

**Wisconsin Freight Advisory Committee (FAC)**  
Meeting Minutes from Thursday, November 9, 2017  
9 a.m. to 3:30 p.m., Madison, Wisconsin

**FAC Members Present:** Dan Bahr, Andrew Barnes, George Bichanich, Mark Brehmer, Tom Bressner, Ron Chicka, Mike Davies, Jerry Deschane, Brian Doudna, Jeff Dudzik, John Easter, Brian Elliott, Cory Fish, Mike Halsted, Kathy Heady, Jack Heinemann, Peter Hirthe, Neal Kedzie, Jeff Kitsembel, Larry Krueger, Jeff Landin, Kristi Luzar, Kevin Muhs, Richard Pingel, Jen Pino-Gallagher, Steve Rose, Nels Rude, Henry Schienebeck, Richard Stewart, Craig Thompson, Yash Wadhwa.

**FAC-Member Organizations' Proxies Present:** Mary Forlenza, Michael Gay, Tim Marshall

**Wisconsin Department of Transportation (WisDOT) Members Present:** John Alley, Brad Basten, Scot Becker, Donna Brown-Martin, June Coleman, Jen Esser, Jeff Gust, Jacquelyn Irving, Dewayne Johnson, Rich Kedzior, Mike Klingenberg, Mae Knowles, Dave Leucinger, Aaron Michelson, Rose Phetteplace, Dean Prestegaard, Bob Reed, Dave Ross, Matt Schreiber, Bob Seitz, Dave Simon, Lisa Stern, Dustin Sweeney, Aileen Switzer, Matt Umhoefer, Chuck Wade

**Guests:** Sabina Dhungana, Libby Ogard

- **Secretary's Welcome and Opening Remarks (9:30 a.m.)**
  - Dave Ross, WisDOT Secretary

Secretary Ross thanked the Wisconsin Freight Advisory Committee (FAC) members for their participation at the FAC meetings. Secretary Ross emphasized the importance of everyone's time - both private and public sector participants - and said that the members had a very significant opportunity to help drive the future of the FAC by engaged participation in the meeting's afternoon session on the FAC's Future Directions.

- **FAC Membership (9:35 a.m.)**
  - Aileen Switzer, WisDOT Division of Transportation Investment Management (DTIM) Administrator

Ms. Switzer welcomed new members to the FAC, including one who was in attendance (Andrew Barnes). Mr. Barnes was given an opportunity to introduce himself to the Committee and was thanked for representing the U.S. Army Corps of Engineers on the FAC.

- **Recap of the May 2017 FAC Meeting (9:40 a.m.)**
  - Aileen Switzer, WisDOT DTIM Administrator

Ms. Switzer provided a summary of the May 16, 2017 FAC meeting, which took place in Madison, WI. The meeting included nearly 60 participants (FAC members and WisDOT staff). During the first half of the May meeting, WisDOT staff presented the results of pre-meeting survey questions which asked: of the nine new policies that were incorporated into Wisconsin's State Freight Plan because of public comments, which were both (1) most beneficial to the private sector and the citizens of Wisconsin, and (2) most conducive to joint WisDOT-FAC action.

Following the presentation, attendees engaged in tabletop discussions which asked questions about how best to achieve the goals inherent in the top three results.

The second half of the May meeting centered on Legal Weight Trucking. WisDOT facilitated a panel discussion that included representatives from two FAC member organizations - the Federal Motor Carrier Safety Administration and the Wisconsin Motor Carriers Association - and the head of Chippewa Valley Technical College's Truck Driving program. The panel was followed by tabletop discussions that examined various facets of legal weight trucking, including operations and facility development, business sectors most reliant on trucking, and expectations of the trucking industry.

To ensure FAC members' concurrence with the results, Ms. Switzer addressed each of the questions from the two tabletop discussion sessions, and asked attendees at the November 9<sup>th</sup> meeting if the points accurately covered FAC members' concerns. No objections or additional comments were made by the members.

Further information regarding the May 16<sup>th</sup>, 2017 FAC meeting can be found in the *Meeting Minutes* and *Appendix to Meeting Minutes*, which are posted online at <http://wisconsindot.gov/Pages/doing-bus/freight/fac.aspx>.

- **WisDOT Update (9:45 a.m.)**
  - Donna Brown-Martin, WisDOT DTIM

Ms. Brown-Martin covered two topics in this session. First, she told the attendees that WisDOT had submitted the Wisconsin State Freight Plan to the U.S. Department of Transportation on October 18, 2017. She thanked the FAC members for their participation in the plan's development and the feedback they provided on the final draft. Ms. Brown-Martin proceeded to cover the transportation budget as passed in Wisconsin's 2017-2019 biennial budget, including highlights from the state highway program and local programs.

- **State of Wisconsin's Freight-Related Economy / Industries (10:00 a.m.)**
  - Tom Bressner, Wisconsin Agri-Business Association
  - Jerry Deschane, League of Wisconsin Municipalities
  - Steve Rose, Logistics Council of Milwaukee

Prior to the meeting, in an effort to educate both WisDOT and their peers on the FAC, three members agreed to present brief summaries of the state of their respective sectors/industries.

Mr. Bressner explained that his association largely represents everyone who works with farmers, but not the farmers themselves. He highlighted several key issues his association is tracking, including truck driver shortages (especially those with HAZMAT certifications), the federal government's funding levels of locks and dams on the Mississippi River (which can affect agriculture shipments), and frac sand shipments via rail, which historically have displaced agriculture when capacity constraints exist. Mr. Bressner complimented WisDOT's oversize/overweight permitting process, and closed with the comment that the success of Wisconsin's \$88 billion agriculture sector is highly dependent on the condition of Wisconsin's transportation system.

Mr. Deschane explained that his organization represents both large cities and small villages, and said that Wisconsin faces a “people attraction” problem throughout the state. He said that job creation only can drive the economy forward if there are workers to fill the openings, and suggested that real job growth comes from new business creation, not chasing existing businesses in other regions. Mr. Deschane gave a few specific examples of how worker shortages are affecting the economy, including both truck drivers and EMTs. He stated that in recent years municipalities have, on average, increased infrastructure spending at a double-digit percentage rate, but that recovery from the 2008-2009 recession is not uniform, with many of Wisconsin’s smallest villages still at or below recession-era employment levels. Mr. Deschane closed with an announcement that a study will be released shortly regarding how different parts of Wisconsin are attempting to retain young adults in their communities.

Representing the logistics community, Mr. Rose largely covered various aspects of trucking. He discussed that fall 2017 experienced a capacity shortfall, attributing it both to the truck driver shortage and an excellent year for agriculture harvests. The shortfall drove trucking rates up over 20% compared to early 2017. He reiterated that one of the trucking industry’s biggest problems is the constant switching back-and-forth among workers who drive for a period of time and then switch to construction jobs when that industry booms (a situation that has existed for many years). Mr. Rose said the trucking industry in Wisconsin continues to work with technical colleges to generate new drivers.

- **Truck Platooning in Wisconsin (10:15 a.m.)**

- Dr. Richard Stewart, UW-Superior

Dr. Stewart opened the session by showing two videos, one produced by Peloton and one produced by Volvo, that explained the basics of truck platooning, as well as showing it in action on European roads. He proceeded to cover the status of platooning in the U.S., including a listing of the nine states whose regulatory environments currently allow for platooning: Arkansas, Georgia, Michigan, North Carolina, Nevada, Ohio, South Carolina, Tennessee, and Texas. Dr. Stewart also touched on two multi-state platooning test agreements that are being drafted: the I-10 Connected Freight Corridor Coalition and the Northwest Passage Freight Task Force. Dr. Stewart covered the status of platooning in Wisconsin, including mentioning Governor’s Walker’s “Steering Committee on Autonomous and Connected Vehicles” and UW-Madison’s designation by the U.S. Department of Transportation as one of ten proving grounds for autonomous vehicles. He also provided a short review of existing Wisconsin law that would affect platooning, namely the requirement of a 500’ gap between vehicles with gross vehicle weights of more than 10,000 pounds.

Dr. Stewart took several questions from attendees on different topics, including the federal government’s role in regulating truck platooning, how platooning compares to tandem trailers, and what the safety and fuel benefits are.

- **WisDOT Local Programs: Local Bridges - Panel Presentation (10:40 a.m.)**
  - Facilitator: Scot Becker, WisDOT Division of Transportation System Development
  - Panel Members
    - Dan Bahr, Wisconsin Counties Association
    - Richard Pingel, Owner-Operator Independent Drivers Association
    - Henry Schienebeck, Great Lakes Timber Professionals Association

Mr. Becker opened the session with a thorough presentation on the status of local bridges in Wisconsin, including statistics regarding total number of bridges, their types, their ages, and their condition ratings. He continued with an explanation of why load postings occur, how many state- and locally-owned bridges are posted, and how recent Bureau of Structures analyses will allow some bridges to have their posting removed. Mr. Becker closed with a review of different structural repair and rehabilitation options, along with a couple benefits of each option.

Mr. Bahr reviewed how the Wisconsin Counties Association and the Wisconsin County Highway Association have been seeking additional resources for bridges in need of repair or replacement on the County Trunk Highway System. He noted that many of the posted bridges around the state are critical to particular industries, and that counties and other local governments are partnering with industry to upgrade bridges of “economic need.” Mr. Bahr recognized the Legislature’s recent actions in the biennial budget, where state funding for the Local Bridge Improvement Program (LRIP) was increased by \$10 million annually.

Mr. Schienebeck explained that local bridges are critical to the timber industry’s success, from being able to travel the most direct route to a mill to literally being able to access timber acreage. He noted that the extra costs imposed on Wisconsin timber companies due to rerouting of trucks can total millions of dollars annually. Mr. Schienebeck complimented WisDOT’s availability to discuss the timber industry’s concerns, as well as WisDOT’s willingness to potentially look at new solutions, including timber bridges. He closed with a concern that despite the increase in the current budget’s LRIP program, the benefit may not be fully realized because of additional regulatory costs.

Mr. Pingel focused on the cost to small trucking companies when local bridges are posted. He stated that of over 550,000 trucking companies in the U.S., only 1,400 have over 100 trucks in their fleet. His slides noted that approximately 86% of companies have six trucks or less, and approximately 49% of companies are single truck owner-operators. When trucks have to reroute due to postings, it decreases their flexibility to carry multiple loads in a single day, and thus decreases their profitability. Mr. Pingel closed with the comment that everything comes down to funding.

- **WisDOT Local Programs: Local Bridges - Tabletop Discussion (11:25 a.m.)**
  - Freight Advisory Committee and WisDOT’s Freight Policy Administrators Group

The WisDOT Local Programs: Local Bridges panel presentation led into a tabletop discussion similar to those conducted at previous FAC meetings. The discussion served as a forum for WisDOT and FAC members to discuss various facets of local bridges. To aid in discussion and better understand FAC members’ perspectives on the topic, WisDOT staff developed five questions:

- 1) What industry sectors are most reliant on local bridges for day-to-day operations?
- 2) What are the minimum standards these sectors need on local bridges? Why?
- 3) Are the existing restrictions on local bridges an occasional or seasonal problem, or are they routine/ongoing?
- 4) Have local bridge restrictions been a factor in business location decisions? If so, how?
- 5) What factors should be considered in prioritizing local bridge projects?

The results of the tabletop discussion session are included in Part I of the appendix to this document.

- **Intermodal Subcommittee Development - Introduction and Room Discussion (12:55pm)**
  - Dean Prestegaard and Dave Simon, WisDOT DTIM

Mr. Prestegaard opened the session by providing background information, specifically that WisDOT developed nine new policies for the Wisconsin State Freight Plan because of public comments, and that prior to the May 2017 FAC meeting members voted on which of those policies were both (1) most beneficial to the private sector and the citizens of Wisconsin and (2) most conducive to joint WisDOT-FAC action. Based upon members' votes, the number one policy was:

*"WisDOT will work with stakeholders to facilitate a discussion to develop an intermodal strategy for Wisconsin."*

As a result of members' votes, in summer 2017 WisDOT's Secretary's Office approved the creation of a FAC Intermodal Subcommittee, as allowed for in the FAC Charter. Both current FAC members and non-members were invited to participate on the Subcommittee, with nine individuals having been confirmed as participants as of November 9, 2017. The WisDOT and private sector co-chairs had yet to be determined. Mr. Prestegaard discussed the areas of expertise already confirmed for the Subcommittee and said WisDOT welcomed further participation by FAC members.

Following Mr. Prestegaard's remarks, Mr. Simon proceeded to outline a potential framework for the Subcommittee, including meeting frequency, deliverables, and timelines. He briefly described the distinction between intermodal and transload facilities, and transitioned into the many considerations the Subcommittee will need to be aware of. These include the idea that railroads are experts on siting intermodal facilities, the fact that southeast Wisconsin is conducting a similar study specifically for that part of the state, the scale involved, Wisconsin companies' access to existing intermodal facilities, and other similar considerations. Mr. Simon then listed the Subcommittee's potential deliverables, including the identification of major Wisconsin importers and exporters using containerized service, an overview of current and potential North American intermodal service to and from Wisconsin, a map with a "catchment" area for import and export, approximate counts of available empty containers, and the approximate pricing for containerized services at various locations in Wisconsin compared with drayage costs.

Following the presentation, FAC members and guests offered several comments and questions regarding topics related to the inclusion of water in an intermodal site, whether "doublestack"

issues would be of concern, the frequency of trains servicing an intermodal site, and the benefits a new intermodal site would bring to Wisconsin businesses.

- **Inward Focus: FAC - Future Directions (1:55 p.m.)**

- Facilitator: Jacquelyn Irving, WisDOT Office of Policy, Finance and Improvement (OPFI)
- Panel Members
  - Tom Bressner, Wisconsin Agri-Business Association
  - Ron Chicka, Duluth-Superior Metropolitan Interstate Council
  - Jen Pino-Gallagher, Madison International Trade Association

Ms. Irving opened the afternoon panel session by setting expectations for the session. WisDOT staff were interested in hearing both positive feedback and constructive criticism about what the FAC had accomplished over the preceding 30 months, as well as tangible actions that could guide both FAC processes and agendas going forward.

Mr. Bressner led with his opinion that the FAC was a very productive forum overall. He suggested that the most important thing that WisDOT was doing was listening to what FAC members said, and then acting on that feedback. He likened it, in a positive manner, to the situation at DATCP where private sector guests were routinely in the DATCP building participating in meetings. One critique was the decision in fall 2016 to conduct a tour of a paper mill- even though attendees thought it was very interesting, and appreciated doing something different, Mr. Bressner suggested it wasn't the best use of the FAC's time. He recommended that one of the things the FAC needs to continue doing is educating, from FAC members to WisDOT, and vice versa.

Ms. Pino-Gallagher concurred with Mr. Bressner's thoughts, and stated the FAC was a good example of a private-public partnership that provided value to both sides. She offered up two areas the FAC could change, one procedural and one tangible. First, she said it would be valuable to FAC members if they could get a short summary of a given meeting's events relatively quickly after a meeting ended, rather than waiting for the minutes to be released. This would allow members to tell their constituents what the members did that day. Second, she said that FAC members could act as liaisons between their constituents and WisDOT, serving to facilitate meetings between private sector companies and WisDOT where specific issues could be discussed in more depth than the time a FAC meeting allows for.

Mr. Chicka echoed what the previous two speakers said regarding the benefits of the FAC, but also offered up a specific example of how Wisconsin's FAC could further add value to the state based upon his experience working with Minnesota's FAC. In short, Minnesota's DOT created a "Freight Investment Plan Advisory Group" that helped prioritize projects prior to the designation of Critical Urban/Critical Rural Freight Corridors throughout the state. The Advisory Group included transportation stakeholders, including some on Minnesota's FAC, and used a competitive solicitation process to determine where best to spend National Highway Freight Program funds allocated to Minnesota.

- **Inward Focus: FAC - Future Directions - Tabletop Discussions (2:45 p.m.)**
  - Facilitator: Jacquelyn Irving, WisDOT OPFI
  - Freight Advisory Committee and WisDOT's Freight Policy Administrators Group

The Inward Focus: FAC - Future Directions panel presentation led into a tabletop discussion, though different than those conducted at previous FAC meetings. The discussion served as a forum for WisDOT and FAC members to discuss the FAC, both procedurally and topically. Ms. Irving used a "1-2-8-All" methodology to ask participants their perspective on the questions below.

- 1) What does the Freight Advisory Committee do well?
- 2) What opportunities are there to improve the Freight Advisory Committee, or what would you like to see the FAC do differently?
- 3) Where would you like to see the Freight Advisory Committee focus its efforts in the future? What opportunities do you see to move forward?
- 4) As the Department continues to look for ways to improve communications and become more efficient in its activities, we continue to look for ways to incorporate private sector business best practices and develop partnerships where common interests exist.

One such possibility may be to hold events such as the Freight Advisory Committee meeting and the Governor's Freight Industry Summit on the same day (GFIS in the morning, FAC in the afternoon) in order to maximize the use of resources (staff, facilities, etc.) and increase communications between the two groups

Please share your thoughts on this potential partnership.

- 5) Was there anything in the summary of other states' Freight Advisory Committees (provided in the Background Paper) that stood out to you as a positive feature that the Wisconsin FAC should consider adopting?

The results of the tabletop discussion session are included in Part II of the appendix to this document.

- **Closing Remarks (3:25 p.m.)**
  - Jen Esser, WisDOT Assistant Deputy Secretary

Assistant Deputy Secretary Esser thanked the attendees for their participation in the meeting. She felt that it was a very productive meeting, with many good ideas generated on what the FAC can do in the future to ensure it remains a productive forum.

Minutes and Summary Reports associated with Freight Advisory Committee meetings are posted online at <http://wisconsindot.gov/Pages/doing-bus/freight/fac.aspx>.

The next FAC meeting will likely be held in spring 2018. The planning team will send follow-up information to FAC members as it becomes available.