

# **MINNESOTA FREIGHT ADVISORY COMMITTEE**

## **STRATEGIC PLANNING Ad Hoc Working Group**

### **MEETING MINUTES**

February 26, 2015 12:30 p.m. – 2:30 p.m.

Center for Transportation Studies  
University of Minnesota

#### **Attendees:**

Bruce Abbe  
Gina Baas  
Ron Dvorak  
Bill Gardner  
Bill Goins

Hannah Grune  
Jon Huseby  
Connie Kozlak  
Leo Penne  
Laurie Ryan

Chip Smith  
John Tompkins  
Neal Young

#### **Welcome and Introductions**

Gina Baas welcomed the group and led introductions.

John Tompkins gave the group some background on MFAC's partnership with the Center for Transportation Studies (CTS). CTS has partnered with MnDOT to coordinate MFAC meetings for the past few years and provided support to the group's needs. CTS is acting as convener for this MFAC Strategic Planning process.

#### **MFAC Evaluation: Background and Goals**

Bill Gardner, Director of the Office of Freight and Commercial Vehicles at MnDOT, gave the group some background information about MFAC and goals for the evaluation. Gardner shared some information about the origins of MFAC, noting that the group began when MnDOT leadership felt there needed to be a stronger partnership between the public sector and the freight industry. He noted that MFAC has been an excellent venue for education between the private and public sector.

Gardner noted that the timing for an evaluation is excellent, as the Governor and Commissioner have expressed interest in maximizing MFAC's use to the state and the new statewide Freight Plan is also under development. Gardner remarked that there were a number of things to consider as the evaluation moves forward, including examining membership to see if the group has a high enough level of participation from shippers and public officials, increasing member participation, focusing more on advancing solutions rather than education and policy, and elevating the visibility of MFAC. Gardner also noted that, while the committee has been well established and successful, it is not an official committee in state statute, and wondered whether this should be a goal of the evaluation, as well.

#### **State Freight Advisory Structures and Federal Law Guidance**

Leo Penne has been contracted to support MFAC in its strategic planning efforts. Recently retired from AASHTO, Penne has many years of experience working with the freight industry. Penne will act as a resource to the group throughout the evaluation to bring information about other states' efforts, share information about the goals for freight advisory committees at the federal level, and help facilitate the group's deliberations to reach conclusions about what will work best in Minnesota.

Penne gave a broad overview of some of the freight advisory structures in other states, noting that there are no "cookie cutter" models to follow. Not all states have formal freight advisory committees: some have very active public/private sector collaboration on freight through other structures. Indiana, for example, has a private sector organization that serves as the advisory communicator from the private sector to the state DOT. Similarly, while Florida does not have a freight advisory committee, they do have an elaborate arrangement between the public and private sector that involves business leader meetings, forums, and an open website for soliciting opinions on projects, trade, and logistics.

Overall, Penne noted that he saw a continuum of freight advisory structures across states, where educational forums with no vested formal authority were placed at one end and advisory committees that express opinions on spending multimodal funds placed on the other end. Penne noted that forums like Minnesota's, if done well, are clearly useful, but the group should whether MFAC ought to push for a stronger voice in how money ought to be spent and project/policy prioritization. Penne suggested that further analyzing states that have similar mixed freight with largely through traffic could be a useful next step. Finally, Penne noted that the group should focus on determining what works best for Minnesota and deal with compliance to the US DOT's requirements after prioritizing goals.

Baas noted that Penne will be conducting in-depth interviews with up to five states to learn more about their structures. **If group members have suggestions for elements or states he should focus on in his interviews, please let CTS know.**

## Discussion

Following Penne's introduction to alternative freight structures, the group discussed a number of different possible changes that could be made to the Minnesota Freight Advisory Committee's structure as well as important points to keep in mind as the strategic planning moves forward. These included:

- Statewide Outreach:
  - Gardner noted that the freight plan process has looked at specific issues facing different regions throughout the state. While some of these issues have statewide impacts, many areas face unique problems. As an alternative MFAC structure, Gardner suggested that implementing regional committees is an option that could capture regional issues and develop more local and regional relationships.
  - Abbe suggested shifting some of the forums or quarterly meetings to rural areas to get more input from around the state, but cautioned against creating a "formal" regional structure. Young also supported the idea of holding one or two meetings per year in greater Minnesota, and noted that if there were specific things to learn about – such as how North Dakota oil is affecting rail through Moorhead – people would likely attend.
  - Abbe and Dvorak emphasized the importance of maintaining a statewide, global perspective, even when looking at regional issues.
- Clearly Define Goals and Focus on Results:
  - Goins emphasized the importance of focusing on results and outputs from Committee activities. He noted that Jon Huseby's work with Donna Koren reaching out to manufacturers and shippers

in District 8 and the subsequent project with District 4 were good examples of outreach and research that should be built upon.

- Huseby built upon what Goins' comments, and noted the importance of identifying the role and purpose of the Committee. Huseby suggested the Committee strive to have a better collective understanding of freight infrastructure and operations activities so better individual decisions can be made. The work he conducted with Koren helped improve understanding and better understand industry clusters.
- Promoting Minnesota's Economic Competitiveness:
  - Goins emphasized the need to provide the right framework/decisions for companies to expand or move business into the state. He highlighted the importance of enhancing and growing the key industry clusters that exist in Minnesota, and suggested increasing partnerships with private industry and examining the role of freight transportation in economic competitiveness.
- Increasing Private Sector Participation:
  - The group agreed that increasing private sector membership and participation should be a priority. Goins suggested connecting with Arthur Hill, a Professor in the Supply Chain and Operations Department of the Carlson School of Management, who frequently consults for private industries and has developed supply chain case studies at the Carlson School.
- Role of MnDOT and State Government:
  - Gardner asked the group whether or not MFAC should be strictly associated with MnDOT or move away from the DOT. Gardner noted that the Committee has tried to ensure a balance of hearing about members' issues and not focusing too much on MnDOT presentations. Smith emphasized the importance of continuing to hear about updates and activities happening at MnDOT so he can stay aware of any shifting policies or changes, and felt that this was one of the main draws for industry to participate with MFAC.
  - Smith noted that he would also like to see more involvement from the Governor's office on a regular basis to the office has background knowledge on freight issues from MFAC if a legislative issue arises. Gardner noted that, in conversations he has had with the Commissioner and Governor, the state is hoping to use MFAC as a group to informally bounce ideas off of and hear feedback.
  - Another idea that MnDOT and CTS will explore further is how to enhance and improve the MFAC website with one option being to look at setting up an independent URL separate from the MnDOT website.
- MFAC Meeting Content and Topics:
  - Gardner asked the group what issues and discussions bring folks to the table at MFAC Meetings and Forums and whether any potential changes should be made to content. Smith noted that he would like to continue to have the ongoing dialogue between MnDOT and private sector representatives, and also stressed the importance of cooperative, topical events with other groups, like CTS. Smith and Dvorak suggested having in-depth discussion on narrow topics (for example, "How competitive is Minnesota with truckloads?"). Smith suggested that focusing on freight flow and truck load capacity could draw in more shippers. Dvorak suggested targeting topics toward manufacturers, as well, that would make meetings worth their time.
  - Penne suggested that it might be useful to pull together potential agendas for the next four Quarterly MFAC meetings and potential plans for regional visits to greater Minnesota. (*Since the meeting, Ron Dvorak has created an outline of the general topics Quarterly MFAC meetings could cover.*)

To wrap up discussion, Penne asked attendees to think about the one thing they would change about MFAC if they could. The group went around the table and shared their suggestions.

- Chip Smith: Smith suggested having fewer DOT presentations and, instead, providing more topical presentations and discussions at MFAC meetings to attract more shipper participation.
- John Tompkins: Tompkins suggested increasing the visibility of MFAC in general and specifically on the internet.
- Bill Goins: Goins suggested increasing the number of organizations MFAC has relationships with and deepening relationships with current members and groups with similar interests.
- Bruce Abbe: Abbe suggested increasing member involvement in MFAC. He posed the idea of holding key cluster group meetings in conjunction with MFAC half-day meetings to achieve this.
- Ron Dvorak: Dvorak suggested the Committee produce an “Annual State of Freight” document each year that would be submitted to the governor and other interested parties. This document would define the issues that MFAC sees for each current year and would be strictly issue-oriented. *(Since the meeting, Dvorak has created an outline of the potential “State of Freight” document and shared it with Strategic Planning members.)*
- Laurie Ryan: Ryan emphasized the importance of maintaining and developing relationships, particularly with private industry.
- Neal Young: Young suggested increasing participation from manufacturers and ensuring that different perspectives of the freight industry are coming together on the Committee.
- Jon Huseby: Huseby similarly emphasized building relationships and understanding, which he felt would lead to results.
- Connie Kozlak: Kozlak suggested developing electronic communications that would allow for email notices to be sent out to Committee members with notices on important developing issues, regulations, or requests for input on certain issues. She noted that Quarterly meetings are not always timely enough for developing issues, and that this alternative communications system might fill some gaps.

## Timeline and Next Steps

Baas shared that the goal is to complete Strategic Planning by June when the Statewide Freight Plan is completed. Baas noted that the group should expect to convene up to two more times to discuss what Penne has learned from in-depth discussions with other states and to put together a framework of the changes the group would like to see made. At the end of the process, Penne and CTS will give final recommendations on the structure, purpose, governance, and potential goals of what the group should be moving forward.

Gardner noted that the Freight Advisory Committee is one portion of an overall outreach program the Office of Freight and Commercial Vehicles at MnDOT has to work with industry. The group should show how the Minnesota Freight Advisory Committee will fit in with this broader program, but should not expect it to fulfill all outreach roles.

## Adjourn

Baas thanked participants for attending the meeting and providing rich discussion and adjourned the meeting.