Duluth-Superior Area Freight Planning

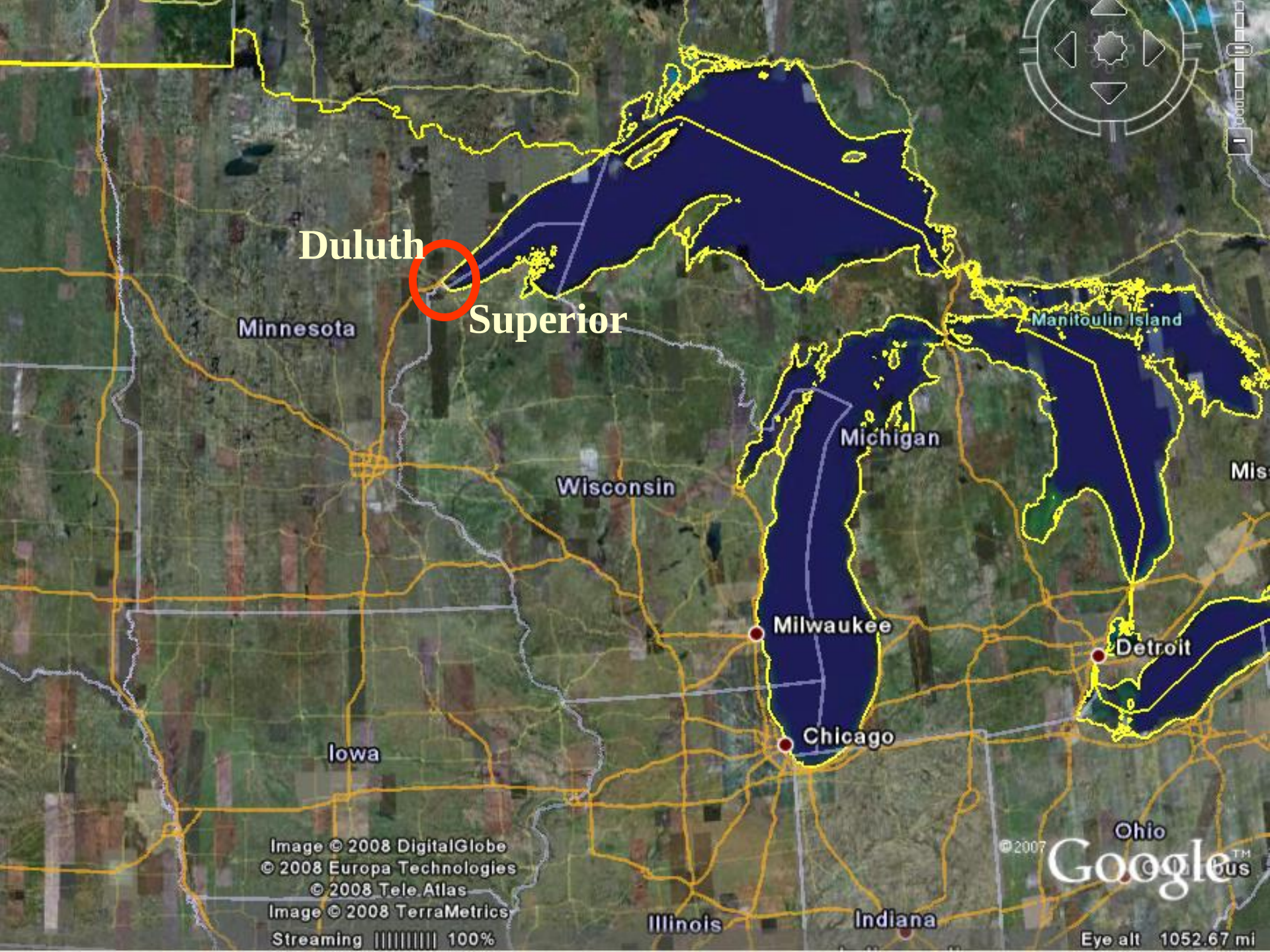
AMPO Annual Conference

Portland, Oregon

October 23, 2013

Ron Chicka

Duluth-Superior Metropolitan Interstate Council


Duluth
Superior
Minnesota
Wisconsin
Michigan
Manitoulin Island
Milwaukee
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MIC Area Freight Challenges

- Engaging Freight Stakeholders
- Changing Regional Freight Profile
- Weight Limit Challenges
- Taking Advantage of Future Opportunities

Engaging Freight Stakeholders

- Harbor Technical Advisory Committee (HTAC)
- Stakeholder Interviews
- Creating and Updating Freight Related Maps
- Joining Freight Related Professional Groups
- Participating in National and State Freight Planning

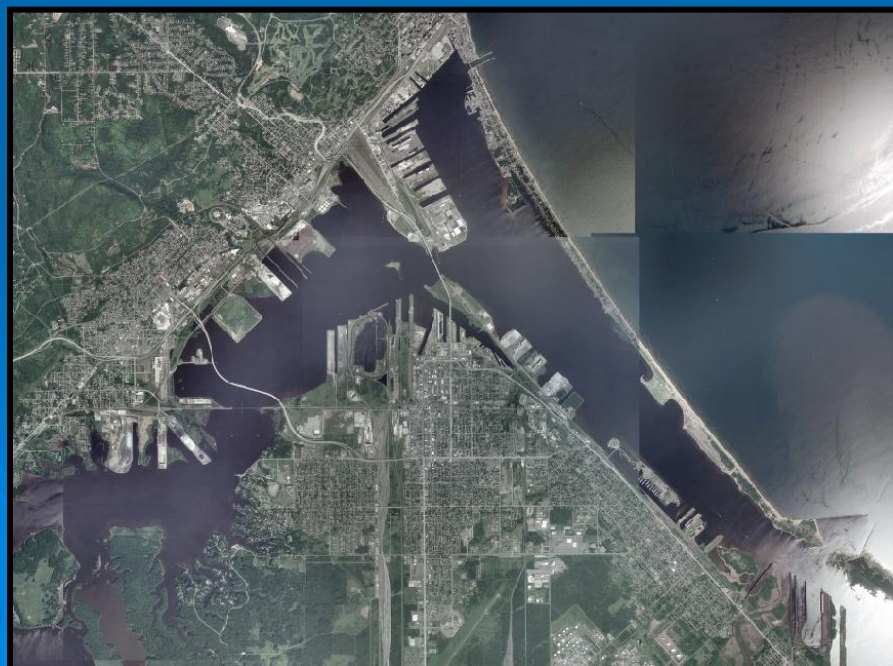
Harbor Technical Advisory Committee (HTAC)

•31 Member Committee that Meets Quarterly to Advise the MIC on Harbor Related Issues.

Why is Harbor Planning Important?

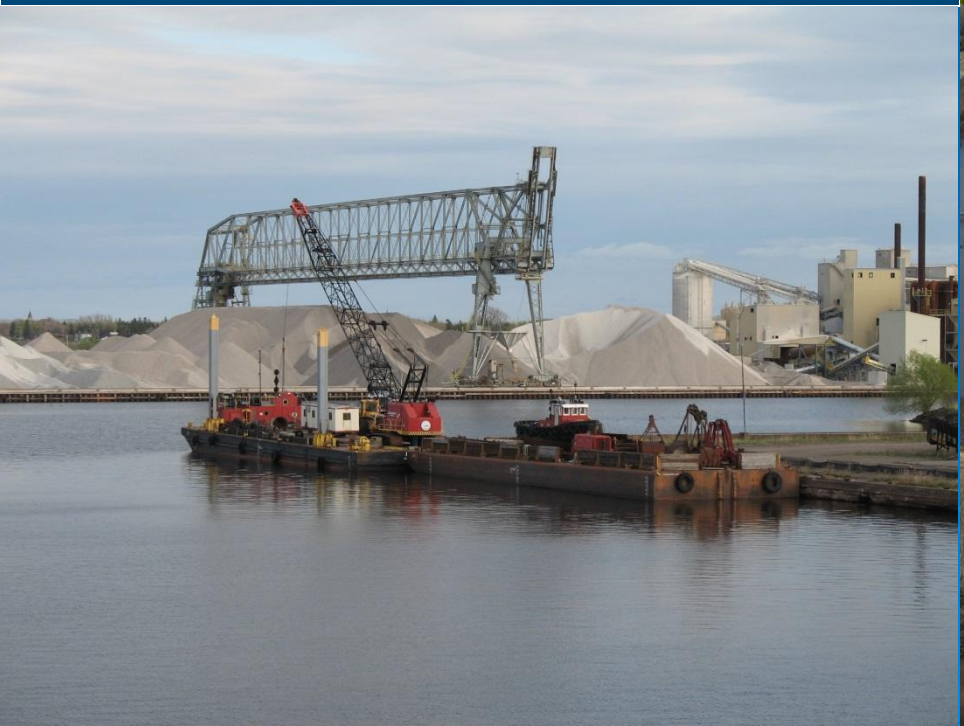
Duluth-Superior Port is a Valuable Resource

- Largest Great Lakes Port by Tonnage – 40 Million Tons Annually
- 2000 jobs; $2 Billion in Freight Moved Annually
- 1,100 Vessels Call Annually – up to 150 foreign vessels



HTAC Projects & Issues

- Dredged Material Management
- Port Area Land Use
- Remediating Contaminated Sediments



Northern Minnesota/Northwest Wisconsin Freight Plan

Stakeholder Interviews

- Lake Superior Warehousing
- Blandin Paper (UPM)
- Mittal Steel Corp.
- Marvin Windows
- Central Boiler
- Digi-Key Corp.
- Artic Cat
- Fed Ex Air
- Great Lakes Timber Professional Association
- Cirrus Design
- Midwest Energy
- Minnesota Timber Producers
- Hallett Dock
- Polaris
- CHS Northwest Grain
- Dahlgren Seeds

Stakeholder Interview

<u>Lake Superior Warehousing</u>: Port Terminal Operator. Transportation, logistics, warehousing

Landside operation: access to four Class 1 railroads. Commodities include paper, wood pulp, forest products.

Waterside operations: steel coils, Oils Sands equipment, wind energy equipment, barges of wood pulp.

Specializes in heavy lift over dimension freight movements.

Stakeholder Interview

Cirrus Designs: local general aviation airplane manufacturer

Ships about 40% of planes overseas by container. Major issue with damaged containers.

Ships parts to customers primarily by next day ground carrier. Many trips, mostly UPS and Fed Ex.

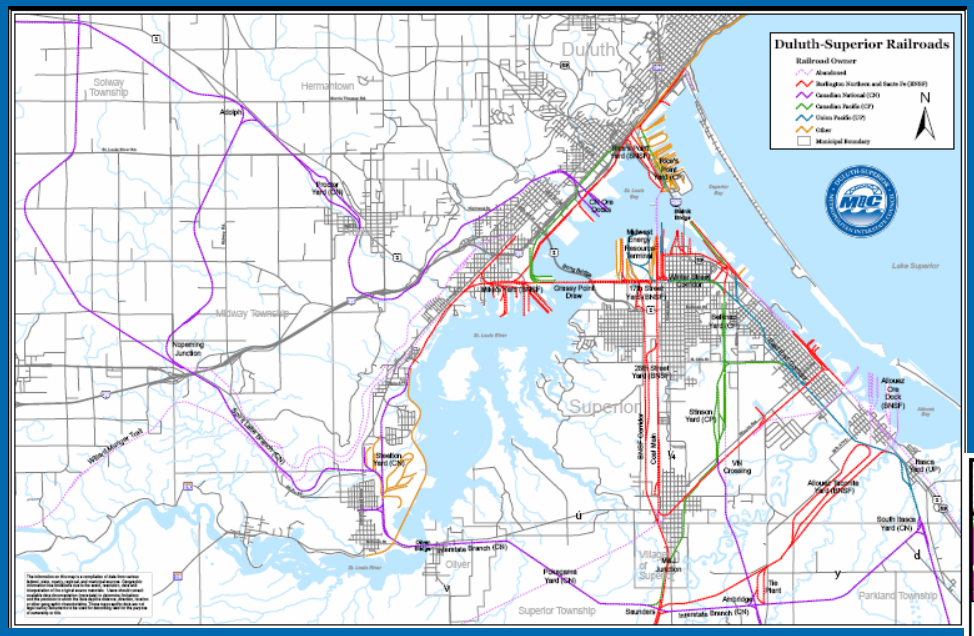
Stakeholder Interview

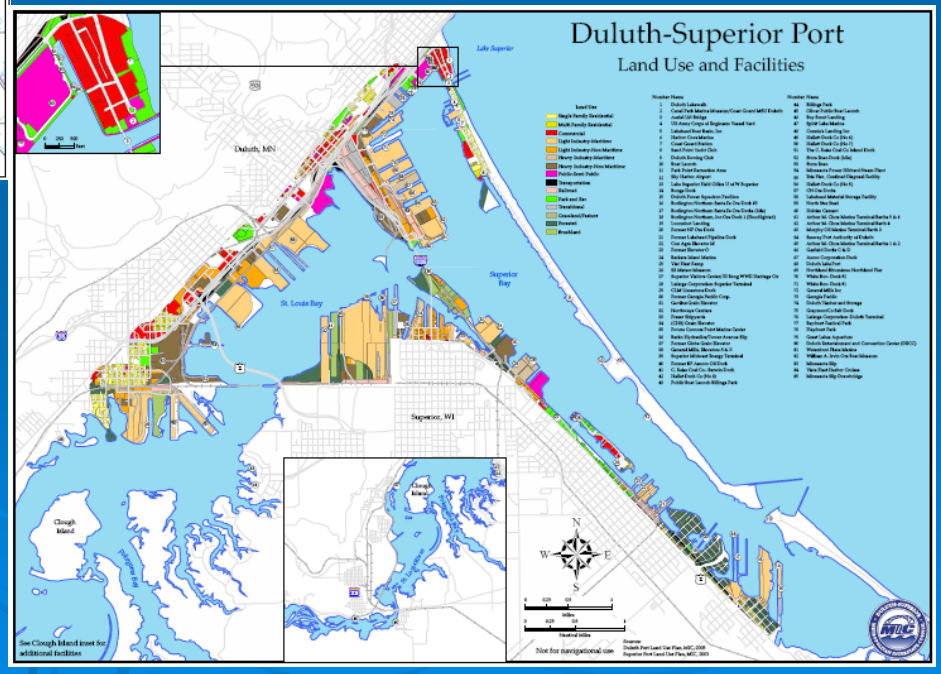
Midwest Energy Resources Company: Subsidiary of Detroit Edison. Coal transshipment facility. Ships over 20 million tons of coal per year from Montana & Wyoming through Superior facility to lower Great Lakes.

Owns 30 unit train sets of 123 rail cars. (~3700 rail cars). BNSF provides engines and service.

Loads up to 400 ships per season – mostly 1000 ft.

MIC Area Freight Related Maps





Freight Related Professional Associations

Propeller Club: international business network dedicated to the promotion of the maritime industry.

Duluth Superior Transportation Association: Members from all modes of transportation including air, motor carriers, rail and water as well as commercial shippers, purchasers, manufacturers, government agencies, and educators interested in transportation.

National and State Freight Planning

- NCFRP 35 – Multimodal Freight in the Great Lakes – St Lawrence Seaway Basin
- Mid-America Freight Coalition
- Minnesota Freight Advisory Council
- Wisconsin Governor's Freight Industry Summit
- Minnesota Freight Rail Economic Development
- Minnesota Freight in Statewide Planning and Programming
- Minnesota State Waterways Plan

Changing Regional Freight Profile

Shifting from manufacturing to service based economy, implications for freight transportation include:

- Service based industries move more small package shipments.
- Higher requirements for shipment predictability and reliability.
- Increased demand for express package, air freight, and customer-direct truck deliveries.

Weight Limit Challenges

80,000 lbs. is the allowable gross weight limit on the Interstate Highway System in Minnesota and Wisconsin

Wisconsin and Minnesota allow special size and weight limits for timber, agriculture and other local industries.

Weight Limit Challenges

Wisconsin "Raw Forest Products" Permit (RS Permit)

- Allows up to 98,000 lbs gvw

Minnesota – Raw or Unfinished Forest Products

- Allows 90,000 lbs gvw and 99,000 gvw during winter freeze.

These heavier truck cannot use Interstate system and use city and county roads not designed to handle heavy trucks

A Common Sight on MIC Area City and County Roads

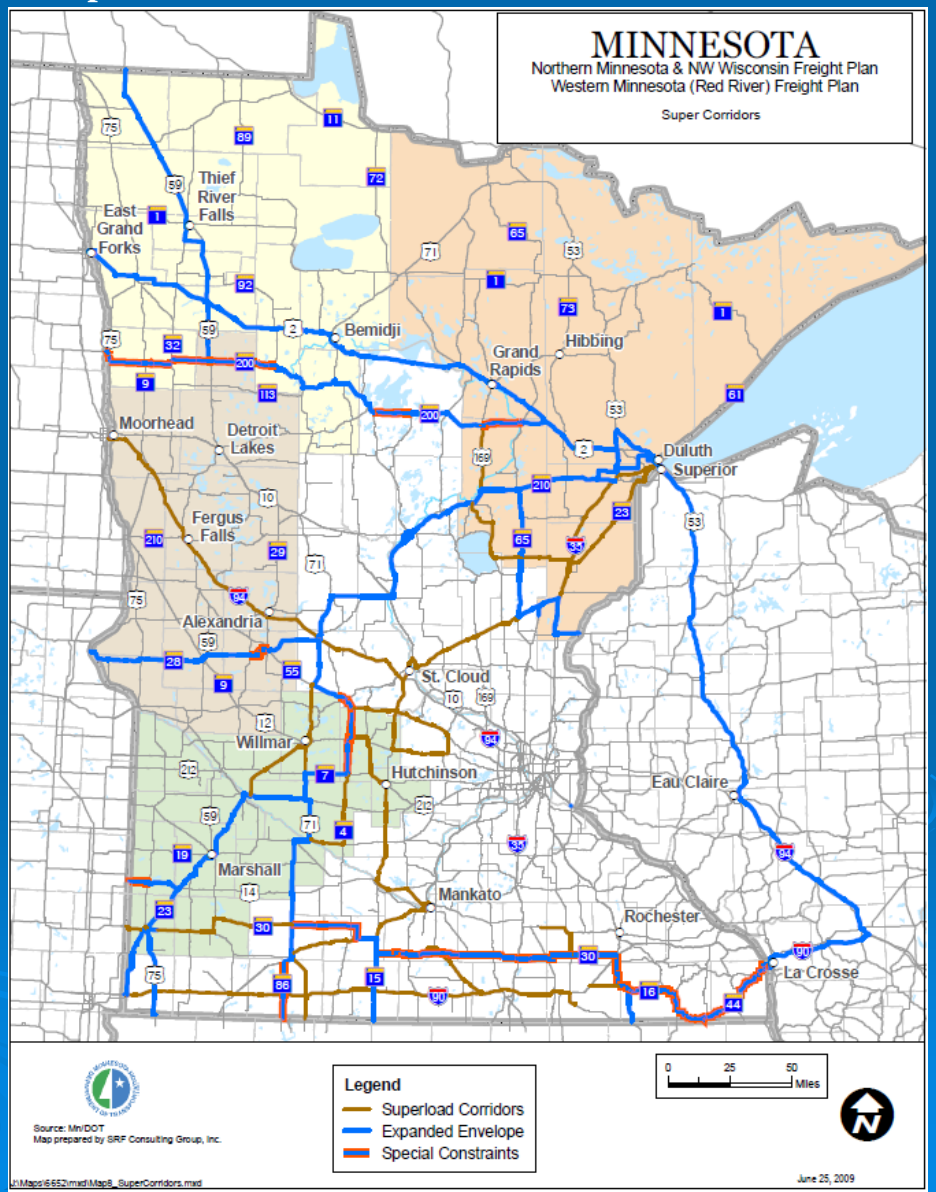
Designate Super Haul Corridors for Permit Operations

Accommodate movements of large equipment through Duluth-Superior Port

<u>Dimension Goals</u>

- Weight – 235,000lbs
- Width – 16 ft
- Height – 16 ft
- Length – 130 ft

Super-Haul Truck Permit Corridors

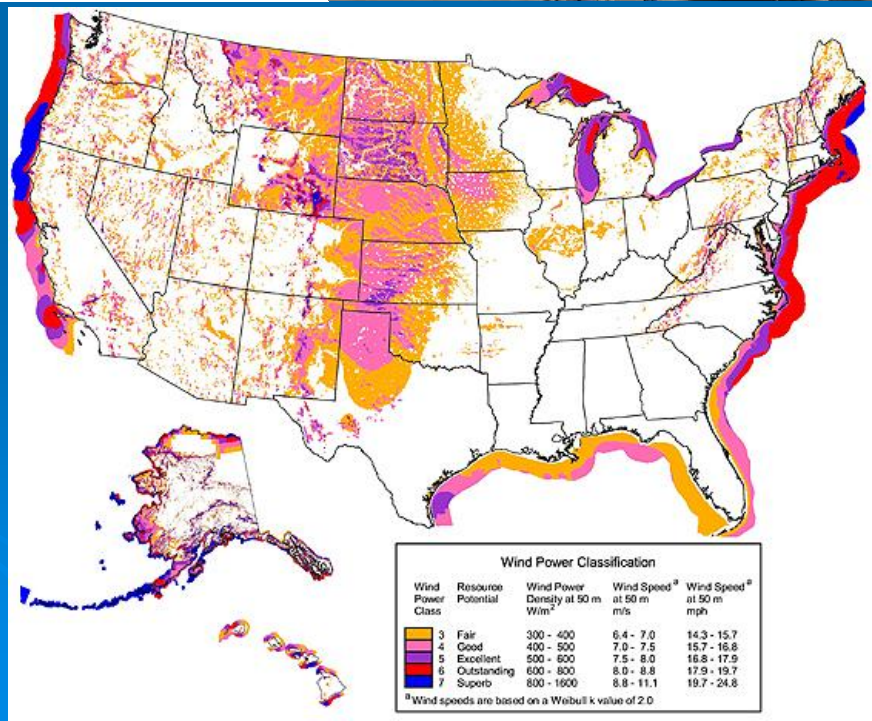


Freight Opportunities for Duluth-Superior

- Wind Energy Equipment Shipping
- Over Dimension Cargos
- Intermodal Facility
- New Port Facilities

Wind Turbine Components

- Most components manufactured overseas arrives by ship and leaves by truck
- Duluth-Superior port closest waterway to wind energy resources



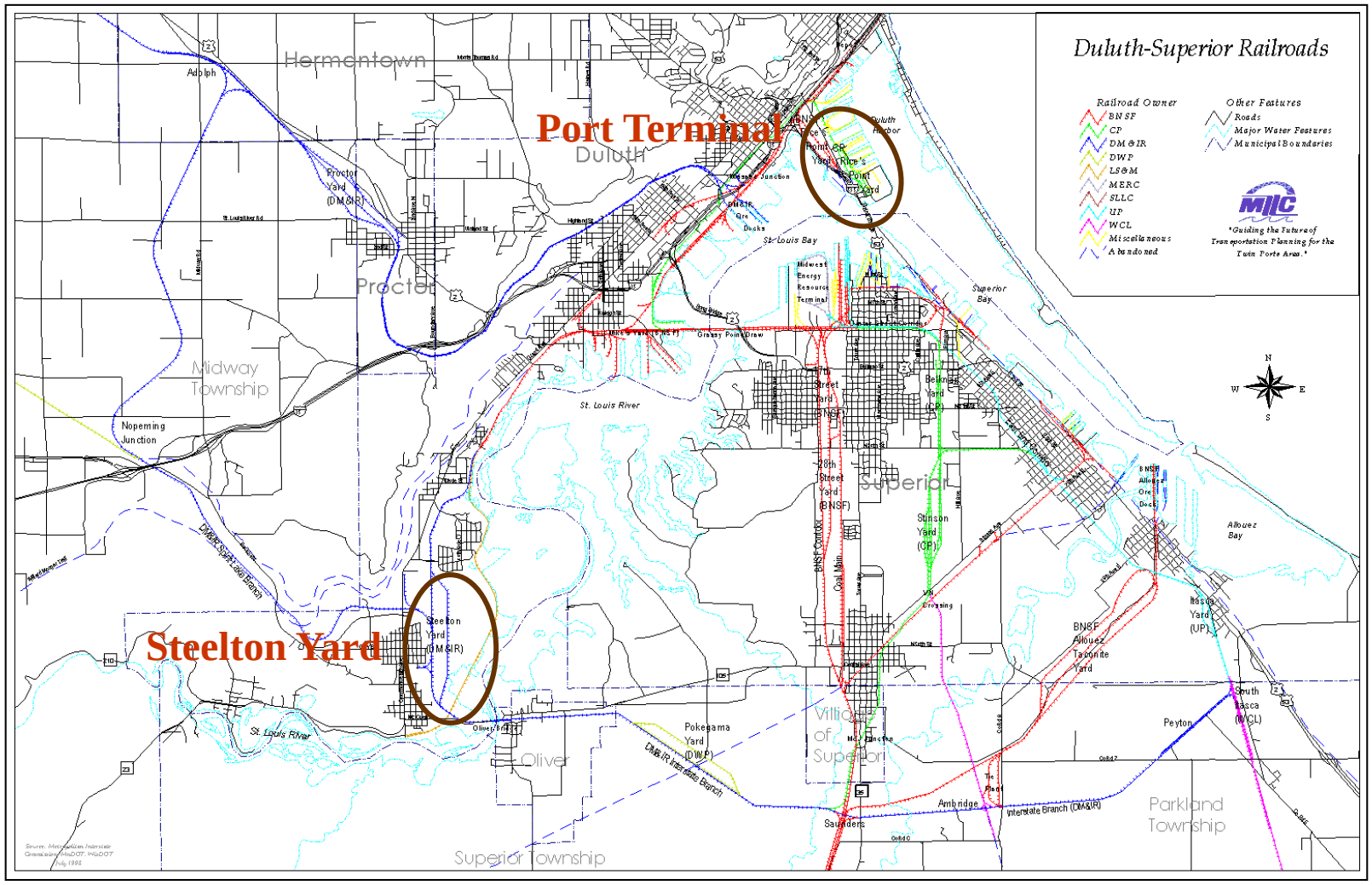
Oil Sands
Alberta, Canada

Port of Prince Rupert, British Columbia

Prince Rupert port is the closest North American port to Asia that does not freeze in the winter.

CN Rail Line moves a large amount of freight from Prince Rupert, British Columbia to Chicago and Memphis

Continue to Explore Intermodal Service Options in Duluth-Superior. Take Advantage of Freight Movements from Prince Rupert, B.C.



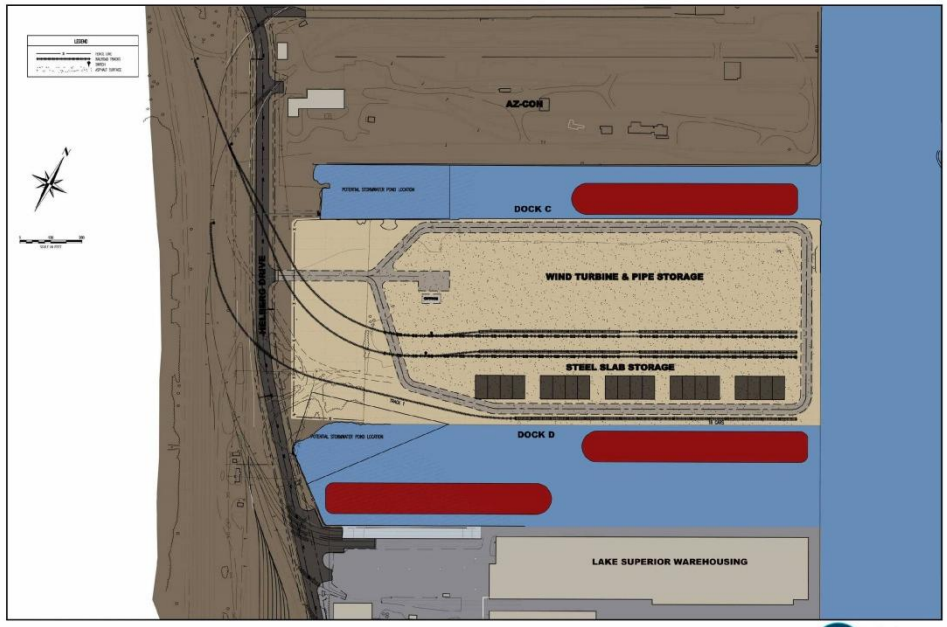
Development of New Dock Facilities

- Port Authority received

$10 million TIGER Grant

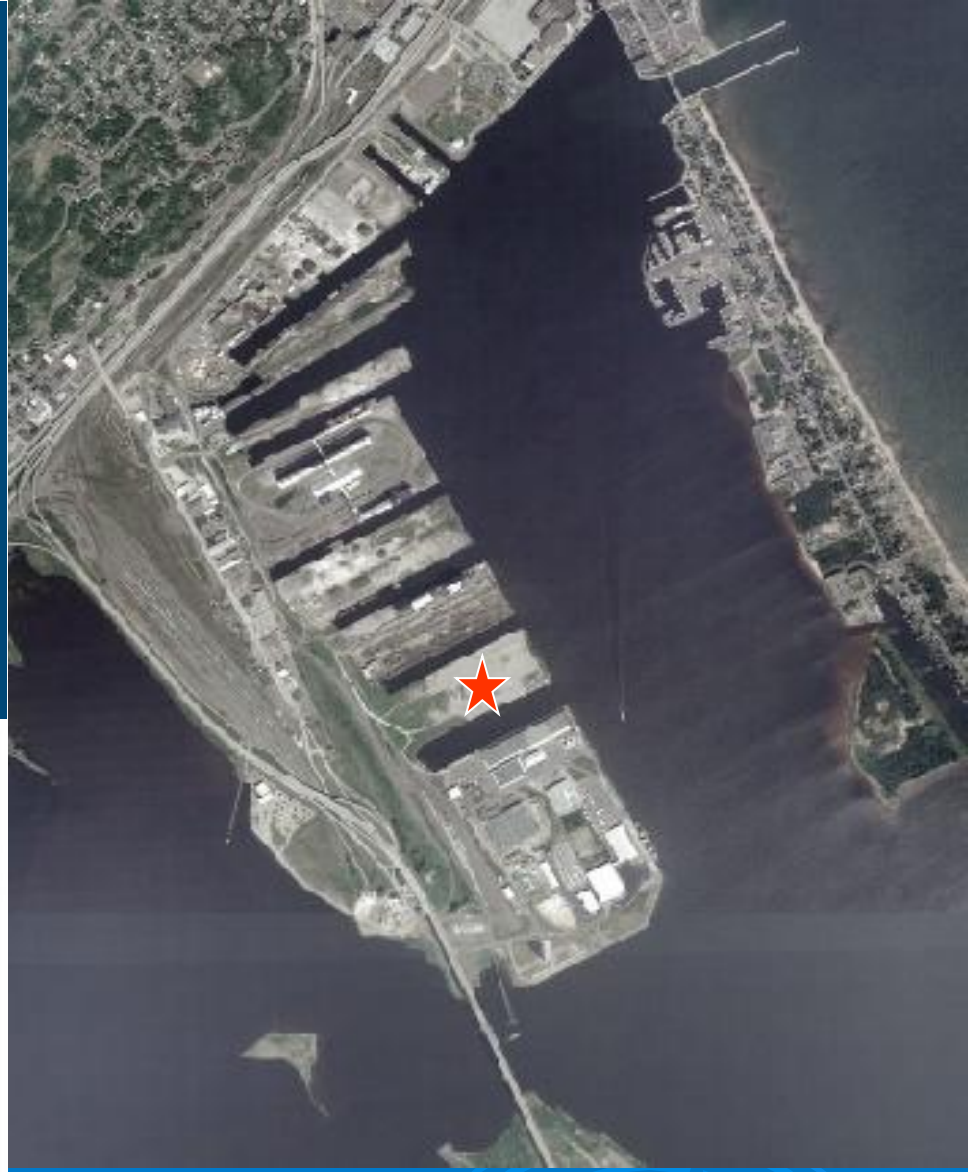
- Potential Commodities Include: Steel Slabs, Wind Energy Components, Kaolin (clay)

- Short Sea Shipping



DULUTH SEAWAY PORT AUTHORITY - PROPOSED TRANSSHIPMENT FACILITY

Duluth Seaway Port Authority



Questions or Comments

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