results will be shared at the MAASTO annual meeting.



- Investigate how states handle bill-of-lading issues, particularly in the context of protecting the integrity of a sealed load.
- Update the proposal on the truck axle weight study to compare the benefits of funding via pooled state resources or NCHRP.
- Focus the upcoming MAASTO annual report more extensively on what we are doing as a MAASTO region, compared to individual state accomplishments.

*Chief Engineers Committee:*

- Continue to share knowledge related to advancements in e-construction.
- Coordinate on the development of infrastructure project lists that states are developing for new administration.

**Survey Results**

Following the summit, a survey was shared with participants to gather feedback on the summit and ideas for future activities. Just over half of participants responded. The vast majority (82 percent) felt the summit was a worthwhile use of time, and nearly all respondents (91 percent) felt that MAASTO should have similar summits in the future. Nearly 40 percent of respondents felt that future summits should continue the focus on intermodal freight. Of those who felt summits should highlight different areas of collaboration, some of the topic suggestions included:

- Autonomous vehicles and other emerging technologies
- Platooning
- Safety
- Traffic operations
- Funding
- Planning
- Ports and waterways
- Performance management
- Tax and funding policies
- Asset management

Suggestions were also provided on how to measure the success and progress for both past and future summits, which included surveys and the setting of outcomes during the summit based on deliverables identified. Most respondents felt that the attendees were the right “audience” for summits like this, and the majority also felt that engaging external partners in discussion was a worthwhile exercise. The most convenient months for future summits were, in priority order, April, March, and October.