



Freight Advisory Committee Meeting #1: Summary

January 26, 2017, 2:00 PM to 3:30 PM

Union Station (Union Hall) – 2nd Floor, 2 Washington Square, Worcester

Purpose

The first meeting of the Freight Advisory Committee (FAC) was held to introduce the Massachusetts Freight Plan Team and committee members, discuss the work completed to date, and gather input from the committee. The presentation can be downloaded from the Freight Plan website:

www.mass.gov/massdot/FreightPlan

Freight Advisory Committee Attendees

Name of FAC member	Organization	Present	Sent Designee (see below)
Tom Tinlin, Chair	MassDOT Highway Division	<input checked="" type="checkbox"/>	
Ed Anthes-Washburn	Port of New Bedford		
Chris Atwood	Unistress Corp.	<input checked="" type="checkbox"/>	
Joe Barr	City of Cambridge	<input checked="" type="checkbox"/>	
Pierre Bernier	Maritime International	<input checked="" type="checkbox"/>	
Tim Brennan	Massachusetts Association of Regional Planning Agencies (MARPA)		<input checked="" type="checkbox"/>
Matthew Burwell	Legal Sea Foods	<input checked="" type="checkbox"/>	
Joe Carter	SBA Global	<input checked="" type="checkbox"/>	
Tom Cosgrove	NFI Industries	<input checked="" type="checkbox"/>	
George Fournier	Cumberland Farms	<input checked="" type="checkbox"/>	
Charles Hunter	Genesee & Wyoming Railroad	<input checked="" type="checkbox"/>	
Colleen Kissane	Connecticut Department of Transportation		<input checked="" type="checkbox"/>
Mark Marasco	Maple Leaf Distribution Services	<input checked="" type="checkbox"/>	
Lisa Wieland	Massport	<input checked="" type="checkbox"/>	
Brandon Wilcox	Federal Highway Administration (FHWA)		<input checked="" type="checkbox"/>
Kevin Young	Global Partners	<input checked="" type="checkbox"/>	

The following designees attended on behalf of an FAC member:

Name of Designee	Organization
David Elder	Connecticut Department of Transportation
Ken Miller	FHWA
Gary Roux	MARPA

MassDOT Attendees

Gabe Sherman, and Trey Wadsworth, Massachusetts Department of Transportation (MassDOT) Office of Transportation Planning (OTP)

Project Team Attendees

Andreas Aeppli, Nathan Higgins and Lance Grenzeback, Cambridge Systematics (CS)

Regan Checchio and Sarah Paritsky, Regina Villa Associates (RVA)

Public Attendees

The following members of the public also attended: Anthony Christakis, MassDOT; Greg Dumas, Sterling/MRCP/MJTC/Masstransportation.net; David Elwell, Pare Corp; Christina H., T&G; Bill Kuttner, Central Transportation Planning Staff (CTPS); Cyrus Moulton, Telegram & Gazette; Maureen Mullaney, Franklin Regional Council of Governments (FRCOG); Richard Rydant, Central Massachusetts Regional Planning Commission (CMRPC); Laurie Scarbrough, FRCOG; Barry M. Steinberg, Association for Public Transportation; Jillian Zywien, Mass Motor Transport Association.



Introductions

Thomas J. Tinlin, Chair of the FAC, introduced himself and welcomed everyone to the first FAC meeting. He highlighted the importance of freight in the Massachusetts economy and explained that MassDOT would like to support the business community when it makes transportation investments. The Fixing America's Surface Transportation Act (FAST Act) has introduced a new freight funding program that has given MassDOT approximately \$20 million annually to invest in the freight system. Administrator Tinlin led a round of introductions.

Overview of the Freight Advisory Committee

Administrator Tinlin explained that the FAC will discuss the current and future freight system and provide recommendations for improving it. He introduced the freight planning team, including Gabe Sherman, MassDOT Project Manager, Trey Wadsworth, Manager of Capital Planning, and the consultants from CS, RVA, and Portscape, Inc.

He notified the audience that there will be three more FAC meetings, from 2:00 – 4:00 PM, on:

- March 9, 2017 – Boston Region (Waltham or Lexington, TBD)
- April 24, 2017 – Western Region (Springfield – Pioneer Valley Planning Commission)
- May 24, 2017 – Southeastern Region (New Bedford)

Administrator Tinlin explained that MassDOT currently is looking at how to improve its permitting system and recently implemented All Electronic Tolling. He said MassDOT regulates the freight industry and will improve by listening and collaborating with the FAC and the public.

Gabe Sherman explained that the Massachusetts Freight Plan needs to be in place so the state can receive FAST Act funding. G. Sherman explained that while freight is critical to economy, the public typically is unaware of the connection. He described how the plan builds on the work laid out in the Commonwealth's economic development plan, signed by Governor Baker. MassDOT would like the plan to be the foundation for decision-making in the short term and well into the future. To ensure that the plan will work in the future, the team will discuss a series of scenarios with the FAC. These scenarios represent plausible futures. Scenario planning is useful for ensuring strategies work in any future.

What We Are Doing

G. Sherman explained that the team is about halfway through the entire planning process. The team has examined recent freight and rail studies from Massachusetts and other New England states, reviewed data on commodity flows, conducted over 25 interviews with key industries, including many represented on the FAC), and coordinated within MassDOT and other state agencies. Each of the four FAC meetings will be immediately followed by public open houses. MassDOT will submit a draft Freight Plan to FHWA by July. He introduced the FAC to MassDOT's goals and objectives defined in the Annual Performance Management Report (Tracker) and its investment priorities defined in the 2017-2021 Capital Investment Plan.

Nathan Higgins, asked the FAC for feedback on the overall approach.

Chris Atwood, Unistress Corp., agreed that Massachusetts needs to modernize its system to support trucking. He noted that it is more challenging to receive oversize/overweight permits in Massachusetts compared to surrounding states, in part due to costly bridge reviews on the turnpike. He noted that the toll booth removal has been very helpful. He also noted that other states, like New York, have implemented time of day tolling to incentivize truckers to use off-peak roadway capacity.

Mark Marasco, Maple Leaf Distribution/Baldwin Logistics, agreed that Massachusetts' infrastructure is outdated and needs to be improved. He said that double stack clearance on the rail line to Worcester has improved efficiency, but that rail infrastructure is not capable of carrying 286,000-pound rail loads. This impedes freight movement. M. Marasco said he hopes to see the Industrial Rail Access Program (IRAP) expanded.

Joe Barr, City of Cambridge, emphasized the importance of safety from the local government's perspective. He noted that three bicyclists recently were fatally injured in crashes with heavy vehicles in Cambridge. He also described the need to prioritize safety when improving local bottlenecks. Administrator Tinlin highlighted opportunities for cross-jurisdictional coordination to address these challenges. Ken Miller, FHWA, noted that MassDOT owns 10 percent of the roads and bridges in the Commonwealth. K. Miller said it is important to remember everyone is in this together.

Administrator Tinlin asked if any members have immediate thoughts regarding policies, procedures, restrictions, bridge heights, or toll booths.

George Fournier, Cumberland Farms, said MassDOT's customer experience goal should include registering vehicles, which is particularly important for businesses with larger fleets.

C. Atwood described the potential benefits of access to rail in Western MA.

What We Observed

N. Higgins said the team reviewed over 30 reports from national, global, local other state perspectives. He summarized general economic trends for Massachusetts with regards to exports, imports, and international trade partners for the United States. N. Higgins explained that the Massachusetts economy is relatively strong and growing in terms of population and employment. Most industries are consumers of freight as opposed to producers of freight. White collar Gross Domestic Product (GDP) has increased at a rate exceeding that of manufacturing, retail and trade, and public administration, which has remained constant over time. N. Higgins compared employment to GDP in the same industries, noting that manufacturing has less employment than other industries with a similar GDP contribution, indicating that the industry is becoming more productive per employee.

N. Higgins described trends in logistics and transportation. He said some firms have been impacted by natural disasters or hazards when trying to globalize. More risk-averse firms are considering more regional sourcing of products. N. Higgins said there may be a plateau of globalization since it may be reaching a saturation. He said supply chains may change dramatically, too, as new services and technologies come online (e.g., Uber's automated freight) and e-commerce volume increases.

N. Higgins explained that Massachusetts is a cul-de-sac at the end of a lot of freight lines; most freight is carried by truck. He welcomed feedback from the FAC regarding global trends in terms of imports, exports, global trade, and logistics.

C. Atwood said Unistress is importing fly ash from India as a binder in their precast concrete. The fly ash is shipped by water then by rail. Importing fly ash is necessary because Massachusetts' coal burning power plant will soon go offline.

Pierre Bernier, Maritime International, asked how the data captures containers unloading in New York and coming to Massachusetts by road. N. Higgins said if it enters Massachusetts by truck, it would fall in the truck category. P. Bernier said the data does not tell the fully story of water-related activity for imports and exports that come from out of state. L. Wieland noted that Massachusetts imports approximately two-thirds of goods through the Port of New York/New Jersey and one-third through the Port of Boston. David Elder, Connecticut Department of Transportation, said approximately 94 percent of all freight moves through Connecticut by truck.

D. Elder noted that Connecticut has a newly established Port Authority. He argued that this data should not diminish the economic value of what is generated through other modes. N. Higgins said MassDOT would like the plan to be multimodal so there will be focus on all modes.

J. Barr said from the local perspective, e-commerce has increased deliveries, reduced classic brick and mortar storefronts, and filled them with businesses offering services, restaurants, and convenience stores. The change in types of deliveries is meaningful.

M. Marasco asked if, given the dominance of the truck mode and congestion issues combined with population growth, MassDOT's vision includes the encouragement of mode shift. He said MassDOT could incentivize shippers to use other modes. T. Wadsworth noted that the last Massachusetts Freight Plan examined this issue and indicated that there was little opportunity to shift goods from truck to rail.

Lisa Wieland, Massport, said shifting from truck to water does involve truck. That is, if goods were shipped into the Port of New York/New Jersey then brought into the Port of Boston using short sea shipping instead of trucks, they still would need to be delivered by truck. She highlighted the benefits of direct truck service at Conley Terminal. She said Massport is making investments to move towards a shift in mode, but it is gradual.

M. Marasco said trucking encourages employment and tax base for the Commonwealth. The biggest competition to Massachusetts trucking is Canadian trucking. He suggested encouraging a shift to rail and then last mile by truck. When the last mile is by truck, companies provide employment and tax base within Massachusetts.

What We Heard

Lance Grenzeback, CS, provided vignettes from the 25+ interviews conducted. He stated that different industries make different uses of truck, rail, and water services and requirements also vary. L.

Grenzeback said that cities will be the economic engine of development and are resource areas. He shared the leading industries for each region in Massachusetts and noted similarities and differences. He said the focus of the presentation would be on Worcester, as it is the site of the meeting, but Worcester is not radically different from the rest of the state in terms of key industries.

L. Grenzeback shared some trends specific to education and other institutions (e.g., hospitals and hotels). These industries receive lots of general goods and send “household” waste, all by truck. There are multiple suppliers, but limited ways to consolidate shipments. He said some shoppers visit a store to see and test a product and order it online from home. Some retailers are creating storefronts built to support this practice. Institutions often are in dense, urban neighborhoods that can make delivery access, parking, timing, safety, and security difficult.

L. Grenzeback presented trends for the biopharmaceuticals industry. He said this is a growing area, with many research institutions in Boston, and Research and Development (R&D) firms that recruit from universities. The scientists and technicians develop products in Massachusetts but manufacture elsewhere. This involves constant small-volume, inbound deliveries and high-value, time-sensitive outbound shipments by air and truck. Trucks are hindered by traffic congestion.

L. Grenzeback presented trends for food and consumer goods, representing the major commodities needed to support white collar industries. He said food and consumer goods are essential to continuing urbanization and high volumes of development. He described shifting preferences of households, including lower car ownership and more recycling. Multi-channel distribution networks and very long supply chains are flexible and resilient up to a point but can be easily disrupted. L. Grenzeback said the rail industry faced problems in the 1980s. He said the coal industry, which used to be a generator for rail, is sinking, so Massachusetts can take advantage of railroads looking for new markets by rebuilding its rail network. He described an example in New York where off-hour or overnight deliveries work well for certain businesses to help avoid traffic congestion and improve system reliability.

L. Grenzeback presented trends for fuel, another key commodity needed to support white collar industries. He said fuel comes by pipeline or truck and is distributed by truck. The industry operates on small margins and is being restructured due to alternative energy sources. He noted that trucks accessing Chelsea terminals need to travel on Route 128, experiencing congestion.

L. Grenzeback presented trends for the fishing industry, a key regional industry. He stated that most fish processed in Massachusetts is shipped by air, largely to Asia. The rail lines out of New Bedford are limited as they are not yet certified for 286,000-lb capacity.

L. Grenzeback and Administrator Tinlin asked if these problems sounded accurate and what other issues should be considered.

Charles Hunter, Genessee and Wyoming Railroad, said that ethanol comes to be mixed with gasoline by trains on several railroads in MA. He said e-commerce is generating more trash/recyclables which will need to be dealt with and will likely increase, as nearby landfills are filling up, pushing household waste to places with more land. N. Higgins asked if ethanol has been changing a lot over the past five to ten years. C. Hunter said yes; the federal government recently mandated 10 percent ethanol in fuel.

K. Miller mentioned some issues that came up during a freight roundtable: truck parking for truckers and municipalities/neighborhoods and a shortage of drivers.

Tom Cosgrove, NFI Industries, agreed that the driver pool is not large enough to meet his company needs. To fill the gap, he has hired drivers who domicile in New Jersey, New York, and Connecticut. These drivers bring empty trucks to Massachusetts and run full loads outbound.

G. Fournier said Cumberland Farms delivers goods to six to eight stores on each truck. He noted that they require their drivers to have specialized training. He described the challenges with maintaining drivers and paying them higher salaries to reduce turnover. N. Higgins said there is a coordination potential with local schools or organizations. Administrator Tinlin mentioned that his father is a retired teamster. Administrator Tinlin has not seen job fairs or other resources for hiring new drivers, as there used to be during his father's time. The good job opportunities in this industry should be a part of this discussion.

Administrator Tinlin added that accessibility is a big issue, particularly for the last mile by truck. Massport built a dedicated bypass road to feed Conley Terminal from the airport and tunnels. He said government is good at adding regulations but can also consider removing restrictions that are no longer necessary.

J. Barr suggested that increased awareness from residents about the importance of freight, and better training for drivers in an urban context, could reduce tension at the local level.

C. Atwood said he is a former truck driver who attended a truck school in Connecticut with a 4-month training program. C. Atwood added that the schools in Massachusetts are very small and only 3-weeks long. He stated that the rest areas in Massachusetts are not designed for truckers and this discourages drivers from wanting to work in Massachusetts. In other states, there are big rest areas designed for truckers.

Gary Roux, PVPC/MARPA, said Massachusetts has not looked at truck exclusion policies in some time, but it is fairly easy to get a nighttime truck exclusion. He suggested revisiting the process for excluding commercial vehicles. G. Roux described political and resident-led efforts to get a nighttime truck exclusion but this could be a disservice to the trucking community. J. Barr said that truck exclusions are very difficult to enforce.

T. Cosgrove said the drivers with whom he has worked from the Massachusetts driving schools were not as safe as those from schools in neighboring states. Now he hires drivers from Rhode Island where there are quality driving schools. Administrator Tinlin asked if Massachusetts has ever had good quality truck driving-training schools. T. Cosgrove couldn't answer the question. He noted that trucks end up on

surface roads because there are not enough rest areas. He said many truck drivers are staging in Connecticut and going straight to Boston.

G. Fournier said delivery restrictions vary from community to community due to noise and/or traffic. This can create an inefficient delivery. L. Grenzeback said some communities have collaborated to solve this problem but noted that it takes a lot of work.

L. Wieland said as the plan comes together, she hopes to convince the public of the value of freight. The accomplishments of the plan are limited if the public does not understand and appreciate freight. Administrator Tinlin agreed and said that people do not understand how freight impacts their lives. Public messaging is important. L. Grenzeback emphasized a need to reward improved logistics as opposed to building roads and bridges.

P. Bernier said rates vary largely on rail and trucking to different locations and for imports versus exports. Rates affect competition with other cities.

C. Atwood suggested Massachusetts consider time-of-day tolling which has been successful in New York and New Jersey.

Administrator Tinlin suggested the team offer industry information about Commercial Driver's Licenses, benefits, and recruitment for drivers at a future meeting.

What is Next for the FAC

G. Sherman said the next three meetings will allow the FAC to explore potential futures and share ideas.

G. Sherman thanked the FAC members for their participation, encouraged them to stay for the public open house, and closed the meeting.