# California Freight Advisory Committee

February 8<sup>th</sup> 10:00am-12:00pm

February 9<sup>th</sup> 1:00pm-3:00pm

# House Keeping



Please make sure your full name and the name of your organization are displayed Use the "raise hand" function if you would like to speak. Dial \*9 to raise your hand if you are calling in from a phone

A recording of this meeting will be available two weeks from today. We will send a follow up email with the link when it is ready

10:00 to 10:10: Call Meeting to Order

- Jeanie Ward-Waller, Deputy Director, Planning and Modal Programs, Caltrans
- 9:10 to 10:50: Bipartisan Infrastructure Law Update and Freight Overview
  - Nicole Longoria, Assistant Federal Liaison, Caltrans
  - Yatman Kwan, Chief, Office of Sustainable Freight, Caltrans
- 10:50 to 11:40: Freight Investments
  - Jeanie Ward-Waller, Deputy Director, Planning and Modal Programs, Caltrans
  - Giles F. Giovinazzi, Senior Advisor, California State Transportation Agency
  - Avital Barnea, Deputy Secretary for Transportation Planning, California State Transportation Agency

• 11:40 to 12:00: Questions and Comments

End of Day 1: Reconvene at 1:00pm tomorrow February 9th

- 1:00 to 1:30: Senate Bill 671 Clean Freight Corridor Efficiency Assessment
  - Hannah Walter Associate Deputy Director Programming, California Transportation Commission
- 1:30 to 2:00: The California Supply Chain SUCCESS Initiative
  - Tom O'Brien Executive Director, METRANS Transportation Center, CSU Long Beach
- 2:00 to 2:10: Critical Urban and Critical Rural Freight Corridor Designation
  - Riley Keller Chief, Freight Planning Branch, Caltrans

- 2:10 to 2:50: FHWA, CTC, CalSTA, and Caltrans Updates Q&A
  - Antonio Johnson Planning & Air Quality Team Leader, Federal Highway Administration (FHWA), California Division
  - Hannah Walter, Associate Deputy Director, California Transportation Commission
  - Avital Barnea, Deputy Secretary for Transportation Planning, California State Transportation Agency\
  - Marlon Flournoy Chief, Division of Transportation Planning, Caltrans
- 2:50 to 3:00: Public Comments and Action Item Review
  - Jeanie Ward-Waller, Deputy Director, Planning and Modal Programs, Caltrans

# Bipartisan Infrastructure Law Update and Freight Overview

California Freight Advisory Committee Meeting – Feb. 2022

Yatman Kwan Chief, Office of Sustainable Freight Planning Division of Transportation Planning





### CalSTA IIJA Implementation Working Group Overview

#### Overview

- \$1.2 trillion dollars, including \$550 billion in new spending on transportation, water and power infrastructure, and pollution cleanup over five years.
- Federal, state, local, tribal governments and transportation stakeholders
- Implementation action plans, other material

### Schedule

• Meets between December 2021 to May 2022





### CalSTA IIJA Implementation Working Group Overview

# CalSTA IIJA Implementation Website Address

https://calsta.ca.gov/subject-areas/infrastructure-investment-act

- IIJA Resources and Analysis
- Working group meeting notes & materials
- U.S. DOT notices of funding opportunity (NOFO) & other federal notices
- Implementation Action Plans (when completed)





# CalSTA IIJA Implementation Working Group Overview IJA Implementation Sub Working Groups

- Overall funding split between state/local and across programs
- Reimagining Highway Investments/ Carbon Reduction Program
- Climate resilience and adaptation
- Transition to Zero-Emissions
- Active transportation
- Local hire/Contracting
- Commuter and Intercity Rail
- Freight/Goods Movement
- Tribal Government
- Transit
- Safety
- Fix it First





### Freight – Goods Movement IIJA Implementation Sub Working Group

### Overview

- Calsta IIJA Implementation Sub Working Group function
- FGM Survey
- Action plan
- Meets five more times concluding in May 2022
  Objectives
- Freight stakeholder engagement
- State's goals and priorities
- Position California to maximize federal funding opportunities
- Pathway to implement zero emission freight
- Enhance the California Freight Advisory Committee utilization





### Freight – Goods Movement IIJA Implementation Sub Working Group

### FGM – Implementation Survey

- Expected outcomes of the working group
- Implementation needs from the State
- Potential implementation challenges & risks
- Top priority sections





### Freight – Goods Movement IIJA Implementation Sub Working Group

#### **Expected Outcomes & Group Comments**

- Collaboration Best practices, data sharing, share-funding
- Statewide freight strategy for prioritization
- State partnership/sponsorship process for freight eligible programs
- Unified voice for statewide goods movement





### IIJA State Freight Plan Changes

FAST Act required elements for a State Freight Plan

- Element 1: Freight System Trends, Needs, and Issues
- Element 2: Freight Policies, Strategies, and Performance Measures
- Element 3a: Multimodal Critical Rural Freight Facilities and Corridors
- Element 3b: Critical Rural and Urban Freight Corridors
- Element 4: National Multimodal Freight Policy Goals and National Highway Freight Program Goals
- Element 5: Innovative Technologies and Operational Strategies
- Element 6: Improvements to Reduce Deterioration of Roadways
- Element 7: Freight Facilities with Mobility Issues and Strategies to Address Them
- Element 8: Congestion or Delay Caused by Freight Movements and Mitigation Strategies
- Element 9: Freight Investment Plan
- Element 10: State Freight Advisory Committee





### **IIJA State Freight Plan Changes**

State Freight Plan Changes

- Update now every 4 years
- Freight Forecast increases to 8 years
- Adds 7 elements to the existing 10 required elements
- Most recent commercial motor vehicle parking facilities assessment conducted by the State
- Most recent supply chain cargo flows in the State by mode
- Inventory of commercial ports in the State
- If applicable, consideration of the findings or recommendations made by any multi-State freight compact to which the State is a party
- Impacts of e-commerce on freight infrastructure in the State
- Considerations of military freight
- Strategies and goals to decrease, severity of impacts of extreme weather and natural disasters on freight mobility, the impacts of freight movement on local air pollution;, the impacts of freight movement on flooding and stormwater runoff; and impacts of freight movement on wildlife habitat loss;





# Freight Investments

#### Jeanie Ward-Waller Deputy Director, Planning and Modal Programs, Caltrans





### Governor Newsom's FY 22-23 Supply Chain Budget Proposal

Governor Newsom's FY 22-23 Supply Chain Resilience and Port Infrastructure Investments - \$2.3 billion

- Port Infrastructure and Goods Movement **\$1.2 billion**
- Zero-Emission Equipment and Infrastructure **\$875 million**
- Workforce Training **\$110 million**
- Commercial Drivers' Licences \$40 million
- Operational and Process Improvements **\$30 million**
- Port Infrastructure and Goods Movement

#### Port and Goods Movement Funding Goals

Reduce GHG	Promote Transportation Equity
Maintain, Enhance, Modernize Multimodal	Grow Economic Competitiveness of CA Freight
Freight	Sector
Reduce freight-related deaths and injuries	Improve system resilience

- Seventy percent for goods movement related to the Ports of Los Angeles and Long Beach; Thirty percent for goods movement projects in the rest of the state, including inland ports.
- Public agencies may partner with private operators of projects, such as freight railroads, to implement an eligible project.

# SENATE BILL 671 CLEAN FREIGHT CORRIDORS

#### SB 671 REQUIREMENTS

The Clean Freight Corridor Efficiency Assessment is due December 1, 2023.

Bill says it must be incorporated into the California Transportation Plan and the California Freight Mobility Plan.

The California Transportation Commission, California Air Resources Board, and California Energy Commission shall incorporate, to the extent feasible and applicable, the Assessment's findings and recommendations in their programs and guidelines.

### **SB 671 PARTNERS**

### Coordinate with:

- Governor's Office of Business and Economic Development
- California Energy Commission
- California Air Resources Board
- California Public Utilities Commission

### Consult with:

- California Department of Transportation
- Local governments
- Metropolitan planning organizations,
- Regional transportation planning agencies
- The freight industry
- Stakeholders from low-income and disadvantaged communities
- Environmental organizations
- Public health representatives
- Academia
- Others as needed



### **Clean Freight Corridors**

- Identify corridors or segments of corridors that are priority candidates for the deployment of zero-emission medium and heavy-duty vehicles.
- This has been partially completed and should be mostly done by March.
- Some recommended corridors include I-880, I-238, I-580, I-5, SR-99, I-710, I-110, SR 905, SR 11, and I-8

### TOP 5 FREIGHT CORRIDORS WITH MOST EMISSIONS



 Identify the top five freight corridors with the heaviest freight volume and nearsource exposure to diesel



# **Identify Projects**

- Identify specific projects to create freight charging/refueling infrastructure
  - Short-haul routes around regional hubs
  - Long-haul routes along high-traffic corridors
- Identify potential project sponsors
- Identify potential funding

# Barriers and Solutions

- Identify potential barriers
  - Multiple regs
  - Cost
  - Use cases
  - Ownership/Maint.
- Identify potential solutions



# **Information Requests**

A list of questions was sent on February 2<sup>nd</sup> that covered several topics, including:

- Fact sheets
- Questions to understand the business needs of the freight industry
- Electric infrastructure questions
- Hydrogen infrastructure questions

Staff will use responses to these questions to develop the assessment.

### Draft - Fact Sheet Topics

- Freight Business Plan Economics
- Drayage Sector Business Model
  - Fleet Operations
  - Independent Owner/Operators
- Long-Haul Business Model
- Truck Use Cases
- Understanding Port Operations (include drayage truck registry)
- Energy Distribution
- Battery Storage and Micro-Grids
- Liquid Hydrogen Distribution

- Installation Process Electric Charging and Hydrogen Re-Fueling Stations
- Sources of Alternative Energy
- Energy Demand
- Regulatory Framework and Timing
- Engine Manufacturers
- Understanding Rail Operations
- Freight Forwarders
- Warehousing/Logistics Sector



# Battery Electric Infrastructure

- Alternative energy sources
- The role of utility companies
- Energy distribution and storage
- Cost of infrastructure, energy, and maintenance
  - Company operates rather than gas station
- Timeframes (permitting process)
- Truck use cases and location needs (trucking hubs, short-haul, predictable use)
- Barriers to installation (leasing land, costs, use cases, permitting)

### Hydrogen Re-Fueling Infrastructure

- Liquid hydrogen distribution and storage
- Cost of infrastructure, hydrogen, and maintenance
- Timeframes (permitting process)
- Truck use cases and location needs (like regular fuel, space needs)
- Barriers to installation (costs, permitting)



/drogen



# Workgroup

# Request for CFAC Workgroup



If you are interested in joining the workgroup, or referring someone, please reach out to me.



If you may have responses to any of the questions referenced above, please reach out to me.



Contact Information: Hannah.Walter@catc.ca.gov

# Thank you!

#### **CA Supply Chain Success Initiative**

**CA Freight Advisory** Committee

February 9, 2022

Tom O'Brien **CSULB CITT** 

# California Supply Chain SUCCESS Initiative

#systemofsystems



















# **Initiative Purpose**

- Move beyond ID of problems and issues
- Engage in solutions-based dialogues across wide spectrum of stakeholders
- Build consensus on short and long-term solutions
- Establish bridge to other efforts



### **Key Questions**

- What can we do better that adds value to the supply chain?
- What does supply chain success look like for you or your organization?
- What obstacles are preventing you from getting there?
- What are the risks of doing nothing?
- What is the appropriate role for government?



# Initiative Components

- Social Media Campaign
- Discussion Guide
- Virtual Workshop
- Summit
- Ag Technical Working Group
- Summary report and findings


### Workshop Approach

- Topic Questions
  - What can be done to make intermodal systems more efficient?
  - How can we improve SC visibility?
  - What strategies allow the SC to respond to rapidly changing demand?
  - What can govt. partners at all levels do to facilitate the efficient and sustainable flow of goods?



#### **Systems Approach to Solutions**

- "An orchestra without a conductor"
- Necessary integration of multiple systems and different stages of the supply chain; ex: carriers and ports often lack communication
- Planning for contingencies (data needs)
- Supply chain is a dynamic system that will continuously change. Stakeholders have to sit down and analyze the changes and how to integrate them



#### Digitalization

- Data Sharing, including:
  - Capabilities to inform shipment routes prior to shipping, real time decision-making capabilities/updating, natural disaster/congestion warnings (goal is to eliminate blind hand-offs),
- Data Standardization
  - Common database needed, considering how different stages of the SC have vastly different models/data capabilities (measurements of fluidity?)
  - Lack of central, high-level overview of available information: ex: no single website to aggregate data, and often outdated data infrastructure; because most data is also unsorted/uncategorized, development of a comprehensive system is necessary
- Data, Equipment, and Tech Capabilities, including
  - Modernizing systems, end to end use, standardizing cargo equipment; expand training/learning for technology, expanding
     5G networks, consumer demand forecasting,
     warnings systems (natural disasters)



#### **Workforce Development**

- Existing need for truckers, warehouse workers and port labor due to surges in demand
- Educational institutions, particularly community colleges, have a large role to play in development
- Worker safety a needed component of workforce development
- Role for government in supporting worker training?
- Need for investment in workforce to publicize job opportunities in supply chain; massive marketing should be done, because jobs in supply chain are invisible to the general public



**Industry-Government Coordination** 

- Government has a particularly large role to play in funding, but it is necessary to clearly delineate specific areas (such as infrastructure repair, on-dock rail) where government is most effective
- Identify policies that don't fit the current needs of industry (ex: existing infrastructure must precede mandates); greater level of communication and need to eliminate conflicting regulations
- Creation of incentives for data-sharing, 'evening the playing field' (with regard to regulation, taxes, price of entry)
- Developing the workforce (such as apprenticeship programs) through promotion of technology
- The Federal gov. is best equipped for building macro level cohesion and addressing supply chain fragmentation



## Summit Focus: The 24/7 Supply Chain

- Where do we already have 24-hour operations and what's making them possible?
- Where are there opportunities working collaboratively to get us short term relief?
- Where are the opportunities to work collaboratively to make system wide changes that get us closer to a 24-hour supply chain?
- What role could the state play in facilitating these solutions?
- What else needs to happen to make the Ports' expanded hours program work?



- **Capacity and Utilization**. Participants identified expanded capacity and utilization as a pre-requisite to increasing working hours. Full efficiency also necessitates optimizing the use of existing equipment, such as cranes, which may have been underutilized during the pandemic.
- Hours of Operation. The summit revealed a consensus that increasing efficiency would benefit from a focus on reaching 16-5 (rather than 24-7) operations for certain sectors of the supply chain, including trucking, port operations, and warehousing.



- **Buffer Zones**. Addressing capacity shortages may require expanding storage and buffer locations (e.g., a staging/logistics area) to reduce backlogs at the ports, warehouses, and other cargo-handling centers. Focus on reducing dwell times and preventing cargo from piling up in one location and thus causing delays.
- Data Sharing, Access, and Modernization. Optimize shipment routes, and eliminate blind hand-offs, data must be made significantly more accessible and modernized.



#### • Freight Policy Coordination

Coordinator to facilitate communication between and among agencies and with freight operators

As an interim step, an advisory body that communicates industry needs to the highest levels of state government on a recurring basis is advisable

Funding is critical



- Other issues
  - Doubling/tripling cargo loads for drivers and increasing weight limits
  - Broader economic issues: 'free shipping culture' when shipping is not free
  - Coordination on short term and long term land use permits for container storage



#### ATWG Focus

- Asset Management
  - What are the opportunities for off-port storage of containers?
  - How can we facilitate access to containers in the short term?
  - What are the opportunities for multimodal solutions , including pop up locations, to manage both containers and chassis?
- Port and Inland Operations
  - What opportunities exist for additional or modified hours of operations at ports (including for inspections) that contribute to supply chain fluidity?
  - Are there strategies that incentivize use of the Port of Oakland?
  - What changes at inland distribution are needed?
- Short Term Steps toward Longer term Solutions
  - What has been the experience with relaxed weight limitations. Is this a longer- term solution as well?
  - What can we do to support workforce shortages or misallocations, particularly in trucking?



### **ATWG Recommendations**

Restoration of vessel calls to the Port of Oakland and better information on delays

- Increasing Overweight Corridors
- Container Storage Facilities or Depots
- Port provision of two sets of containers: one for food, and one for everything else; and an off-dock location for the fumigation of containers.



## Some final thoughts

- Workforce is a point of consensus
- Research on what rewards inefficiency and changing consumer demand
- Forums for industry to engage with itself and government



### Questions?



# Critical Urban and Critical Rural Freight Corridor Designations

February 9<sup>th</sup>

CFAC Winter Meeting 1:00pm-3:00pm

nsportation

# Overview

- CUFC/CRFC Background and History
- Designation Process
- CUFC/CRFC Mileage Flexibility
- Guidance and Resources

# CUFC/CRFC Background and History

- CRFCs and CUFCs provide critical connectivity to the PHFS and support national goals identified in 23 U.S.C. 167(b) and 23 U.S.C. 117(a)(2).
- Strategically direct resources towards improved system performance and efficient movement of freight.
- The designation of CRFCs and CUFCs allows for the expanded use of National Highway Freight Program (NHFP) formula funds.
- Nominations can be submitted any time of the year, and on a rolling basis as needed (23 U.S.C. 167(g)(1))

National Highway Freight Network FAST Act



# CUFC/CRFC Background and History

- California Critical Freight Miles:
  - 623 miles of Rural
  - 311.77 miles of Urban
- Caltrans is responsible for designating CRFC in coordination with regional partners
- MPOs are responsible for designating CUFC in urbanized areas with populations above 500K in coordination with Caltrans.
- There are flexible options on how to allocate CUFC miles if MPOs seek to designate more CUFC miles than their established allotment.

МРО	Target Miles
AMBAG	3.75
BCAG	0.69
FCOG	5.35
KCAG	0.62
KCOG	5.67
MCAG	1.96
MCTC	0.87
MTC	65.07
SACOG	18.18
SANDAG	28.67
SBCAG	2.64
SCAG	160.58
SJCOG	7.76
SLOCOG	1.23
SRTA	1.8
StanCOG	4.24
TCAG	2.69
California Total	311.77

# **Designation Process Flowchart**

#### I. Pre-Consultation

II. Define CriticalFreight CorridorType and LeadAgency

III. Analysis and Verification

IV. Concurrence

#### IX. Recordkeeping & Closeout

VIII. Updating Caltrans OSFP Online Map <u>Viewer</u> VII. Updating Caltrans Mileage Tracker

V. FHWA Verification

# Critical Freight Corridors Flexibility

On-Process
Off-Process
Swap Process

# **Guidance and Resources**



https://ops.fhwa.dot.gov/fastact/crfc/sec\_1116\_gdnce.htm



https://dot.ca.gov/programs/transportation-planning/division-of-transportationplanning/sustainable-freight-planning/strategic-planning



## CUFC/CRFC Contacts

Caltrans Division of Transportation Planning, Office of Sustainable Freight Planning

Riley Keller, Branch Chief, Freight Planning Riley.Keller@dot.ca.gov

Ryan Castle, Transportation Planner, CUFC/CRFC Coordinator Ryan.Castle@dot.ca.gov

# Agency Updates Panel Discussion

February 9<sup>th</sup>

CFAC Winter Meeting 1:00pm-3:00pm

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# **Closing Remarks**

Questions
Public Comments
Action Item Review