

Minnesota Statewide Freight System Plan

Freight Organization and Policy at MnDOT Working Group

Introduction

The scope of work for the Minnesota Statewide Freight System Plan (Plan) calls for the formation of ad hoc working groups to address specific topics, such as performance measures, Minnesota's Priority Freight Network, and institutionalizing freight within MnDOT, as determined by MnDOT.

The working groups are to review and discuss current research and reports relevant to their topic, examine information provided by the consultant team and MnDOT, identify data or policy gaps and deficiencies, and develop recommendations for consideration by the Advisory Committee/Technical Team and the Office of the Commissioner.

The participants in these working groups are to be the “implementers” within MnDOT, that is, staff who will be asked to follow through and implement the Plan.

Working Group on Freight Organization and Policy at MnDOT

MnDOT has directed that a working group be formed to address “Freight Organization and Policy at MnDOT,” under the topic of institutionalizing freight within MnDOT. MnDOT is forming the Freight Organization and Policy Working Group for the following reasons:

- **MAP-21 Transportation Legislation** – MAP-21 mandates actions to improve the condition and performance of the national freight network and support investment in freight-related surface transportation projects. To this end, States are encouraged to take larger roles in freight system planning, private sector engagement, freight project identification, performance measurement, prioritization, and funding. MnDOT has established procedures in all these areas, but wishes to strengthen the focus on freight as part of MnDOT's efforts to develop and a multimodal freight system and take advantage of the opportunities offered by MAP-21 and by the pending reauthorization of MAP-21. *The Working Group will look at options for complying with MAP-21 and positioning MnDOT for anticipated future requirements.*
- **Need to Integrate Freight within MnDOT** – MAP-21 provides explicit direction to better integrate freight into State DOT's planning and programming. Two specific examples are in the areas of performance measurement and project funding. In the area of performance management, MnDOT will soon be required to incorporate measures of truck delay and reliability into its annual performance reporting. In the area of funding, MnDOT will be able to apply for an increased Federal share of project funding (i.e., 95% for an Interstate System project or 90% for a non-Interstate System project) if the project makes a demonstrable improvement in the efficiency of freight movement and is identified in a State Freight Plan. *The Working Group will look at*



organizational and policy options for implementing these and similar MAP-21 requirements into MnDOT's operations.

- **Realize the Minnesota GO Vision** – The Minnesota GO Vision explicitly directs MnDOT to consider freight as part of day-to-day activities with the broader goal of ensuring the State's economic competitiveness. The Vision states that the transportation system “enhances and supports Minnesota's role in a globally competitive economy as well as the international significance and connections of Minnesota's trade centers.” The MnDOT “family of Plans” anticipates that the State Freight Plan will outline actions that advance the State's economic competitiveness and the GO Vision. However, the State Freight Action Agenda is currently a standalone document. The Freight Action Agenda and any future Statewide Freight System Plan must be thoughtfully integrated into MnDOT's day-to-day activities and the Minnesota GO Vision. ***The Working Group will be tasked with outlining strategies to do this.***
- **“Do More With Less”** – Minnesota GO Vision and the Statewide Multimodal Transportation Plan emphasize the need to apply multimodal solutions that ensure a high return-on-investment given MnDOT's constrained budget. One key to “doing more with less” is to build more and better partnerships with the private sector freight industry. This has several proven advantages: quicker and better identification and development of projects that have a positive payoff for industry, MnDOT and the State's economy; greater leveraging of scarce public transportation dollars with private sector dollars; and better coordination and prioritization of projects that benefit both freight and passenger transportation. ***The Working Group will be asked to examine and recommend MnDOT actions to strengthen and expand public-private partnerships.***
- **Need for Internal and External Agency Education on Freight** – Nationally and locally, more attention is being focused on freight transportation and its importance to economic development. MnDOT must make sure that its staff and its external agency partners understand how the freight system works, its contribution to the Minnesota and national economy, and the issues facing freight transportation so that they can make informed decisions about projects, policies and regulations affecting freight transportation. ***The Working Group will be tasked with looking at how to carry out an on-going education program.***

Scope

As part of its work on the development of the Minnesota Statewide Freight System Plan, the CS team will convene and staff the Working Group on Freight Organization and Policy. The Working Group participants, with technical support from the CS team, will examine the mandate, organization, procedures and resources of the Office of Freight and Commercial Vehicle Operations (OFCVO), the MnDOT Central Office and the District Offices to support freight transportation and economic development across the State and comply with the requirements of MAP-21, Minnesota GO Vision and the Statewide Multimodal Transportation Plan. The Working Group will identify and recommend changes in agency, division and district mandates, organization, procedures and resources that would benefit freight and passenger transportation throughout the State. The Working Group's recommendations will provide a general framework for freight organization and policy and set out an initial, phased program for refining and implementing the changes over several years.

Schedule

We propose to convene and support the Working Group on Freight Organization and Policy with two parallel tracks of work, one at the Central Office level and the other at the District level.

Track 1 – Central Office. Convene, facilitate and provide technical support for four (4) Working Group meetings of approximately two hours each.

- **Central Meeting #1 (February) – Kick-off, Background Information, SWOT Analysis**

We will summarize and discuss the most recent freight-related guidance from U.S. DOT as it applies to roles that State DOTs should embrace. The current role, duties and interactions of MnDOT's OFCVO will be described. This will include review of the existing OFCVO mandate, organizational structure, procedures and resources; a summary of the relevant mandate, organizational structures, procedures and resources of other MnDOT and state agencies with a significant role in freight transportation and economic development; and a description of other DOT models of organization focused on those that have formal mechanisms for including freight in executive and other DOT processes and decisions.

The Working Group will actively engage in a SWOT analysis to identify strengths, weaknesses, opportunities and threats of the current OFCVO structure, its relationships with other offices and its role in overall MnDOT decision-making. This discussion will be broad and reflect on the OFCVO's current role as well as its potential future role.

- **Central Meeting #2 (April) – Preliminary Findings**

We will present a summary of the Meeting #1 discussion and findings. We will present additional information on best practices that might build on the specific identified strengths and opportunities and mitigate the identified weaknesses and threats. The initial findings of the District Case Study (see Track 2) will also be presented. The Working Group will discuss findings and begin to shape recommendations.

- **Central Meeting #3 (May) – Preliminary Recommendations**

We will present a summary of the Meeting #2 discussion and findings, and offer preliminary recommendations for review and refinement. The preliminary recommendations will be designed to be actionable by the OFCVO, the Central Office, the Districts and at other agencies. The Working Group will discuss the preliminary recommendations and provide directions to the consultant team to finalize the recommendations.

- **Central Meeting #4 (June) – Final Recommendations**

We will present the final recommendations and appropriate supporting materials. The Working Group will make any last changes and be asked to formally adopt the recommendations and forward them to the MnDOT Commissioner.

Track 2 – District 4 Case Study. Convene, facilitate and provide technical support for two (2) case study meetings.

- **District Case Meeting #1 (February) – Kick-off, Case Study Background Information, SWOT Analysis**

We will convene a meeting of the consultant team with MnDOT District 4 staff, OFCVO staff, and other MnDOT staff as appropriate. The meeting will be held in Detroit Lakes at the MnDOT District 4 Office. District 4 actively considers freight in their day-to-day activities, building on the lessons learned during the recent District 4 Manufacturing Study. The meeting

will explore the ways in which the District includes freight in their activities and interactions across departments. The meeting participants will conduct a SWOT analysis to identify strengths, weaknesses, opportunities and threats of the current course of doing business. This discussion will be broad and reflect the District, OFCVO and Central Office perspectives. The discussion will consider current conditions and potential future requirements and opportunities in addressing freight transportation at the District level.

- **District Case Meeting #2 (March) – Preliminary Case Study Findings**

We will present a summary of the case study discussions and findings. The case study team will discuss the findings and shape recommendations to be presented to the Working Group at Central Meeting #2. The findings and recommendations will be summarized in a concise white paper, focusing on how District 4 addresses freight and how it is considered in project selection process.

Figure 1 outlines the overall Plan schedule. The meetings of the Working Group on Freight Organization and Policy will be done under Plan Task 3 – Minnesota Freight Policy. The Working Group meetings and Task 3 will be completed in June, allowing the Working Group's recommendations to be incorporated into the Freight Action Agenda.

Figure 1. Minnesota Statewide Freight System Plan Schedule

