ITS/Intermodal Freight Operational Test Project

listening sessions

proceedings

prepared for

U.S. Department of Transportation
Office of the Secretary
Office of Intermodalism

prepared by

Cambridge Systematics, Inc.

in association with

VZM/TranSystems

January 29, 1999

listening sessions proceedings

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Cambridge Systematics, Inc.
150 CambridgePark Drive, Suite 4000
Cambridge, Massachusetts 02140

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January 29, 1999

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Re: Listening Sessions Proceedings

Dear Attendee:

Enclosed you will find a summary, notes, and the slide presentation from the meeting you attended this fall to discuss information technology and intelligent transportation systems (ITS) applications across the intermodal freight system that can enhance productivity and safety. The "listening session" was conducted as part of a new initiative in which the U.S. DOT will solicit and fund proposals for operational tests to demonstrate improvements in intermodal freight operations from information sharing.

Listening sessions were held in Seattle, Norfolk, Chicago, Los Angeles, Houston, and New York City. The objectives of each session were to assess the market for an ITS/intermodal freight program and to discuss the scope of ITS/intermodal freight operational tests.

If you are interested in the proceedings from any one of the other five listening sessions that were held, you may find the proceedings on the Cambridge Systematics website at http://webservices.camsys.com/national.htm under the U.S. DOT ITS/Intermodal Freight Operational Test Database icon. Please feel free to call me at (617) 354-0167 if you have any questions about the listening sessions or the operational test project.

Sincerely,

CAMBRIDGE SYSTEMATICS, INC.

Cathy Erickson
Senior Associate

CLE/ef/6560
Enclosure

Seattle Listening Session

Memorandum

TO: Chip Wood, U.S. DOT Secretary's Office of Intermodalism

FROM: Lance R. Grenzeback

DATE: November 30, 1998

RE: Seattle Listening Session – Meeting Notes
ITS/Intermodal Freight Program
Wednesday, November 4, 1998

The meeting was held in the Aviation Conference Room, Sea-Tac International Airport, Seattle, Washington. An agenda and a list of attendees are attached to this memorandum.

SUMMARY

The objectives of the meeting were to assess the market for an ITS/intermodal freight program; and discuss the scope of an RFP for ITS/intermodal freight operational tests. The following issues were discussed:

Market

Impediments to intermodal freight movement

- Puget Sound region is girded by water, making it difficult to accommodate growth through expanded transportation facilities.
- Better information on trade flows is needed so that the pubic sector can make more informed decisions about investment in freight related projects.
- Gates are often congested because of lack of information about the timing of in-bound flows.
- Port operating hours are limited, forcing motor carriers to operate during peak traffic periods; this increases costs for the motor carriers and contributes to congestion.
- Labor shortages drive up the cost of off-peak and weekend port operations.
- Trailers and containers are "lost" in port and rail terminals; it is costly to dedicate people to find the trailers. In general, the holding time of containers in the ports is thought to be too long.

- Cut-off times for steamship lines are concentrated on Friday afternoons; this causes congestion.

- Deregulation (May 1, 1999) is likely to trigger mergers, consolidations, and new alliances among the steamship lines with the potential for turmoil and confusion in the intermodal industry. The steamship lines have not a participated in the regional freight roundtable.

- The railroads move north-south, while the truck routes are east-west; this creates bottlenecks at the at-grade crossings.

- Tagging all containers is too costly for the steamship lines.

Current IT (information technology) and ITS applications to intermodal freight operations

- Regional freight roundtables have laid the groundwork for coordination of public and private freight planning, programming, and policy-making.

- The regional roundtable has identified 15 priority projects (FAST corridor projects) to eliminate at-grade railroad crossing problems. In related work, the railroads have agreed to have a single dispatcher control traffic south of the King Dome.

- WSDOT is installing license-plate readers at the international border crossings to monitor traffic flows. WSDOT will provide queuing and delay estimates as part of their traffic information reports so that motorists and truck drivers can select alternative border crossing points.

- WSDOT is developing a communications backbone for its ITS services. The state will issue an RFP providing private sector communications companies access to state highway rights-of-way in exchange for providing fiber optic communication capacity to the state. Part of this communications capacity will be used for ITS applications.

- Seattle was one of four metropolitan areas nationally to receive an ITS model deployment initiative grant ($17.9 million). The program is underway and on schedule.

- The state also is a CVISN (Commercial Vehicle Information Systems and Networks) pilot state, one of ten in the country.

- WSDOT is preparing applications for international trade corridor and gateways funding under TEA-21 Sections 1118 and 1119; the initial focus of the work, if funded, will be the I-5 corridor.

- WSDOT, APL, and U.S. Customs have conducted operational tests using transponders on trucks and gate/roadside readers to provide customs with advance notification of truck arrival at the Blaine border crossing station.

- The Burlington Northern's automated gate inspection system saves carriers four to five minutes compared to the old "walk around" process.

Opportunities for public-private cooperation to accelerate the application of ITS to intermodal freight operations

- Improve information on the volume and estimated arrival times of trucks inbound to the rail terminals and ports; use the information to preplan gate and dock operations.

- Link the railroads' computer-aided dispatching (CAD) systems with motor carrier CAD systems and the regional traffic management centers; provide information on train location and arrival time for dispatching and at-grade crossing management.

- Track the movement of containers from ports to rail terminals (from container-off-ship notification to rail departure); use information to pre-verify units and identify bottlenecks.

- Expand the WSDOT/U.S. Customs border crossing advance notification concept to serve trucks moving between the ports, rail terminals, and other container freight customs stations. Install additional transponder readers along key drayage routes.

- Consider International Standards Organization (ISO) certification of intermodal operators that apply ITS systems to guarantee consistent levels of service.

- Improve the flow in information on shipment status across the whole supply chain so that all parties understand the bottlenecks and the cost of delays and inefficiency.

- Reconsider pick-up/drop-off appointments to reduce congestion at port and rail terminal gates.

- Use CBs, changeable message signs, highway advisory radios, etc., to inform carriers of incidents and congestion on port access routes.

RFP

Scope of operational tests and anticipated benefits

- The operational tests should focus on improving productivity at the Seattle and Tacoma docks.

- The test should focus on leveraging existing capabilities (with proven technology) and budgets, and identify cost savings from better exchange of information.

- The operational tests must address confidentiality issue; carriers are concerned that competitors will use information on movements to steal market share.

- The ITS/Intermodal Program should include inland intermodal centers such as Atlanta and Memphis; they are as critical to the overall intermodal systems as the marine ports.

Operational test roles and responsibilities

- WSDOT and the ports should consider taking the lead on the proposals.
- The Kent Chamber of Commerce group can contribute ideas on operational improvements.
- Labor needs to participate in the planning and implementation of the operational tests.
- The National Industrial Transportation League and the Council of Logistics Management should participate in the national ITS/Intermodal Program.

Proposal submission and selection process

- WSDOT will reconvene the group to consider submitting a proposal.

Attachments

Agenda

- Introductions
- Opening Remarks
  - Purpose of the Program
  - Session Objectives
- Participant Perspectives of Intermodal Freight Issues and Bottlenecks
- Discussion – one hour
- Break
- ITS Initiatives and Opportunities
- Presentation on ITS/Intermodal Freight Program: Preliminary Recommendations
- Private Perspectives on Testing Intermodal Concepts
- Next Steps

List of Attendees

Seattle Listening Session, November 4, 1998

Chip Wood, OST

Carl Seiberlich, VZM/TranSystems

Lance Grenzeback, Cambridge Systematics

Dave Peach, WSDOT Traffic

Peter Beaulieu, PSRC

John Ficker, Weyerhaeuser

Larry Pursley, Washington Trucking Associations

Dan Gatchet, West Coast Trucking

Ed McCormack, WS Transportation Center

Tom Ison, BNSF Intermodal

Jess Browning, University of Washington

Clark Palmer, WS Patrol

Morgan Balogh, WSDOT ITS

Dan McClincy, U.S. Customs

Dick Wolf, Boeing Logistics

Roger Hoy, Boeing Shared Services

Art Morgan, U.S. Customs

Lyn McClelland, MARAD

Joel Hiatt, FHWA

Ed Parks, Port of Seattle

Kent Christopher, Port of Seattle

Udo Melhberg, Port of Tacoma

Seattle Listening Session Notes

Chip Wood/OST

Opened the meeting at 9:10 a.m. and described the purpose and objectives of the session. This listening session is the first of six. You have been invited to the meeting because you have been identified by Dave Peach, Lyn McClelland, and Joe Hiatt as leaders of the intermodal freight industry in Seattle area. We have been looking forward to having this first meeting in Seattle because we think this is a good group to start this discussion – a group that has worked hard to nurture an environment of cooperation on freight issues. Please update the signup list that is being passed around the room.

The FHWA and ITS Joint Program Office have money from Congress for operational deployment tests of ITS for intermodal freight. We will have about $1.5 million over the next two years to fund the tests. This year we have $500,000. Congress has instructed us to spend those funds on deployment on the ground, not additional reports. The Department would like to see public-private consortia formed to carry out these ITS/ intermodal deployment tests.

We are conducting six listening sessions over six weeks to test the market for the operational tests. This work will get us set up to issue a request for proposals (RFP) in February 1999. We plan to award a total of $500K to one or more locations. DOT will select the most meritorious proposal; however, we would like to have the winning consortium or consortia run the test without further micro-management by Washington. If the test benefits all local parties, then we would hope that it can be run locally.

Reviewed agenda. I would like to ask Dave Peach, Washington State DOT's Traffic Engineer, to give us a 10-minute summary of the state's ITS activities and the DOT's perspective on freight and intermodal issues. Then I would like to ask Dr. Peter Beaulieu, Chief Planner for the Puget Sound Regional Council, to provide us with the MPO's regional perspective. After that, we will open the floor for discussion.

I would like the other agencies, the ports, and the carriers to give us their perspectives. In particular, we would like to hear about current operational information technology (IT) or ITS systems and hear about opportunities for information sharing that might improve intermodal operations in the Seattle area. After our mid-meeting break; Lance Grenzeback from Cambridge Systematics, who is our consultant on this program, will give you a brief summary of the preliminary recommendations for a national ITS/intermodal program. He will describe what we have learned from prior work. We intend to use what we hear today in Seattle to shape our approach to a national ITS/intermodal program and the RFP for operational tests.

Dave Peach/WSDOT Traffic

Washington State DOT has prepared a report summarizing its freight-related and ITS activities. We will mail copies to all participants in today's meeting. The issues in the report address TEA-21 and Sections 1118/1119 of that legislation (dealing with trade corridors and international gateways). We also have a brochure that summarizes the report.

Washington State DOT has turned to ITS technology of necessity. The Puget Sound region is girded by lakes and waterways, which make it difficult to build to accommodate growth. We have not constructed many new major transportation facilities in recent years, nor do we have much in the planning process. If referendum item 49, which was voted on yesterday, passes (and we anticipate that it will), it will provide about $2.4 billion for transportation over the next five to six years. It is an opportunity to plug holes, but it will not be sufficient to meet the full demand for improved transportation facilities in the region or state.

In the freight area, we will be spending money from referendum item 49 on projects that address issues and needs identified in regional roundtables. Fifteen projects are to be funded in Phase I. About $354 million will be required for these projects. Most will address grade-crossing problems. The projects to be submitted to Legislature include all the projects in FAST Corridor.

The coordination among the freight community in this region is phenomenal. There has been lots of participation in planning at the, local, state, and national levels. We have been able to couple planning with projects and incorporate ITS into our projects. Indeed, the state has been prominent in ITS development nationally.

As an example, we are working now on major ITS border-crossing projects. The border is a major bottleneck – an impediment to the free flow of freight between the region and British Columbia. We are working with Canadian officials, customs, etc., to reduce "road rage" in Washington State over the delays at the border. One new project we have underway will install a license-plate reader to count cars approaching the border. We will use this to measure congestion delays, then provide this information to motorists thinking of driving to the border. This information will allow them to select alternative border crossings that are less congested, or perhaps delay their crossing until congestion eases. In all these projects, we are approaching the problem from multistate, multinational perspective.

Chip Wood/OST

I would like to emphasize this type of project as a good example of leveraging ITS to meet needs of several groups. We would encourage that type of project for the ITS/intermodal program.

Dave Peach/WSDOT Traffic

In 1993 the state developed a plan for the use of technology. At that time it was "intelligent vehicle/highway systems" or "IVHS," now it is "intelligent transportation systems" or "ITS." But the ideas are the same: applying ITS to ports, corridors, and rural transportation systems to improve safety and productivity. For example, we have been using ITS to identify and warn motorists of road icing safety problems.

One of the big findings from the work to date is the need for a communications backbone. We will issue an RFP soon with the intent of providing private sector companies with access to our rights-of-way to install fiber-optic cable. In exchange they will be asked to provide a state communications network.

We were selected as one of four ITS model deployment initiative (MDI) programs in the nation. To date we have received $17.9 million, and we are working with 25 partners. We

are the only program of the four national programs to deliver ITS projects within the required 18 months. Washington State also is a CVISN (Commercial Vehicle Information Systems and Networks) pilot state, so we are the only state with both an MDI and a CVO program. The CVO program deals with safety, documentation, electronic funds transfer, etc. We hope that the CVO program will be the backbone to tie together systems across states to communicate with trucks.

We have studied the major transportation corridors in the state. I will ask Ed McCormack to brief the group on the findings of his work on the state's transportation corridors.

Ed McCormack/WS Transportation Center

(Copies of presentation slides are attached to this memorandum.) Described Washington State's work analyzing the role of the major transportation corridors in the state. Much of the work has been done in anticipation of applying for funding under the TEA-21 provisions for international trade corridors and gateways (Sections 1118 and 1119).

The key to successful transportation in the corridors will be building an information backbone that will support applications for NAFTA, CVO, MAPS, etc., through the use EDI. Through the corridor information communication backbone, agencies can link into the systems that they need. The backbone would support preprocessing, clearance, etc. A partial list of potential users would include the ports, the DOT, the State Patrol, the FHWA, the shipping lines, British Columbia DOT, etc. Those indicated in red (on the slide) are currently involved.

Most of the current work is focused on I-5. Containers arriving at the Ports of Seattle and Tacoma are being pre-cleared to the border, including clearance through Washington State weigh stations along the corridor. We see these projects as the beginnings of a system that will support efficient import/export operations through the state and across the border. The system will be deployed in the next year and a half.

Peter Beaulieu/PSRC

I will discuss who is doing what, what we are about, and how we are coordinating capital investments and ITS. I also will talk about the issues that the Regional Council sees as building blocks to explain why we are doing this.

We have had an active freight roundtable in the region. We have involved many stakeholders and have a history of working together. The roundtable has no authority; it is an informal and diverse mix of public and private sector representatives. However, the roundtable has provided the seedbed for things that happen in other forums. The roundtable has involved the railroads, the motor carrier industry, shippers such as Weyerhaeuser, all three ports, the University of Washington, Federal agencies, WSDOT, and local governments.

Out of the discussions have come proposals for 15 projects. We have benefited from the cross-fertilization of ideas and solutions proposed at the roundtable. We have worked to identify corridors, rank projects, identify the state share in those projects, and develop mechanisms for implementing the programs. We also have worked to take advantage of the federal corridor programs. I would note that the local share for these projects is

contributed by the railroads, cities, counties, and the ports. We have created a successful mix at several levels, and are moving forward with infrastructure for freight in the region.

(Referring to an overhead of the major state transportation corridors [copies of the presentation slides are attached to this memorandum]): we have marine, rail, and truck corridors. We have E-W as well as N-S rail corridors, and the region now has better access as a result of the recent rail mergers. We are looking at what can be done with ITS that does not cost too much, but is effective. In the FAST corridor projects, we are pulling together rail, port, and truck access issues. For example, trains that are 8,500 feet long cannot be pushed onto mainlines during rush hours without causing congestion. What can be done to manage train flows? We are working to define conflicts and solutions to address this type of issue.

One of the areas that we have been working on is coordination of capital, infrastructure, and ITS projects. For example, the railroads have reached an agreement about how to operate south of the King Dome. They will use a signal at that bottleneck. Positive train separation also may be part of the answer. Does knowing the trains' locations make coordination through a single dispatcher work? The lessons learned from that project may have implications for the Union Pacific's operations and yard access. For example, they may be able to build trains on the Tacoma beltline, not the mainline. That will impact, and perhaps reduce, the need for grade separation projects. Failure to use information and ITS may result in larger capital costs. Overall, we need systemic solutions.

Suggested a number of issues that an ITS/intermodal demonstration project might address:

- Holding time of boxes at the ports and terminals seems to be a big problem; that is, boxes are just sitting in port, plus there are lost boxes. What can be done to reduce the lost time and efficiency?

- Better tracking and management of assets, including empties management, seems like it might be an especially relevant area for an ITS project.

- What is the customer need? How do we get public investments to be compatible with private needs?

- What do we deal with bulk transport?

- Are PIERS data [on shipment origin and destination] accurate? If not, then are they valuable for ITS? Can we use them to anticipate and manage traffic flows? Information sharing may force better data reporting.

- We need a better understanding of trade flows so that the implications of the need to cooperate are more apparent and we can get coordinated actions. We need better information and an interpretation component would help.

Chip Wood/OST

I would like to ask the other agencies and private firms about their information systems and needs. What are your priorities for intermodal operations? Then I would like the ITS people to respond as to how existing ITS systems could support, or be modified to support,

multiple functions including the private sector's intermodal freight transportation needs. The overall goal would be to get better freight movement.

Tom Ison/BNSF Intermodal

We have problem at the gates. It would be good to know how many trucks there were on a corridor at a specific time. What are their destinations? What's the surge capacity? This would allow the gates and docks to preplan their operations. For safety, this information would make it possible to better allocate officers for safety enforcement.

Gate operations are critical for intermodal rail movement. We need to understand the flows. We can identify where the trains are, and we can manage their flows, but we also need to look at the 8-to-5 workday culture. We need people who can go to work when a vessel shows up. We need to go back to the unions to renegotiate working hours and pay rates to make it easier to move freight.

The Mariners' games block the trains, but that blockage is, in part, a result of what is going on at ports. If we could increase our speed of operation at the ports, it would minimize blockage at the Mariners' games and at other times. Today, the sports events are controlled by network advertising, not the ports and rails. We do not want to dwell the rail cars, crews, etc., any more than necessary since delays cascade through whole infrastructure.

The railroad uses CAD (computer-aided dispatching) to locate trains within blocks using shunts to ground out and generate the signal. (Dave Peach: DOT has looked at incorporating train-location information into the corridor and traffic management backbone information systems.) Truckers are sitting at the gates; the railroads simply are moving conveyer belts, so with any delays, things start to fall off.

If there are any delays at gates or in the moving cars, then we cannot maximize the resources that we have. We need to find new ways to make the system work. We need to start thinking about refining system operations instead of always building new capital facilities.

Morgan Balogh/WSDOT ITS

We are working on a trade corridor data center. We are working with the truckers to get advance notification of their arrival at the border (and intervening weigh stations), and with the steamship lines to get container-off-of-the-ship notification. We could expand this concept to other routes, perhaps incorporating rail movements into the trade corridor center. Is this useful? Is it something we should expand?

Tom Ison/BNSF Intermodal

We should consider a pilot that tracks the interchange out the railroad gate until it arrives into the truck or port system and vice versa. If the inbound unit is not billed, then its rejected, which causes a mess. If we could pre-verify the units, then those delays would be minimized.

We are working with one of the lines now, working on on-dock rail operations to minimize the movement of containers and wasted time. We are looking at direct communications – like two-way radio communications with the customers – so that we have a "go-to

guy." This helps provide dynamic flow control so that we can change our operations quickly and respond to problems.

We need to move the vessel cargo first, then the empties can be moved at convenient hours. We need to renegotiate the hours. We need to talk more with the unions about the need to step-up to changing business patterns and keep our costs and ports competitive.

Lyn McClelland/MARAD

Do you have a backup of trucks at the Argo(?) yard? How do you clear the blockage caused by chassis movements? Is ITS an answer?

Tom Ison/BNSF Intermodal

That is a UP issue, not BN issues; BN tries to dispatch so that we avoid that type of blockage.

Larry Pursley/Washington Trucking Associations

The railroads and the trucking industry are not at odds. What happens at ports and the railroad terminals benefits both rail and motor carriers. We have good relationships with Washington State DOT and the other transportation agencies.

The WSTA has been involved in ITS for several years. We see ITS as the next means to efficiency gains in the motor carrier industry, especially since we do not see future gains through higher size and weight limits. It costs us $55 to $85 dollars per hour to sit outside gates; this is very costly.

We are pleased with the partnership with state agencies and FHWA that we have developed for deployment of ITS/CVO. We think it is moving ahead appropriately; in fact, we would like to see it move faster. ITS has the possibility to change the way the trucking industry does business. We are moving to two-way AVI systems linked to on-board computers for driver, vehicle, and maintenance management. This allows for electronic credentialing, which will save the trucking industry money. For example, the Gordon [or Interstate?] trucking company has 1,200 vehicles. They employ four or five people who do nothing but credentialing.

ITS also can impact rail and truck operations in positive way since the port hours of operation are a big burden. We think the big issue is architecture. We need good information and in useable form. Confidentiality also is an issue; you do not want your competitor to know details. We will introduce legislation to address confidentiality issues in Washington State. We are still five to six years away from seeing really good deployment of ITS/CVO systems.

Fifteen years ago you could almost have been run out of the room for suggesting ITS. Today we have dispelled many of myths. The WSTA has been leader in the ITS area. We intend to charge ahead with ITS applications at corridors, ports, rail terminals, etc. We think we will see good productivity from our efforts.

Jess Browning/University of Washington

What information is available? On the marine side, information about the status of tugs is displayed, but that information is passive.

Larry Pursley/Washington Trucking Associations

(Described the ITS/CVO program.) There is information for clearing weigh stations; however, the real benefit to motor carriers is in electronic credentialing, and there is real benefit to tracking for fleet management. We see motor carriers expanding AVI from tractors to trailers. There is a big problem with losing trailers. When you lose track of trailers, you have to dedicate people to find the trailers. If we minimize that problem, we can save money. We are looking for other similar types of follow-on services once the AVI technology is deployed.

Jess Browning/University of Washington

What information can be released?

Larry Pursley/Washington Trucking Associations

We're not really worried about government or the ports having information on our movements. We're mostly worried about our competitors who might use information to eat into our territory or try to pull away clients.

Morgan Balogh/WSDOT ITS

Our border crossing project is aimed at reading trucks at the border crossing gates. As more of the systems come on line and as more carriers participate, we might be able to expand the technology and systems to assist port and rail terminal gate operations in future.

Tom Ison/BNSF Intermodal

Should we be considering ISO certification of companies? If you deal with a certified company, then you'll know that there is less chance of picking up the wrong trailer. Today, we have people who pick up the wrong trailer, and we have no clue where he went. If we had a standardized process with more uniformity, it would help.

Morgan Balogh/WSDOT ITS

In ITS/CVO we are moving toward the ASTM six standards for transponders, which will bring uniformity to the CVO programs.

Larry Pursley/Washington Trucking Associations

But we will still have program interoperability problems.

Joel Hiatt/FHWA

Congress has told DOT to move forward with ITS standards.

Dan Gatchet/West Coast Trucking

(Runs tractors in Sound area) I have an intermodal business with 50 trucks. They are moving back and forth all day long. A big issue is labor hours. Seventy percent of freight is moving from ship to rail and or ship to rail to truck. There are only so many hours when the terminals are open; that creates a bottleneck. The problem is that trucks are caught in a bottleneck.

I could see huge savings on moving trucks though the BN hub even with simple changes. There is a big need to exchange information. For example, when a truck leaves a terminal, that information should be read and the information relayed to the rail terminal so they can anticipate the truck's arrival. I like the APL ticket process, but they had a union guy taking the ticket from the machine and handing it to the driver. It was okay until the guy took a break; then we sat there. I also like BN's automated inspection by camera instead of the walk-around; it saves four to five minutes of time getting into and out of a gate.

Dick Wolf/Boeing Logistics

We should also look at the effects of changes in peaking and cutoff times for steamship lines. Today, most of the movement is concentrated on Friday afternoons. With deregulation taking effect as of May 1, we can expect to see the mix of steamship lines and services changing again. Boeing anticipates chaos in who operates when and where because of the change in players likely to follow deregulation.

John Ficker/Weyerhaeuser

(Agreed that deregulation will change the mix of carriers and services.) More change is likely because the steamship lines are bleeding red because of the economic crisis in Asia. There will be mergers and consolidations with different players emerging. Weyerhaeuser is largest container shipper is U.S. We anticipate that the steamship lines will get paranoid with increased competition and will play hide and seek with their rates, so everyone will need to negotiate. Deregulation will force the lines to be entrepreneurs; the most efficient will win.

Larry Pursley/Washington Trucking Associations

Based on our experience with trucking deregulation, you should anticipate a five-year change window.

John Ficker/Weyerhaeuser

Asia is a unique wildcard. When will the Asian economies come back?

Since each steamship line has a similar cutoff date, how do you get them to change?

Dan Gatchet/West Coast Trucking

We need access to the port at off-peak times for discretionary freight; otherwise, it is all funneled into five to six hours. This makes for huge queues and sometimes major safety issues because the trucks back out onto Marginal Way. The ports shouldn't be building larger queuing area; we should be managing the hours and truck movements more effectively.

Udo Melhberg/Port of Tacoma

Shouldn't we look at having the gates open earlier? It is all a matter of cost.

John Ficker/Weyerhaeuser

Demands on shippers, like Weyerhaeuser, are extreme. Our clients tell us when and where to deliver; but, when there are savings in the supply chain, the markets take the money out of system so we cannot move the price up on our products. We move three million tons of material for recycling per year. When one person decides to take coffee at

10:00 a.m., that shuts down the port. It is not possible to be competitive in that situation. We cannot get technology in place if we cannot get people to change their work rules. The region's employers must take a stand, and we need to have labor at these sessions so that they can see the problems and the economic consequences as well.

Dan Gatchet/West Coast Trucking

The Kent Chamber of Commerce program could not keep labor at the table.

The PMA [labor association] needs to understand that freight will shift to other ports, and then we will all lose jobs – not just labor.

Udo Melhberg/Port of Tacoma

Opening the ports at different hours is still an issue of cost: How quickly do you want your freight? What are you willing to pay for it? The time/cost ratio is set for now, but it must change in the future.

Larry Pursley/Washington Trucking Associations

The longshoremen's union is still working the way they and we did 50 years ago. They need to be at the table on these issues, otherwise we would not make progress.

Udo Melhberg/Port of Tacoma

The PMA and this group must meet and convey the urgency of the issues for economic development and jobs for the region.

John Ficker/Weyerhaeuser

The region works because it is inclusive. We do not want to divide the region into passenger versus freight or labor versus management. The economic issue is at the core of the problem, and that is an issue we all face.

Tom Ison/BNSF Intermodal

The labor issue is a global issue; we cannot be self-serving for one industry.

Dick Wolf/Boeing Logistics

I had 22 years experience with the steamship industry. The terminals are willing to be flexible. However, the bottom line is that it is costly to open up for two or three containers, and weekend arrivals create labor availability issues. If you are the third guy to order labor when three ships unload, then you are in trouble.

John Ficker/Weyerhaeuser

The problems cascade down the supply chain. The worst sentence in the logistics business is: "I do not care what it costs, just get it there!" The biggest problem is when customers do not know about problems. We need better linkage of information through the whole supply chain. We need to look through supply chain for understanding of the impacts and opportunities of lack of information and delays.

Peter Beaulieu/PSRC

The terminals would not want to open up for three boxes, but they might open for 50. We need to manage flows.

Tom Ison/BNSF Intermodal

Could we share the additional expense over a broader range of users? Multiple users of the same facility can share the costs if the changes benefit everyone.

Udo Melhberg/Port of Tacoma

What about an appointment system? It failed in California and some Gulf ports, but it worked in Houston for some time.

Larry Pursley/Washington Trucking Associations

An appointment system works until a traffic delay closes your window and you are the one who must go around. The users can tap into the motor carriers' info to know where freight is and plan for arrivals.

Chip Wood/OST

I understand that getting labor to the table is an important issue for this region, but I would like to focus on what ITS could do for some these problems. Do you see any opportunities to link public and private systems together to solve bottlenecks?

John Ficker/Weyerhaeuser

We should focus on the gates, but there are other issues such as the intermingling of truck and rail freight. The railroads move N-S and the trucks move E-W. This creates pinch points for the railroad, the trucks, and passenger traffic (we cannot forget them). The Regional Council's focus is regional as well as national; but it is hard to get local politicians to look beyond local potholes. It is hard to talk about how changes in Chicago are affecting intermodal freight operations in Seattle. The federal program needs to avoid creating segments that do not talk to each other around the country.

Carl Seiberlich/VZM/TranSystems

It is really not just an intermodal issue, it is also a multimodal issue.

Dick Wolf/Boeing Logistics

Boeing relies heavily on the steamship lines to provide information to us. Our internal systems are not what they should be, so the steamship lines are key to Boeing. They have not been part of Roundtable. We have had problems in getting the steamship lines to put tags on all containers because it is expensive, so it is hard to know if the tag system is really workable. How do you translate this into reading containers in Seattle?

Udo Melhberg/Port of Tacoma

We have good gate-reading systems. There are some small carriers that do not use them. Generally, three to five hours before arrival we have pretty solid manifest, which we convey to the railroads. We transmit the status of each interchange to the consignee. We are looking only at the container number, not its contents. That helps protect confidentiality.

Dick Wolf/Boeing Logistics

Steamship lines may balk at tagging all containers because of the expense.

Udo Melhberg/Port of Tacoma

We have good tracking from Asia to terminal; and if the container is on rail, we can access location information from 5,000 rail sites around the country. But on the truck side, there is nothing. Beyond the terminal discharge point, there is nothing. How do we fill in the gaps on the truck side and at the ends? Some yards need to fill that gap, too.

John Ficker/Weyerhaeuser

The gap is short; we may not need to track the truck for such a short distance.

Udo Melhberg/Port of Tacoma

Perhaps in Seattle, but in Los Angeles/Long Beach, the gap is 23 miles; it is a bigger problem. If the truck is late, then the container is on the train the next day, not today.

Larry Pursley/Washington Trucking Associations

If transponders would get us into and out of yards faster, then that would be a benefit to the motor carriers.

Dan Gatchet/West Coast Trucking

Remember, only 30 percent time of my drivers' time is spent actually driving. Most of it spent waiting. That lost time is lost money – we lose up to $400 daily just waiting. With less lost time, there would be fewer trucks on the roads and less congestion.

Larry Pursley/Washington Trucking Associations

Transponders cost about $45 per year [for the ITS/CVO program], and the cost will be coming down in future, so more truckers will be using them.

Carl Seiberlich/VZM/TranSystems

Are there significant institutional barriers? For example, in Baltimore, we heard how the ports of Hampton Roads took work from Baltimore. What incentives are there for ports to improve truck access?

John Ficker/Weyerhaeuser

The labor, fuel, and other savings and congestion benefits must be made clear; it cannot be just a freight thing. A freight project alone would not sell to the public; we must show a ripple effect.

Dick Wolf/Boeing Logistics

There are different port bottlenecks. Port Elizabeth/Port Newark in New Jersey is an example. Could a better flow of data across ports help?

Udo Melhberg/Port of Tacoma

Better communications is the key.

John Ficker/Weyerhaeuser

Weyerhaeuser has strong economic incentives to move its products rather than build more warehouses. With the right incentives and information, you can get cost-effective innovations. (Provided example of changes in practice of stacking plywood in railcars that led to significant improvements in cost-effectiveness.)

Meeting break from 10:30 a.m. to 10:45 a.m.

Lance Grenzeback/Cambridge Systematics

Made a 15-minute presentation of the preliminary recommendations for a national ITS/ Intermodal Program. (Copies of the presentation are attached to the meeting minutes.)

Chip Wood/OST

Let us talk about what should be in the RFP and how it will work. Joel says that we should be looking for problematic solutions, not programmatic solutions – that is, looking for the solutions from the bottom up, not from Washington. We are looking for targeted objectives. We do not need complete solutions, although high transferability is desirable. We anticipate that a proposal might be offered by a consortium of interests leveraging public and private funds. Is there a chance to leverage the modest federal funds for an ITS/intermodal operational test with state, local, private, or other federal funds? How should the test be managed? Do you want to have a group oversee the test, but have one entity to manage the funding? I would like the group's opinions on these questions about the general parameters for the RFP and the operational test. We need your suggestions about what makes sense to you to better define the scope of the RFP.

John Ficker/Weyerhaeuser

A comment on the preliminary ITS/Intermodal Freight Program: I would recommend adding an inland intermodal listening session site such as Atlanta or Memphis because they are critical to the functioning of intermodal freight operations. I also note the lack of National Industrial Transportation League's participation – at least they were not listed on the slides – and the Council of Logistics Management would be an important participant.

I cannot identify a specific pilot; but I would like to enhance the productivity at the Seattle/Tacoma docks. The value would be in seeing measurable improvement that Weyerhaeuser can benefit from and that Weyerhaeuser can take to Congress. The key to participation will be to identify real choke points, then real solutions.

Tom Ison/BNSF Intermodal

What resources are in place? Cannot we link systems using Web pages, etc.? What information is there and how does it impact community? Perhaps we need a central clearinghouse to manage what we have.

Carl Seiberlich/VZM/TranSystems

Noted that many pilots failed for lack of funding to execute the program after it was tested. You need to make sure that the pilot is focused on activities that can be implemented past the pilot test phase.

Peter Beaulieu/PSRC

We have state and metropolitan demonstrations and can leverage the work of those programs.

Tom Ison/BNSF Intermodal

Almost everyone now has a Web page; we must be able to know what is out there.

John Ficker/Weyerhaeuser

Do we do planning for the operational test?

Lance Grenzeback/Cambridge Systematics

You may have to allocate some money for the planning and some for the actual implementation operational test.

Chip Wood/OST

We would like to see all the money spent on the operational test so that the test produces discrete value and benefits for participants and other users within a fixed time. We do not want to do only planning.

John Ficker/Weyerhaeuser

We could learn from just doing something by taking a risk on a project with a measurable benefit. We could learn from success or failure.

Udo Melhberg/Port of Tacoma

Would the test be done in conjunction with existing systems?

Chip Wood/OST

We would want to look at systems and databases in place. Can you get improvements in asset management or payoffs from better truck routing from linking information?

Morgan Balogh/WSDOT ITS

We could give Weyerhaeuser or Boeing information on traffic and corridor conditions. Would this help with dock operations?

Chip Wood/OST

It will be an open RFP. If Weyerhaeuser or Boeing want to initiate the project, good. That would not exclude others from joining.

Peter Beaulieu/PSRC

Perhaps we should focus on the trip time: measure the time for pick up; the time it takes to leave the docks and get to customs; combine that with the time it sits in port and what that costs. This would make the overall transit time visible to many users who would see the costs of delay. They would see the non-recurring costs of accidents and weather, which do not appear in current PSRC and city transportation models upon which many

policy and investment decisions are made. Would not tracking of travel time have pay-offs? That would tie into Dan's need to look at time and cost into and out of ports.

John Ficker/Weyerhaeuser

We have good forums in this area. We have made freight visible, which is a major change in last five years.

Ed McCormack/WS Transportation Center

(In response to a question about the cost of AVI readers): Readers cost about $30K.

Dan McClincy/U.S. Customs

We need to link bills of lading to container number, so customs knows what's in container. What if it is a high-risk cargo (e.g., controlled goods regulated under quotas by DOA, DEA, etc.)? Customs wants to know what's in the container before it moves into Canada.

Art Morgan/U.S. Customs

We have a new customs organization. We have been given a mandate to make customs work better. Eventually, our outbound control process will mirror our inbound control process. As part of this, we would like to link dumb tag information so that we can pull up the bill of lading and check it. In-bond movements are a relatively small number of truck movements. We also need to look at an express lane at Blaine so that trucks with tags do not get caught in the queues at Blaine when they are moving out of U.S. and into Canada.

Kent Christopher/Port of Seattle

APL is working to tag its chassis. We have five different egress points, so we would need multiple readers.

Udo Melhberg/Port of Tacoma

We can take care of the problem of associating container, chassis, and truck tag numbers from within the system by linking the database elements. We could have dual readers: for the truck tag and container or just for the chassis.

Kent Christopher/Port of Seattle

We have five terminals and five(?) separate companies. We would need to standardize tags to make the system effective. And it would need to be cleared with ILW. We would be willing to meeting with Customs and come up with a proposal to take to the carriers to see which carriers want to step up and work with the system.

Art Morgan/U.S. Customs

We got the okay from headquarters to participate fully in the tagging program in the NW [Blaine crossing]. We would like to see an interface with automated manifest systems. We could work with the trade, but we could not establish tag standards; the trade would have to do that.

In response to a question about the number of trucks moving into and out of Seattle in bond: Not all the trucks with cargo in bond are going to Blaine. We estimate that 60 to 70

percent of bonded-trucks moving through Seattle are going in-bond to other customs stations in U.S. whether on truck or rail. They could use the tags to clear them the same way (that we clear the trucks going to Blaine).

Jess Browning/University of Washington

We need to look at the whole supply chain; then work on a small link. People along the chain need to look at a given product. We should concentrate on a product that is focused.

Chip Wood/OST

Identifying the costs associated with delay by looking at generic information (not necessarily specific commodities because of confidentiality issues) would give you insight as to the true costs of the delay-reduction benefits of ITS applications.

Udo Melhberg/Port of Tacoma

We need to track a shipment from the West Coast point of origin to its destination. We could track cars coming out of Tacoma. We need to track and document delays en route, say, to NY. Individually, we know where we are, but in aggregate, for the whole trip, we do not know the problem.

Ed McCormack/WS Transportation Center

The state's trade corridors program will support Udo's needs.

Tom Ison/BNSF Intermodal

Are we being too grandiose? We need to think local. We should focus on a control group of trucks moving through readers at the railroad terminals and ports and put this information into a central clearinghouse.

Chip Wood/OST

Agreed. Such a project could get information about delays back to the draymen, then do simple before and after measurements to see if there is a change in transit times.

Tom Ison/BNSF Intermodal

How about a reader board at (Route or Interchange?) 46 showing "Anticipate xx delays. Use other routes. "… if there are other routes. I understand that there are focus groups working on that issue.

Dan Gatchet/West Coast Trucking

We do not need a reader board; we can use CBs. It is a simple technology and everyone has one.

Tom Ison/BNSF Intermodal

What about a display board for video? We need a real-time information system.

Udo Melhberg/Port of Tacoma

We could build on the railroads' systems work.

John Ficker/Weyerhaeuser and Peter Beaulieu/PSRC

Who should take the lead? WSDOT and the ports, perhaps?

Dan Gatchet/West Coast Trucking

The Kent Chamber of Commerce group is a good forum for determining operational improvements.

John Ficker/Weyerhaeuser

But is the Kent approach too inclusive for a small operational test?

Chip Wood/OST

We are at the end of the grace period for funding for ITS/intermodal operational tests. We need to articulate specific tests that can be done within a specific time.

Peter Beaulieu/PSRC

The control group could be trucks leaving the ports. Do we have enough readers at enough locations?

Morgan Balogh/WSDOT ITS

There are six readers installed for (the Blaine crossing?) project. There is a real-time interface to the user and dispatcher. We track buses now. GPS is too expensive; readers and tags are cheaper. You could know when the truck went by the reader or the weigh station, etc. We would want to make it secure; use passwords, etc.

Udo Melhberg/Port of Tacoma

We have a budget for the state for the border project, and we have a state budget for the corridor projects. Now we have different [federal] money from ITS for intermodal freight. We should combine these.

Clark Palmer/WS Patrol

We do not need to create new systems; we can meet some of our needs by using CVISN to focus on intrastate carriers. We can bring information to carriers by Web page.

Dan Gatchet/West Coast Trucking

We need real-time information; container-haulers do not use www pages. They would rather make a telephone call.

Tom Ison/BNSF Intermodal

Use simple techniques and low-tech stuff for the operational test.

Udo Melhberg/Port of Tacoma

What does the customer want?

John Ficker/Weyerhaeuser

Weyerhaeuser is moving a commodity project. It is a low-cost product, but being on time is very important. Consistency in movement is a major goal. If it ships on Thursday, it needs to arrive on Friday because the conveyor belt phenomenon affects the production plants. If it is not there, then the conveyor belt stops, the plant stops, and that costs a lot of money.

Udo Melhberg/Port of Tacoma

Should our focus be local or more cross-country?

Kent Christopher/Port of Seattle

We will need to decide what piece gets looked at first.

Lyn McClelland/MARAD

We should build on what we have and can leverage.

Dave Peach/WSDOT Traffic

Washington State DOT will reconvene this meeting as needed to work out a viable project.

Roger Hoy/Boeing Shared Services

We operate van services – people in boxes (passenger vehicles). There is inefficiency in those operations. It is not just intermodal freight boxes that could benefit from better ITS applications.

Udo Melhberg/Port of Tacoma

Agreed, we should build on existing systems.

Chip Wood/OST

There is not enough money to build from scratch; we cannot be dependent upon sophisticated hardware.

Kent Christopher/Port of Seattle

When will the RFP be out?

Chip Wood/OST

We have five more listening sessions; the last one will be on December 16 in New York City. Cambridge Systematics and VZM/TranSystems will synthesize the findings of the listening sessions by January. We hope to put the notice for the RFP in the Federal Register and the Commerce Business Daily soon after that.

We are aiming to issue the RFP in February. We will try to post an electronic version of the consultant's report on our Web site as background material to help in your proposal preparation. I anticipate that the cutoff date for submission of proposals will be in early March, and we will make the award decisions by early April.

We intend to accept the proposals on face value. There will be no fine tuning. The emphasis will be on producing the operational tests and the demonstrating the benefits,

which is what we need to satisfy the appropriators for FY2000 budget. If the operational tests show positive results, then we can ask Congress for more money for the out-years. If there are no proposals or the operational tests do not generate interest and show benefits, then we will not ask for additional funding.

Kent Christopher/Port of Seattle

Will the RFP process be competitive?

Chip Wood/OST

It will be an open and competitive RFP. We are not limiting it to just the six listening session sites. We cannot spread the money too far. We might award one test, so one group could get $500,000; but, we would like to concentrate on one or two tests.

Peter Beaulieu/PSRC

Dave Peach suggested that we reconvene this meeting to discuss ideas for an operational test in the region. The PSRC will help in any way we can. I will talk further with Dave and suggest that we reconvene within a month or so, after the meeting minutes are received, maybe at the Urban Mobility Office.

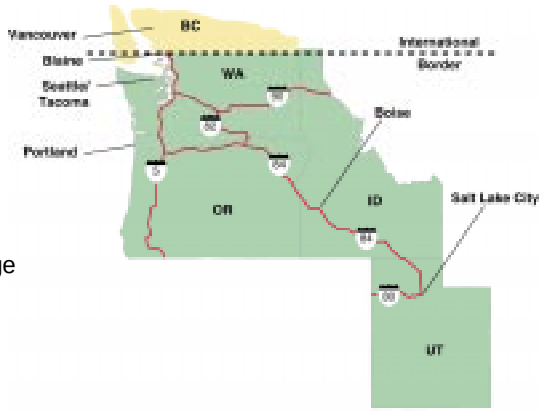
Chip Wood/OST

We will get a synthesis of the meeting notes; an updated list of participants with their email addresses; and a copy of the presentation out to people. Thank you for your participation. I will also get back to you with a letter of appreciation for your time and ideas. The final report will summarize what everyone told us at all six listening sessions.

Meeting closed at 12:45 p.m.

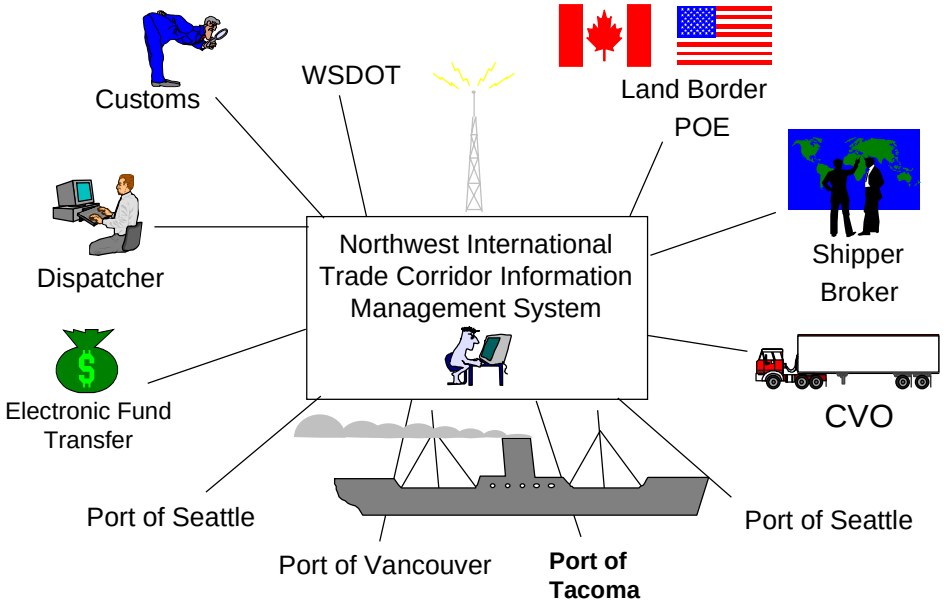
Northwest International Trade Corridor

- Interoperability
  - NAFTA/Border Crossing Systems
  - CVO/CVISN
  - MAPS/Green Light
  - ITS National Architecture
- User Services
  - Electronic Data Interchange
  - Electronic Credentials
  - Automatic Vehicle/ Equipment Identification
  - Electronic Preprocessing/ Clearance
  - Electronic Fund Transfer
  - Trade Good Movement Network

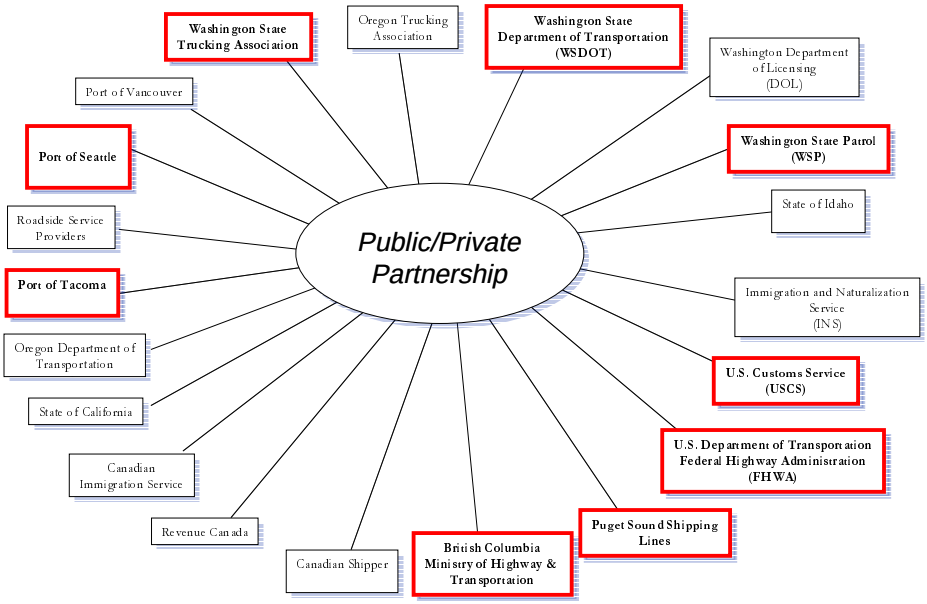


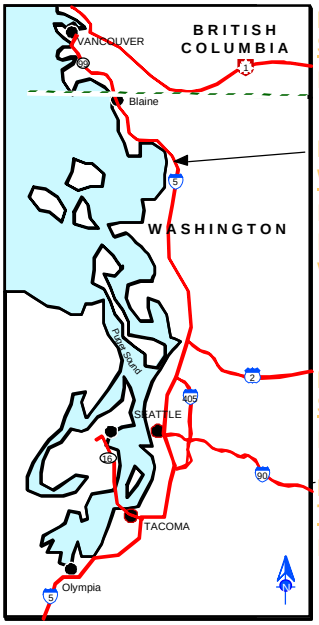
Provide for Safe, Legal and Efficient Movement of Trade Goods

Puget Sound International Trade Corridor Concept



Northwest International Trade Corridor Segment Stakeholders





Border Station
Readers

Bow Hill Weigh Station
Readers
Mainline
Weigh-in-Motion

Port of Seattle
Readers

Port of Tacoma
Readers