

TRANSPORTATION and LOGISTICS

Safely and efficiently moving agricultural products — from live animals and raw commodities to value-added food, feed, energy and fiber products — relies on a robust and modern transportation system. Kansas ranks third nationally in total road mileage with approximately 140,000 total road and street miles and more than 10,000 highway miles. In addition, Kansas has nearly 4,800 miles of track providing critical rail services. Opportunities exist to improve current infrastructure but also to develop new systems and infrastructure to enhance transportation capabilities which improve efficiency and competitiveness of Kansas agriculture.

INITIAL LIST OF CHALLENGES AND IDEAS FOR POTENTIAL SOLUTIONS

Rail Service

Initial List of Challenges

- A lack of rail access in the western portion of the state requires processors to ship products across the state by truck to be loaded onto rail at the intermodal facility or use alternative transportation.
- The costs associated with transportation and logistics is a burden for producers. In-state freight rates add expenses when distributing domestically and internationally.
- There is a need for additional unit train loading facilities. As the cost of freight continues to rise, being able to take advantage of price discounting for the use of unit trains will be advantageous for moving Kansas commodities.
- Kansas does not have a port, so having the transportation infrastructure necessary to move commodities to the port is critical. Ports, such as the Port of Catoosa in Oklahoma where Kansas commodities are loaded on barges, need to be maintained such that shipping capacity isn't delayed or reduced due to aging infrastructure. The same applies to ports on the coasts where Kansas commodities travel by rail or barge to be transloaded onto ocean-going vessels.

Ideas for Potential Solutions

- Two pending transload stations in Great Bend and Garden City will give industries the opportunity to load products onto railcars.
- Encourage cooperation among industries to share rail facilities.
- Reduced time to market could be achieved through the development of rail spurs in southwest Kansas and by increasing the width of Highway 54, one of the primary southern freight routes, which could improve efficiency moving products to the rail system.

Truck Weights

Initial List of Challenges

- Weight and length limits are not uniform between Kansas and neighboring states.
- Through technologic advances Kansas farmers and ranchers are producing more bushels and pounds per acre (animal) than ever before. Farm and livestock equipment has scaled up to handle more product in a shorter time span. However, regulated truck lengths and weight limits remain the same.

Ideas for Potential Solutions

- Explore increased weight limits on additional axles in order to more efficiently move products without increased axle weights that accelerate wear and tear on roads and bridges.
- Explore the creation of additional heavy haul routes between known locations such as a processing plant to a transload facility.
- Continue efforts to align state and federal regulations so that Kansas has harmonized weight and length limits with surrounding states.

Trucking Labor

Initial List of Challenges

- There is currently a nationwide shortage of 45,000 truck drivers and that shortage is predicted to grow to 250,000 by 2023.
- Truck drivers are not permitted to haul freight out of state until they are 21. Commercial driver's license (CDL) drivers who can't cross the state line have limited usefulness. Most young people looking for careers out of high school have settled on something other than truck driving by the time they are 21 years old.
- Federal agricultural exemptions, such as hours of service for livestock haulers, are based on temporary exemptions, creating long-term uncertainty for the industry.

Ideas for Potential Solutions

- Explore a graduated CDL program allowing 18-year-old drivers more freedom to operate and transform to over-the-road truck drivers sooner.

Freight Routes

Initial List of Challenges

- There is a lack of north-south routes for truck traffic west of Salina.
- Differences in local and state road weight limits near distribution centers cause challenges for efficient transport.

Ideas for Potential Solutions

- The Kansas Freight Advisory Council highlighted that improved north-south routes should be prioritized in the freight plans.
- Continue to reduce height and width obstructions along freight corridors of significance.

Logistics and Efficiency

Initial List of Challenges

- Distribution and transport costs for small businesses can account for a relatively high percentage of overall costs.
- Small manufacturers are unable to feasibly build warehouse, distribution and/or shipping facilities.
- Kansas' grain handling infrastructure was not built with the ability to easily keep classes (i.e. red and white wheat) separate.

Ideas for Potential Solutions

- There is an opportunity for businesses to work together on distribution. Taking advantage of back haul opportunities and other freight sharing options can dramatically reduce the cost of moving goods.
- A shared warehouse and distribution facility serving several small, similar companies.
- Utilizing the intermodal facility and related warehouses for products shipped in containers, fresh, frozen and bulk options are available. Individual shipping containers allow for segregated, secured product for the entire journey from loading until the customer receives the container.