

PER ASPERA



Kansas Freight Advisory Committee



KICK-OFF MEETING

April 2, 2014

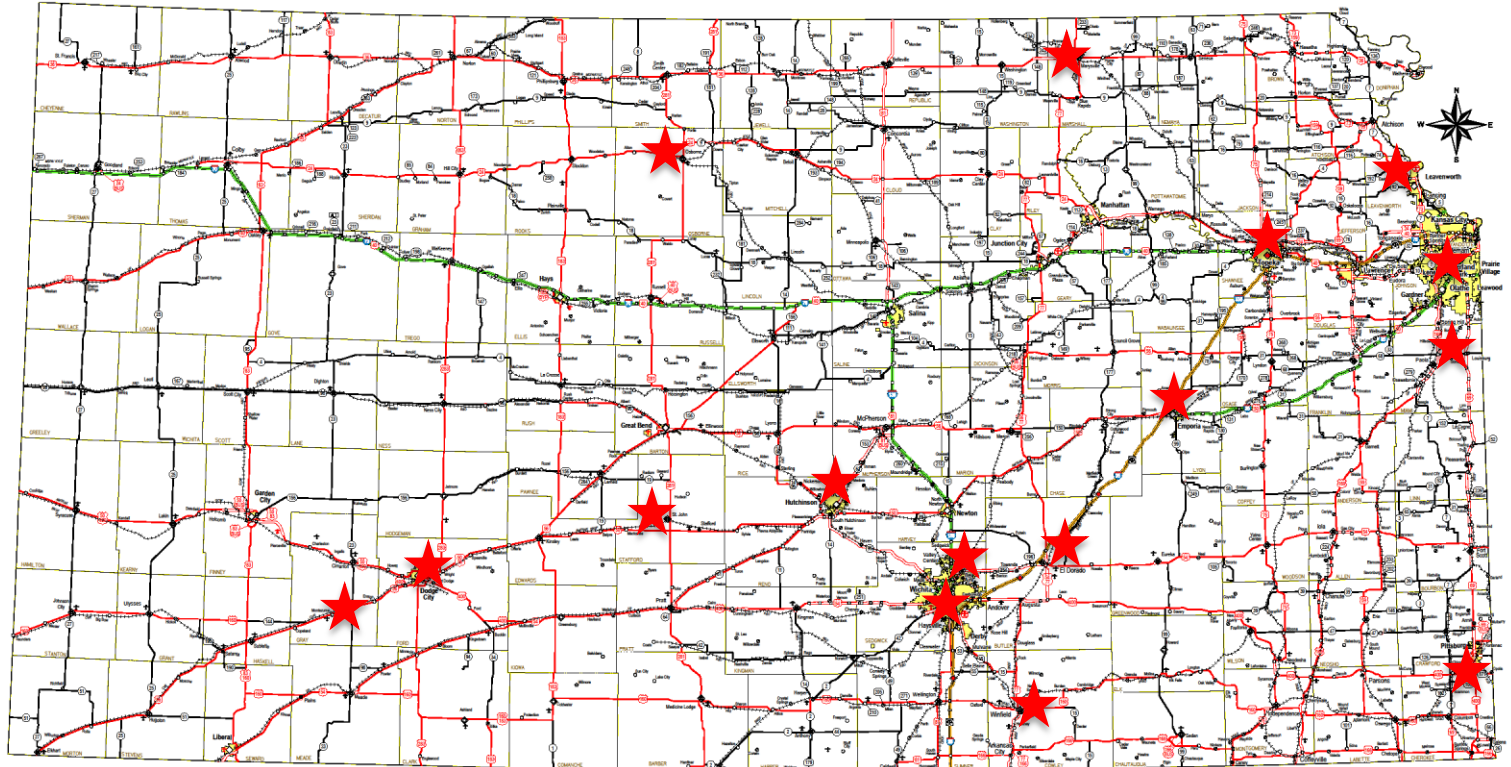
Topeka, Kansas





WELCOME!

COMMITTEE MEMBERSHIP



- | | | | | | | |
|-----------------------|--------------------|-----------------|------------------|--------------------|---------------------|-----------------------|
| Interstate Route | Kansas Turnpike | Other Highway | KTA Service Area | Commercial Airport | State Capital | City 5,000 to 9,999 |
| Kansas Turnpike (KTA) | Interstate Highway | Railroad | Interchange | Military Airport | City - No Services | City 10,000 to 14,999 |
| U.S. Route | Multilane Highway | State Boundary | Toll Booth | Other Airport | City under 1,000 | County Seat |
| State Route | Principal Highway | County Boundary | | | City 1,000 to 4,999 | City 15,000 and over |

Prepared by the
 Kansas Department of Transportation
 Bureau of Transportation Planning
 March 6, 2014

OVERVIEW

- KDOT/KTA Transportation Summit held in Emporia – September 5, 2013
- What we heard – Freight Breakout Session
- MAP-21: Requires U.S. DOT to encourage each State to establish a freight advisory committee composed of a representative cross-section of public- and private-sector freight stakeholders
- Increasing need to incorporate freight transportation into planning



TODAY'S MEETING

- Overview of Committee Charge
- Overview of Kansas Multimodal Freight System
- Emerging Industry Needs
- Kansas Multimodal Freight System SWOT Analysis
- Prioritizing Freight (rail, highway, other modes) Corridors - Criteria



**Kansas Multimodal Freight
System SWOT Discussion**

Emerging Industry Needs

**Freight Corridors of
Significance – Base Criteria**

COMMITTEE OBJECTIVES

Meeting 2:

- Follow-up From Meeting 1
- Recap of Emerging Industry Needs and Freight Corridor Factors
- Identify and Prioritize Freight (highway and rail) Corridors
- Freight Flow Impediments – congestion points, geometric, safety
- Discuss how to incorporate freight factors and freight corridors in project analysis and selection for future programs

Meeting 3:

- Follow-up From Meeting 2
- Finalize discussion and identification of priority corridors (highway and rail)
- Discuss economic development opportunities – new business, business expansion, emerging industries
- Discuss other industry needs – motor carrier needs (ie., truck parking facilities, multi-state permitting), railroad needs, shipper needs, multimodal transportation connectivity



COMMITTEE OBJECTIVES

Meeting 4:

- Follow-up From Meeting 3
- Approval of Committee Recommendations
- Discuss Continued KFAC Commitment

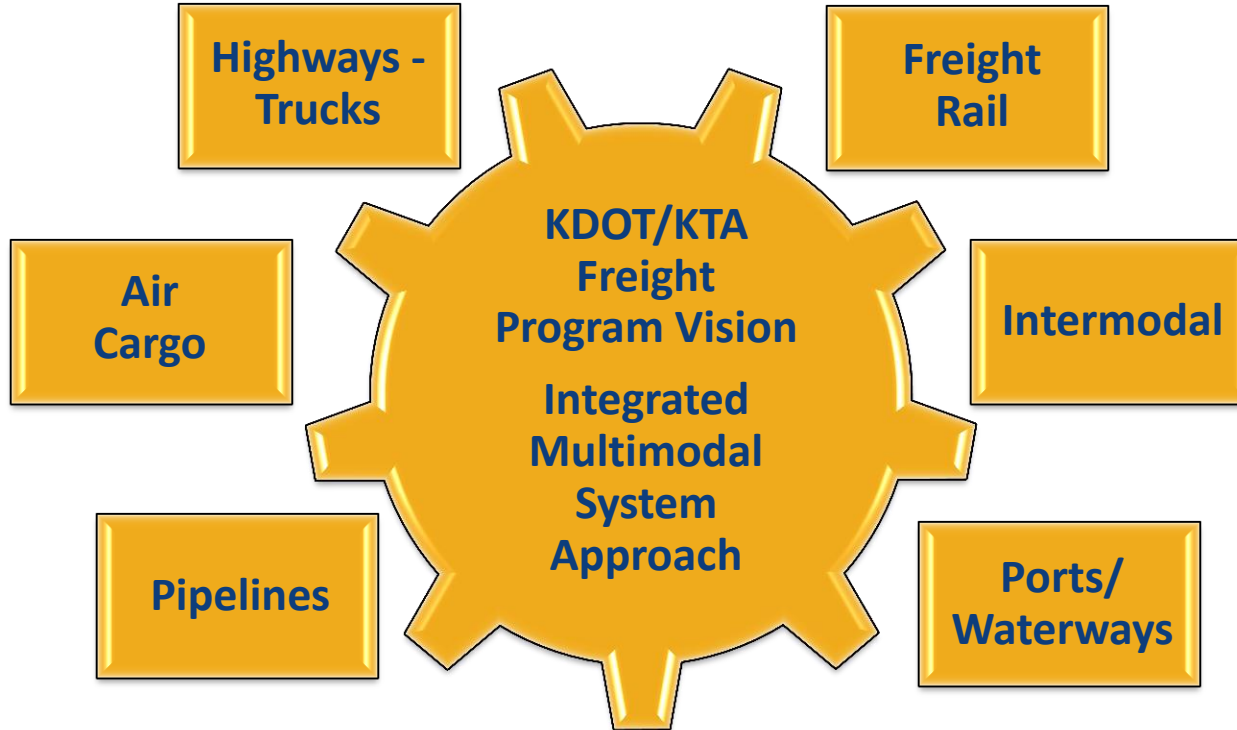


MULTIMODAL FREIGHT TRANSPORTATION NEEDS

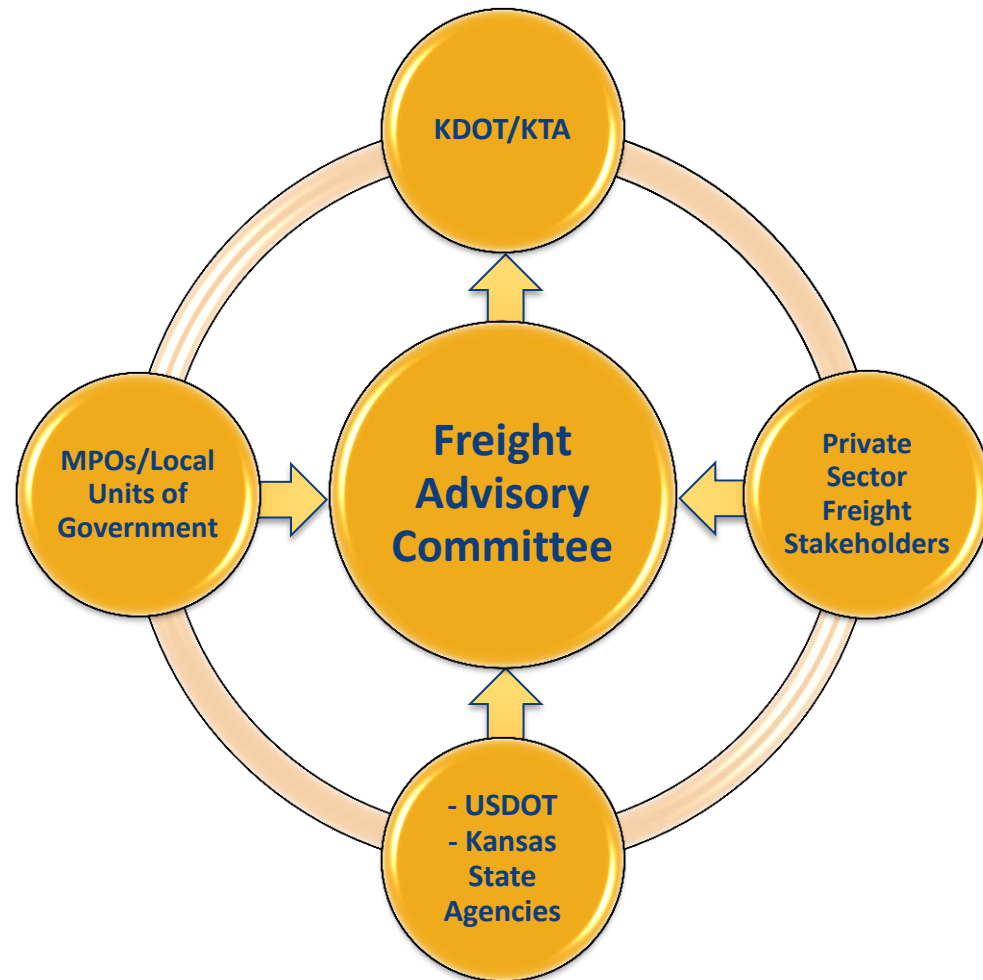
WHY NOW?



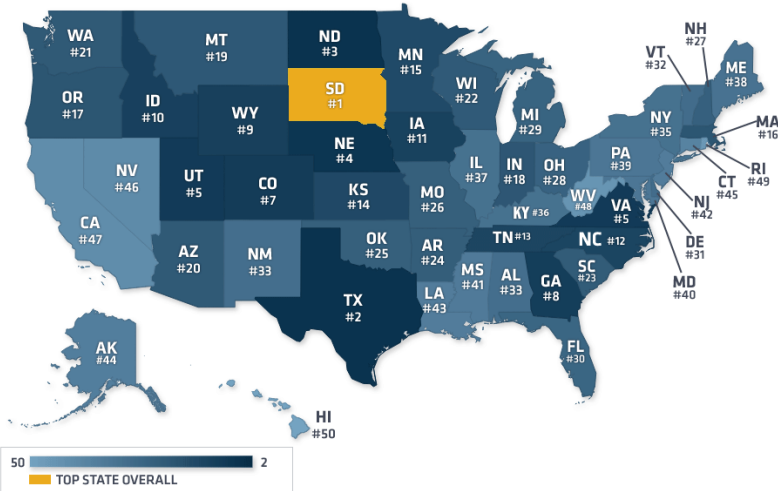
MOVING FREIGHT – MOVING THE ECONOMY



**FREIGHT
MOVEMENT
IS
“ECONOMY
IN MOTION”**



AMERICA'S TOP STATES FOR BUSINESS 2013: OVERALL RANKING



OVERALL RANKING IS BASED ON METRICS FOR THESE CATEGORIES: COST OF DOING BUSINESS, ECONOMY, INFRASTRUCTURE & TRANSPORTATION, WORKFORCE, QUALITY OF LIFE, TECHNOLOGY & INNOVATION, BUSINESS FRIENDLINESS, EDUCATION, COST OF LIVING AND ACCESS TO CAPITAL.



Kansas ranks **No. 14** in CNBC's annual Top States for Business Report. The survey ranks Kansas among Top 25 in transportation, economy and cost of living. The CNBC report analyzes all 50 states by examining 51 different measures of competitiveness, which are then grouped into 10 broad categories: cost of doing business, workforce, quality of life, economy, transportation, technology and innovation, education, business friendliness, access to capital and cost of living.

Category	Score	2013 Rank	2012 Rank
Cost of Doing Business	234	27	35
Workforce	180	17	18
Quality of Life	169	24	24
Infrastructure & Transportation	230	4	6
Economy	228	21	14
Education	86	15	21
Technology & Innovation	132	29	30
Business Friendliness	148	12	16
Cost of Living	44	7	10
Access to Capital	8	35	25
Overall	1459	14	15



ECONOMIC DIVERSITY OF THE KANSAS ECONOMY

Private Industry GDP 2007-2012 (millions of dollars)

Kansas	2007	2008	2009	2010	2011	2012
Private Industry GDP	\$103,562.00	\$106,296.00	\$103,290.00	\$107,121.00	\$114,751.00	\$118,346.00
Manufacturing	\$19,355.00	\$17,650.00	\$16,135.00	\$17,085.00	\$19,622.00	\$20,503.00
Mfg share of private GDP	18.7%	16.6%	15.6%	15.9%	17.1%	17.3%
United States						
Private Industry GDP	\$12,268,773.00	\$12,437,147.00	\$12,056,681.00	\$12,532,289.00	\$13,081,830.00	\$13,657,561.00
Manufacturing GDP	\$1,698,022.00	\$1,628,498.00	\$1,540,104.00	\$1,630,522.00	\$1,731,466.00	\$1,866,699.00
Mfg share of private GDP	13.8%	13.1%	12.8%	13.0%	13.2%	13.7%



Kansas Gross Domestic Product by Industry
2007-2012
(millions of current dollars)

Industry	2007	2008	2009	2010	2011	2012
Private Industries	\$103,562	\$106,296	\$103,290	\$107,121	\$114,751	\$118,346
Agriculture, forestry, fishing, and hunting	3,338	4,427	4,188	4,480	5,953	5,428
Mining	1,742	2,108	1,396	1,548	1,675	1,659
Utilities	2,188	2,318	2,531	2,797	3,152	2,917
Construction	4,415	4,416	4,166	4,219	4,156	4,558
Manufacturing	19,355	17,650	16,135	17,085	19,622	20,503
Durable goods	12,130	10,847	8,711	9,380	9,860	10,599
Nondurable goods	7,225	6,802	7,424	7,705	9,761	9,904
Wholesale trade	7,413	7,819	7,637	7,952	8,141	8,469
Retail trade	8,037	7,824	8,056	8,233	8,824	9,206
Transportation and warehousing*	4,277	4,584	4,391	4,556	4,960	5,309
Information	7,817	7,356	6,435	5,593	5,691	6,201
Finance and insurance	7,080	7,316	7,572	8,387	8,611	9,542
Real estate and rental and leasing	11,112	12,215	12,266	12,679	12,887	12,288
Professional and technical services	6,049	6,690	6,438	6,560	6,886	7,182
Management of companies and enterprises	1,476	1,669	1,536	1,748	1,735	1,641
Administrative and waste services	3,591	3,707	3,549	3,745	4,171	4,406
Educational services	642	721	776	776	818	853
Health care and social assistance	8,264	8,910	9,561	9,773	10,050	10,423
Arts, entertainment, and recreation	499	467	469	510	568	675
Accommodation and food services	3,122	2,984	3,047	3,216	3,457	3,700
Other services, except government	3,144	3,114	3,142	3,263	3,394	3,386
Government	17,038	18,034	18,677	19,519	20,016	20,607
Federal civilian	2,162	2,122	2,205	2,586	2,608	-
Federal military	2,854	3,165	3,456	3,814	4,084	-
State and local	12,021	12,748	13,016	13,119	13,324	-
Total	\$120,599	\$124,330	\$121,967	\$126,640	\$134,767	\$138,953

Source: U.S. Bureau of Economic Analysis, Regional Economic Accounts, http://www.bea.gov/iTable/index_regional.cfm (accessed June 6, 2013).

Data revised annually. With the exception of Manufacturing, only major industry subdivisions are shown.

Data may not sum to totals due to rounding.

* excludes Postal Service

Single dash (-) indicates not available.



Employees, Payrolls, and Firms in Kansas, by Industry, 2010 and 2011

Industry	2010			2011		
	Total Establishments	Employees Mid-March	Annual Payroll (\$1,000)	Total Establishments	Employees Mid-March	Annual Payroll (\$1,000)
Agriculture, Forestry, Fishing, and Hunting	192	701	\$22,753	193	680	\$23,320
Mining, Quarrying, and Oil and Gas Extraction	1,009	9,159	485,841	1,013	9,513	541,536
Utilities	197	6,502	512,628	230	7,354	653,229
Construction	7,064	56,149	2,553,555	6,774	54,415	2,550,355
Manufacturing	2,955	157,713	7,556,955	2,877	153,926	7,747,934
Wholesale Trade	4,432	60,985	3,097,628	4,400	60,949	3,305,811
Retail Trade	10,727	146,553	3,321,838	10,655	146,158	3,384,607
Transportation and Warehousing	2,615	45,952	1,735,761	2,579	46,089	1,739,165
Information	1,437	39,345	2,481,580	1,428	39,960	2,513,805
Finance and Insurance	5,872	59,310	3,211,300	5,854	57,248	3,404,633
Real Estate and Rental and Leasing	3,050	15,400	487,255	3,002	15,561	535,120
Professional, Scientific, and Technical Services	7,172	58,489	3,037,182	7,115	56,408	3,132,082
Management of Companies and Enterprises	567	24,835	2,003,048	552	18,666	1,677,619
Admin. and Support and Waste Mgt. and Remediation Services	3,494	70,535	2,117,325	3,447	69,203	2,114,970
Educational Services	700	19,471	487,670	711	19,584	504,964
Health Care and Social Assistance	7,751	186,820	6,871,727	7,804	189,323	7,129,655
Arts, Entertainment, and Recreation	1,018	13,841	233,285	997	13,648	234,351
Accommodation and Food Services	5,898	102,400	1,296,556	5,958	104,212	1,364,281
Other Services (except Public Administration)	7,998	52,862	1,170,201	7,883	50,341	1,173,775
Unclassified Establishments	153	138	2,215	126	185	2,732
Total	74,301	1,127,160	\$42,686,303	73,598	1,113,423	\$43,733,944

Source: U.S. Census Bureau, County Business Patterns, 2010 and 2011, <http://www.census.gov/econ/cbp/> (accessed May 10, 2013).

Excludes most government employees, railroad employees, and self-employed persons.



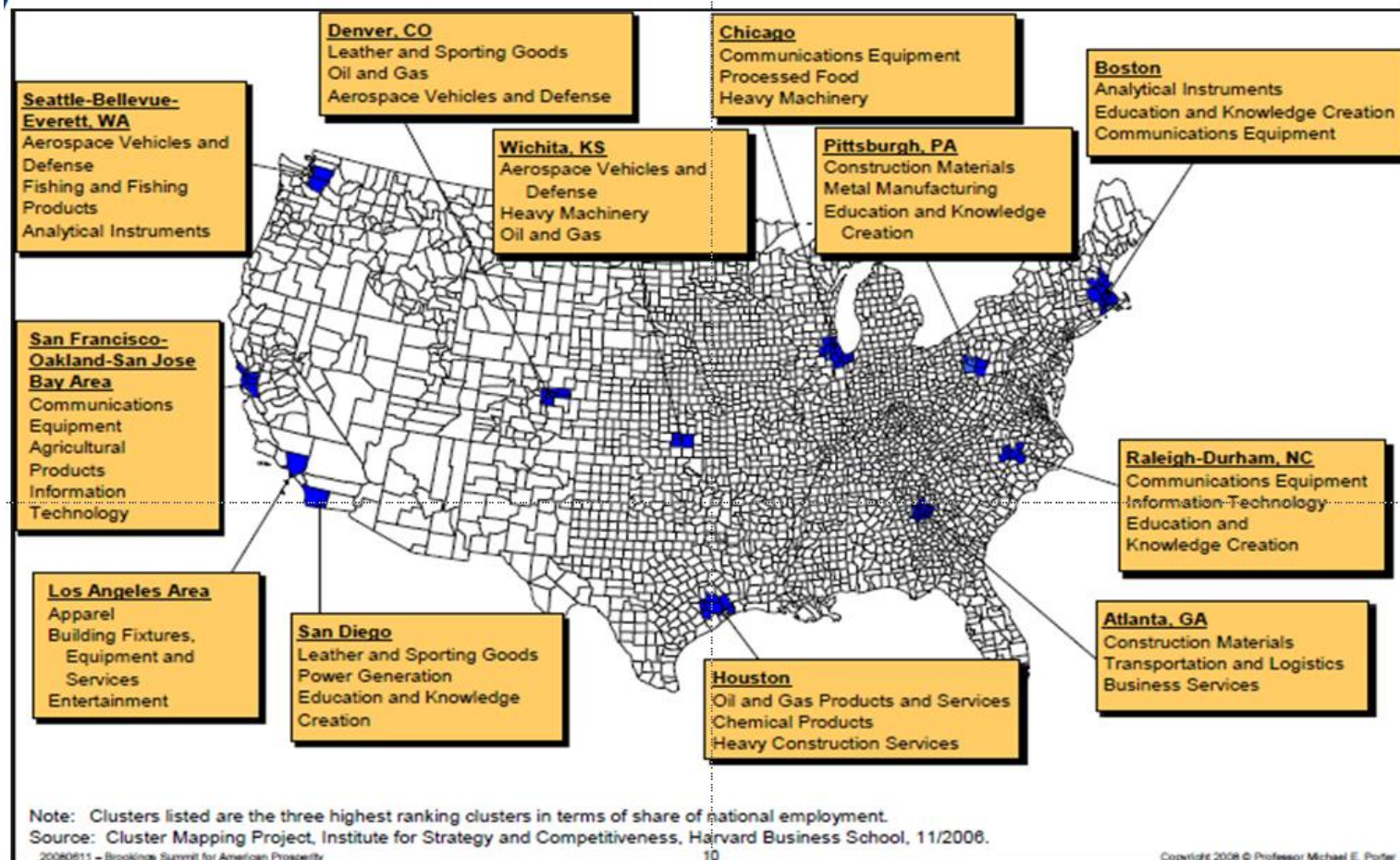
Manufacturing Industry in Kansas 2011

Industry Group	All Employees		Production Workers			Total Cost of Materials ² (\$1,000)	Total Value of Shipments ² (\$1,000)	Total Capital Expenditures (\$1,000)
	Employees ¹	Payroll (\$1,000)	Production Workers ¹	Wages (\$1,000)	Value Added (\$1,000)			
Food manufacturing	27,689	\$1,020,501	23,089	\$757,053	\$5,628,873	\$16,029,414	\$21,611,048	\$212,060
Wood product manufacturing	1,714	57,374	1,292	34,202	129,957	268,776	407,686	4,089
Paper manufacturing	1,568	81,418	1,099	49,234	173,232	365,002	537,810	16,641
Printing and related support activities	7,668	285,120	5,492	175,843	912,616	514,561	1,430,825	50,226
Petroleum and coal products manufacturing	2,069	173,413	1,449	110,796	2,597,665	10,599,149	12,761,945	417,677
Chemical manufacturing	7,115	409,691	4,718	241,599	3,653,507	2,957,758	6,551,332	191,647
Plastics and rubber products manufacturing	10,802	489,250	9,168	339,993	1,497,460	1,754,615	3,231,771	96,098
Nonmetallic mineral product manufacturing	4,819	220,084	3,611	155,195	574,577	539,189	1,108,495	54,484
Primary metal manufacturing	1,760	86,546	1,359	59,020	259,769	363,604	613,250	18,558
Fabricated metal product manufacturing	14,247	637,675	9,954	392,642	1,676,098	1,644,619	3,287,889	107,326
Machinery manufacturing	16,701	838,685	11,342	436,356	2,675,767	3,249,011	5,874,982	208,669
Computer and electronic product manufacturing	6,722	423,152	2,277	100,293	1,456,044	2,015,673	3,493,837	40,157
Electrical equipment, appliance, and component manufacturing	3,532	171,089	2,576	118,927	633,302	600,567	1,221,127	28,073
Transportation equipment manufacturing	36,112	2,456,331	24,288	1,489,538	8,875,911	11,859,511	20,527,721	1,031,795
Furniture and related product manufacturing	2,361	81,332	1,728	51,298	243,318	169,704	416,301	8,099
Miscellaneous manufacturing	4,018	142,647	2,835	78,856	330,421	240,546	577,069	7,732
Total Manufacturing	150,994	\$7,645,023	107,759	\$4,627,577	\$31,533,500	\$53,584,744	\$84,277,270	\$2,499,926

Source: U.S. Census Bureau, *Annual Survey of Manufactures, Geographic Area Statistics: 2011*, AM1031AS101, <http://www.census.gov/manufacturing/asm/> (accessed March 12, 2013).

¹ All employees data are the average number of production workers (full- and part-time) plus other employees for the payroll period that includes March 12. The number of production workers is the average for the payroll periods including the 12th of March, June, September, and December.

² Aggregate of total cost of material and total value of shipments includes extensive duplication, since products of some industries are used as materials of others.



Wichita, KS Metro Area

Why Manufacturing Matters

Manufacturing provides high-wage jobs and is a critical part of the economic base in many metropolitan areas. More metropolitan areas specialize in manufacturing today than 30 years ago.

Specialization in Manufacturing

Specialization in 1980:

1.51

In 1980, manufacturing's percentage of Wichita's total employment was 1.51 times its percentage nationwide.

Specialization in 2010:

2.1

In 2010, manufacturing's percentage of Wichita's total employment was 2.1 times its percentage nationwide.

Manufacturing specialization groups:

MACHINERY BELT



These metro areas have a high degree of specialization in machinery and generally specialize in leather, primary metals, fabricated metal products, and motor vehicles and parts.

Manufacturing Jobs in Wichita (national values in parentheses)

Manufacturing jobs:

52,384 RANK 38
(11,499,905)

Change in manufacturing jobs, 2000 to 2010:

-28.3% RANK 29
(-33.2%)

Percent of manufacturing jobs classified as "very high-tech":

64.1% RANK 3
(16.1%)

Manufacturing jobs as percent of all jobs:

17.8% RANK 1
(8.5%)

Change in manufacturing jobs, Q1 2010 to Q4 2011:

-2.0% RANK 85
(2.7%)

Percent of manufacturing jobs classified as "moderately high-tech":

12.7% RANK 75
(18.6%)

Number of employees, average manufacturing plant (2009):

70.7 RANK 16
(39.9)

Top three manufacturing industries in Wichita, by their share of all manufacturing jobs:

Aerospace

58.7%

Machinery

9.0%

Fabricated Metals

6.5%

Average Manufacturing Wages

■ WICHITA ■ U.S. AVERAGE

Very high-tech manufacturing

\$69,623 (RANK: 55)

Moderately high-tech manufacturing

\$63,517 (RANK: 61)

All manufacturing

\$64,160 (RANK: 32)

All jobs

\$41,984 (RANK: 73)

\$0 20k 40k 60k 80k 100k

For More Information

Report:

brookings.edu/usmfg

Interactive:

brookings.edu/usmfginteractive

Email and Twitter:

rharvey@brookings.edu

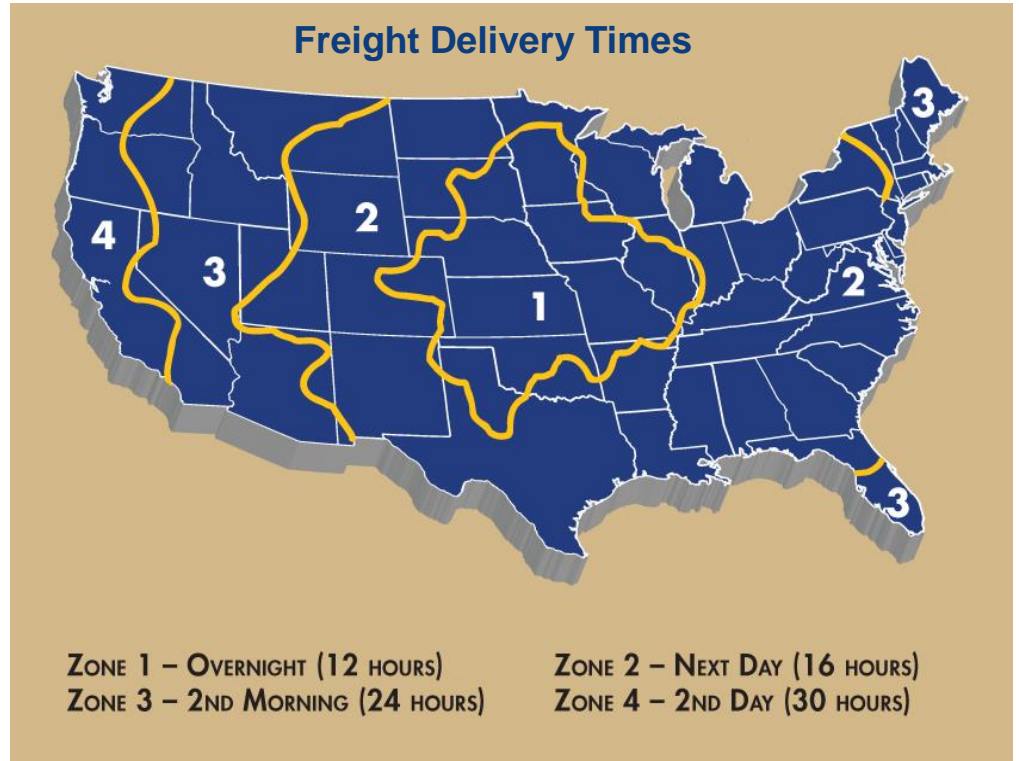
@BrookingsMetro

#usmfg

Data notes and sources:

Ranks are out of top 100 metro areas. Brookings analysis of Moody's Analytics data; see full report for details. Data from 2010 unless otherwise noted.

KANSAS – A HUB OF FREIGHT ACCESSIBILITY

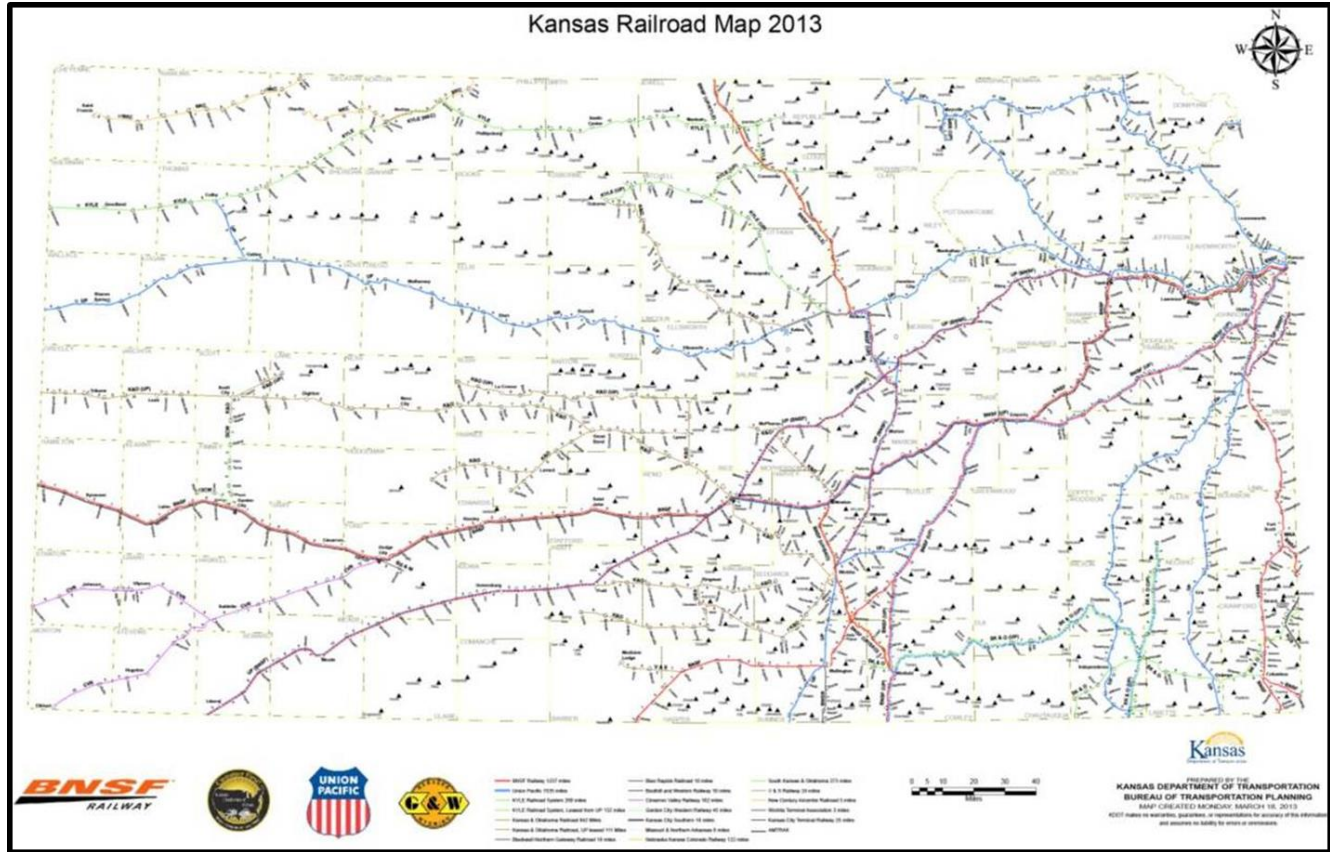




RAIL IN-TRANSIT SHIPPING TIMES TO MAJOR CITIES FROM KANSAS

Atlanta	5 Days
Boston	6 Days
Chicago	2 Days
Cleveland	5 Days
Dallas	3 Days
Denver	2 Days
Detroit	5 Days
Kansas City	1 Day
Los Angeles	5 Days
Memphis	3 Days
New York	7 Days
Omaha	2 Days
Oklahoma City	2 Days
Philadelphia	6 Days
Phoenix	3 Days
St. Louis	2 Days
Seattle	5 Days

KANSAS RAILROAD MAP





KANSAS RAILROAD MILEAGE

Class I Carriers	Main Line Owned	Lines Leased to Class III	Miles Operated
BNSF	1,237		1,237
Union Pacific	1,800	265	1,535
Kansas City Southern	18		18
Norfolk Southern			
Class I Total	3,055	265	

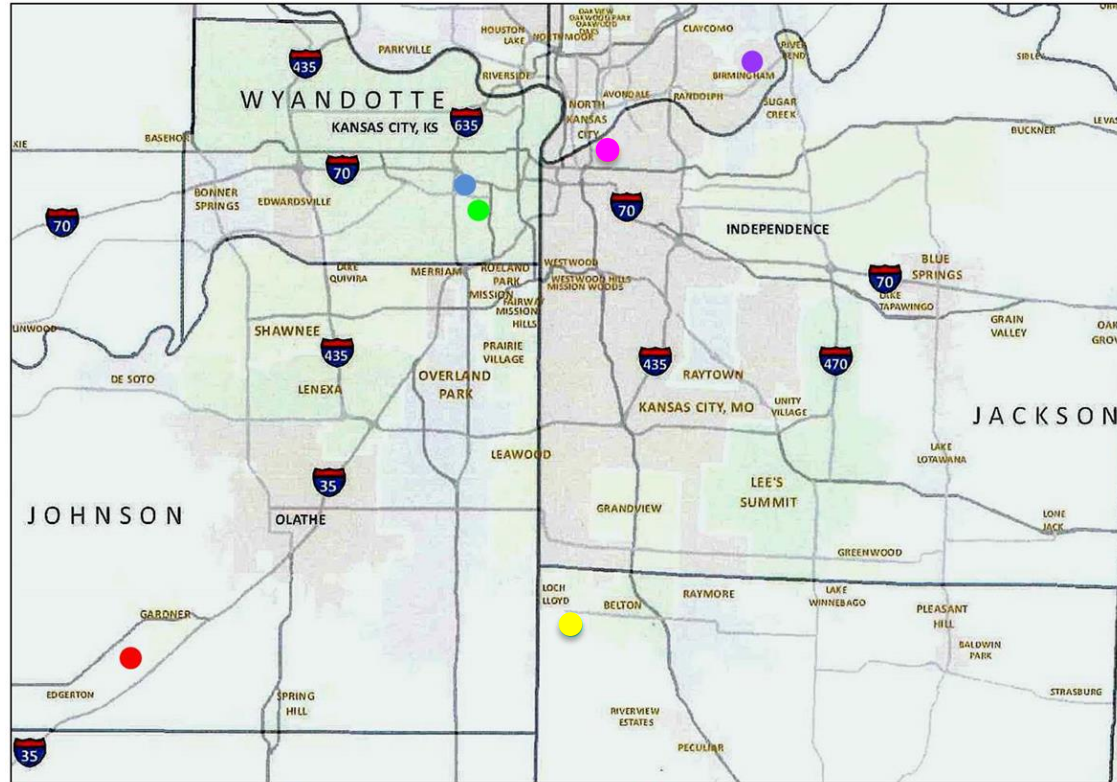
Kansas Ranks 6th in the nation
in number of rail miles

Kansas Short Line Railroads
account for 1,931 miles - 40% -
of all rail line owned and
operated in Kansas.

Class III Carriers (Short Line)	Main Line Owned	Lines Leased from Class I	Miles Operated
Blackwell Northern Gateway Railroad	18		18
Blue Rapids Railroad	10		10
Boothill and Western Railroad	10		10
Cimarron Valley Railroad	183		183
Garden City Western Railroad	45		45
Kansas & Oklahoma Railroad	642	111	753
KYLE	271	146	417
Missouri & Northern Arkansas		8	8
Nebraska Kansas Colorado Railroad	122		122
South Kansas & Oklahoma	305		305
V & S Railway	25		25
Switching and Terminal Carriers			
Kansas City Terminal (Switching service by KAW River Railroad)	27		27
New Century AirCenter Railway	5		5
Wichita Terminal Association	3		3
Mileage Totals			
Class III Total	1,666	265	1,931
Class I + Class III Total	4,721	265	4,721

RAILROAD INTERMODAL FACILITIES

Metro Kansas City Area

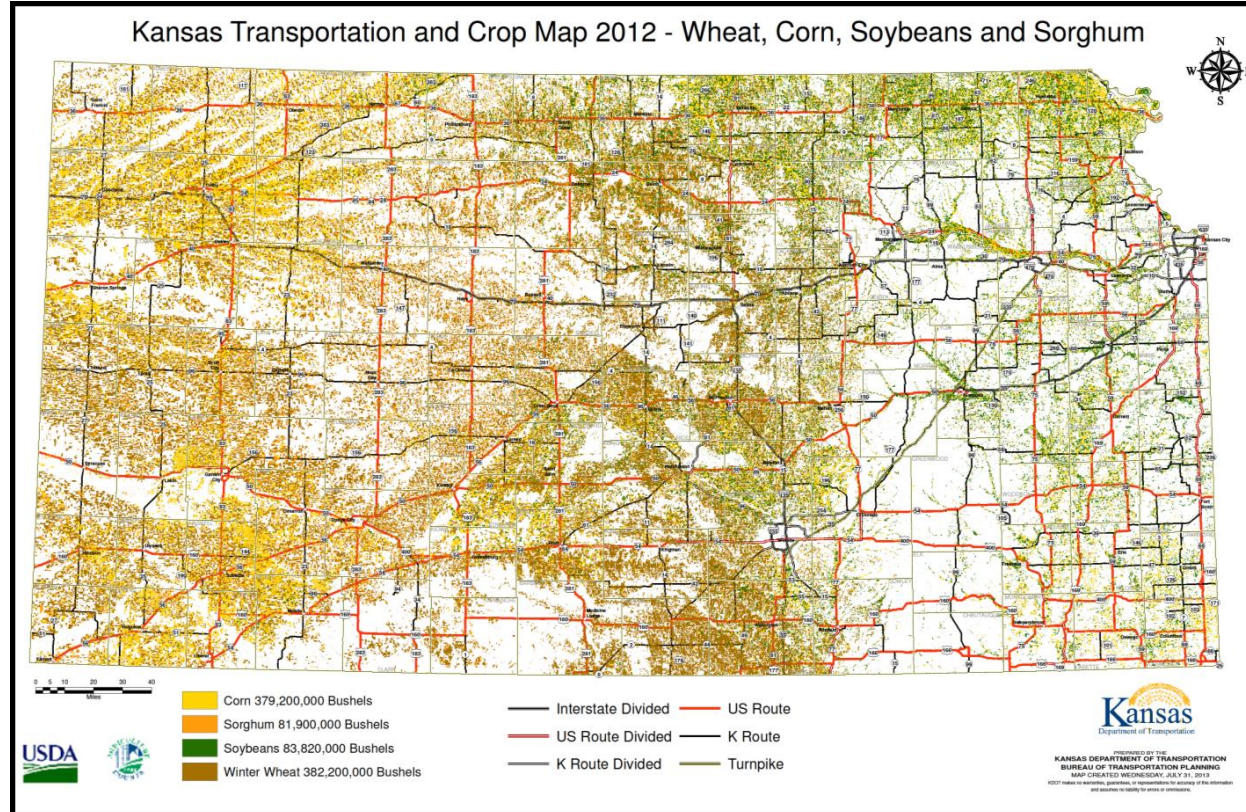


- BNSF KCIMF (KS)
- Union Pacific Armourdale Yard (KS)
- CenterPoint Logistic Center – Kansas City Southern (MO)
- BNSF Argentine Yard (KS)
- Union Pacific Neff Yard (MO)
- Norfolk Southern Intermodal Facility (MO)



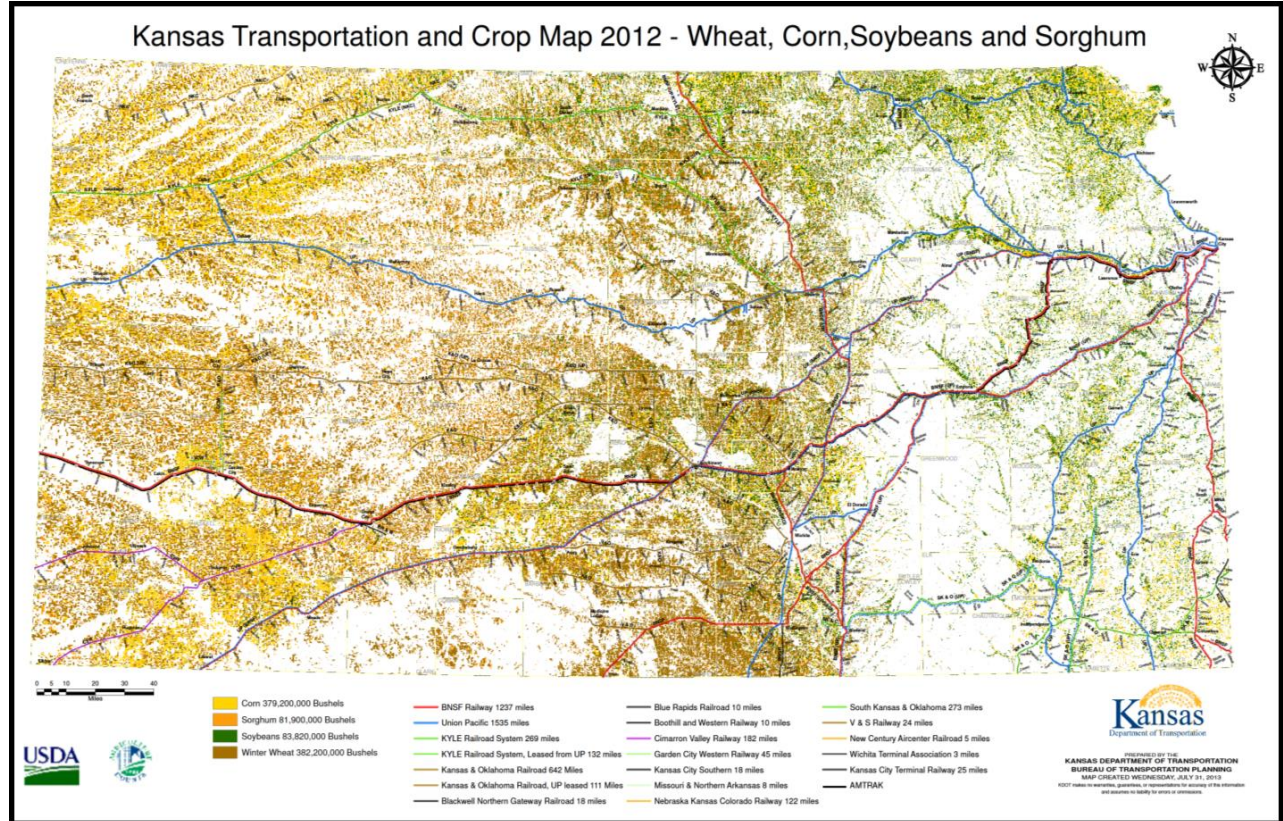
KANSAS TRANSPORTATION AND CROP MAP

Highways

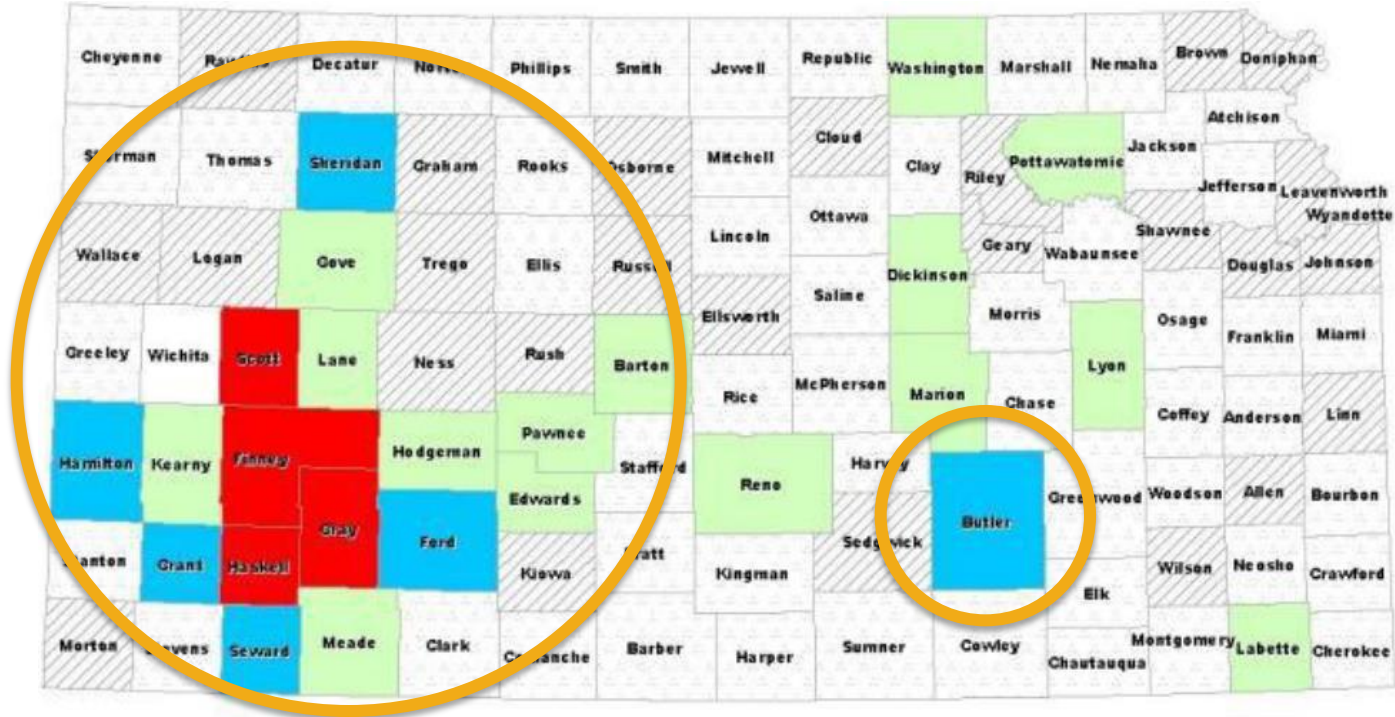


KANSAS TRANSPORTATION AND CROP MAP

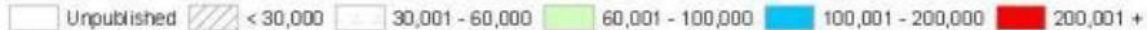
Railroads



2012 KANSAS ALL CATTLE



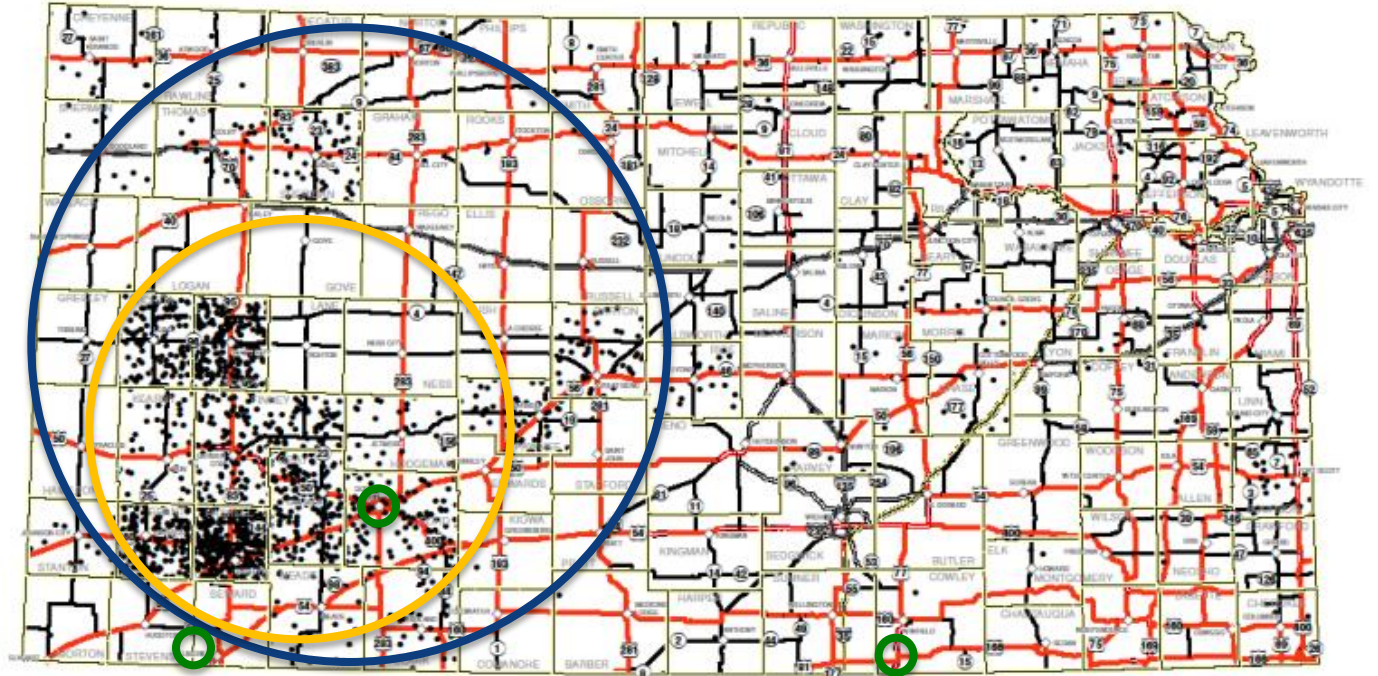
Number of Head



KANSAS CATTLE AND TRANSPORTATION

Highways

2012 Livestock and Transportation



prepared by the
 KANSAS DEPARTMENT OF TRANSPORTATION
 BUREAU OF TRANSPORTATION PLANNING
 KDOT makes no warranties, guarantees, or representations for accuracy of this information
 and assumes no liability for errors or omissions.

2012 Cattle on Feed
 1 Dot = 1,000 head

DataSource
 USDA, NASS, Kansas Field Office
 Kansas Farm Facts 2012

WATERWAYS



Source: USACE Institute for Water Resources

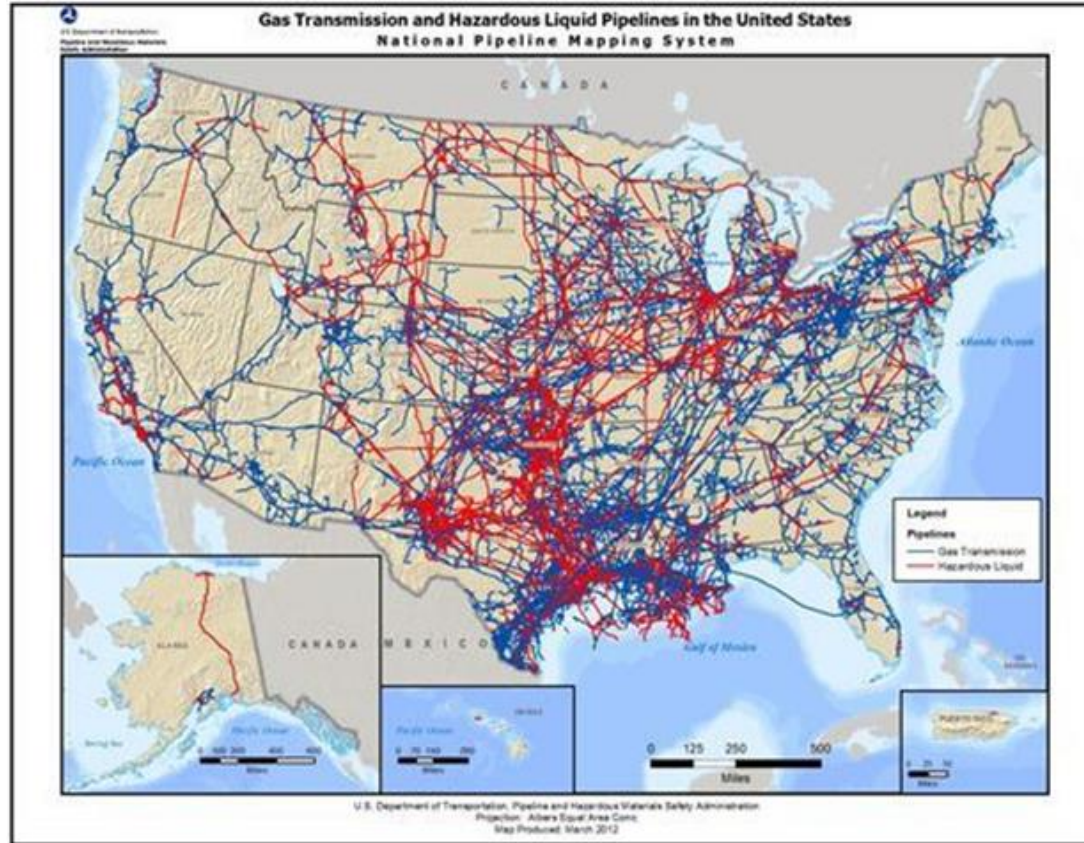
Inland Waterway Connection: Linking the Heartland to the Coasts

Port of Catoosa, OK: International access is via the McClellan-Kerr Arkansas River Navigational System, which flows south into the Mississippi River and continues to the Gulf of Mexico.



Gulf of Mexico

PIPELINES



BREAK OUT SESSION

Kansas Multimodal Freight System SWOT Discussion

- **Strengths**
- **Weaknesses**
- **Opportunities**
- **Threats**

Emerging Industry Needs

- **Emerging and Growing Kansas Industries**
- **Multimodal Transportation Needs of These Industries**

Freight Corridors of Significance – Base Criteria

- **Railroads**
 - **Class I; Short Line**
 - **Commodity Type Outbound/Inbound Destination Through Traffic**
 - **Other**
- **Highways**
 - **Type of Route (Interstate, U.S., K, KTA)**
 - **Commodity Type**
 - **OSOW**
 - **Destination**



BREAKOUT SESSION REPORTS

PER ASPERA

Kansas Freight Advisory Committee



Review and Wrap-up

KFAC Website –
<http://www.ksdot.org/BurRail/rail/KFAC.asp>

Next Meeting: Wednesday, May 21
Salina – Courtyard by Marriott

