



# Annual Report 2025

## State of Freight

Minnesota Freight Advisory Committee

[dot.state.mn.us/ofrw/mfac](https://dot.state.mn.us/ofrw/mfac)





# Freight Expertise

MFAC's membership roster includes broad representation from the public and private sectors. The committee also serves as a conduit for other freight industry and business contacts.

## MFAC Executive Committee (as of December 2025)



**Jason Craig**  
(Chair)  
Director of Governmental Affairs, C.H. Robinson



**Bentley Graves**  
(Vice Chair)  
Director, Health Care & Transportation Policy, Minnesota Chamber of Commerce



**Margaret Donahoe**  
Executive Director, The Minnesota Transportation Alliance



**Jay Hietpas**  
Metro District Program Delivery Office Director, MnDOT



**Torey Hunkus**  
Director, Office of Freight and Commercial Vehicle Operations, MnDOT



**Joanna Jungels**  
Permit Manager, ATS Transportation



**Kathryn Sarnecki**  
Senior Vice President of Development, Saint Paul Port Authority



**Lydia Underdahl**  
Executive Director of Public Affairs for Wisconsin and Minnesota, BNSF Railway



**Mark Wegner**  
President, Minnesota Regional Railroads Association

## MFAC Members (as of December 2025)

- **Wesley Arentson**, President, Council of Supply Chain Management Professionals (MPLS/STP)
- **Kevin Beardsley**, Executive Director, Duluth Seaway Port Authority
- **Michael Bowman**, Assistant Director, Public Works, White Earth Nation, and member, Advocacy Council for Tribal Transportation
- **Ron Chicka**, Metropolitan Interstate Council Director, Greater Minnesota Metropolitan Planning Organizations
- **Ron Dvorak**, Marketing Director, Lake Superior Warehousing Co., Inc.
- **Steve Elmer**, Planning Analyst, Metropolitan Council, Twin Cities' Area Metropolitan Planning Organization
- **Tim Finseth**, Transportation Planning Director, Northwest Regional Development Commission
- **Jason Grev**, Director, Government Affairs, Enbridge, Inc.
- **Greg Handwerk**, Vice President of Fleet Operations, Bay and Bay Transportation
- **John Hausladen**, President, Minnesota Trucking Association
- **Nicholas Katich**, Minnesota Legislative Director, UTU-SMART-TD (Sheet Metal, Air, Rail, and Transit Union)
- **Laura Lemke**, Executive Director, Minnesota Grain and Feed Association
- **Marc Liu**, Chief Revenue Officer, Civilized Cycles
- **Larry Lloyd**, AVP of Government Affairs, CPKC Railroad
- **Ann Lynch**, Interagency Railroad Director, Governor's Council on Rail
- **Wendall Meyer**, Division Administrator, Federal Highway Administration
- **Dan Murray**, Senior Vice President, American Transportation Research Institute
- **Lee Nelson**, President, Upper River Services, LLC
- **Libby Ogard**, President, Prime Focus, and Representative, Coalition for America's Gateways and Trade Corridors
- **Brian Peters**, Director, Air Service Development, Metropolitan Airports Commission
- **Brenda Rivera**, Director of Contract Compliance, Progressive Rail, Inc.
- **Kyle Shelton**, Director, Center for Transportation Studies, University of Minnesota
- **John Tompkins**, Consultant
- **Tracie Walter**, President, Bemidji Aviation Services
- **Neal Young**, Economic Analysis Director, Minnesota Department of Employment and Economic Development
- **Robert Zak**, Captain, Commercial Vehicle Section, Minnesota State Patrol

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**Carissa Frandrup**, MFAC Program Coordinator, Center for Transportation Studies, University of Minnesota, 612-625-5608, [frand086@umn.edu](mailto:frand086@umn.edu)

On the web: [dot.state.mn.us/ofrw/mfac](http://dot.state.mn.us/ofrw/mfac)



## From the MFAC Chair

# Connecting and collaborating to support freight in the state

“Hidden in plain sight.” Spoken by a member at the 2025 Freight and Logistics Symposium, these four words aptly apply to the freight industry. While the pandemic raised awareness of freight’s value, it still remains an invisible entity for most people. Yet without a healthy freight system, the movement of goods and overall economy falter.

The Minnesota Freight Advisory Committee (MFAC) offers a platform to raise the visibility and voice of all freight transportation modes in the state. In 2025, we did so in a powerful way by sending a letter to the state’s federal legislative delegation that outlines our freight priorities for the upcoming federal transportation reauthorization bill. This bill will set national policy, priorities, and funding for infrastructure and safety for five to six years.

In June, members shared their thoughts for priorities at a roundtable session and settled on language for the letter (see page 6). Unique among other state freight advisory committees (FACs), this outreach represents a big step forward for MFAC, and we hope it inspires other state FACs to do the same.

MFAC also helped raise the visibility of freight by contributing to a series of events hosted by the Center for Transportation Studies (CTS) at the University of Minnesota. A “Freight 101” series covered the basics of Minnesota’s freight modes. An October “Transportation Synergies” workshop brought together experts at moving people and moving goods to explore common ground. In September, private- and public-sector leaders focused on cargo theft and fraud in a facilitated discussion followed by a public roundtable (see page 13).

At our meetings and in other ways, MFAC continues to tackle important issues, whether that means looking at tariffs and their implications for freight (see story on page 2) or learning more about sustainability initiatives (see page 12). MFAC also supports the development of new technologies to better our industry, such as the Freight Network Optimization Tool (see page 9).

These activities are in large part possible as a result of the partnership that MFAC receives from MnDOT and from CTS. On behalf of our members, I’d like to thank Andrew Andrusko and Jack Johansen from MnDOT and Gina Baas and Carissa Frandrup from CTS for many valuable and much-appreciated insights and contributions.

I would like to acknowledge, with gratitude, Deb DeLuca, former executive director of the Duluth Seaway Port Authority, as past chair. Deb’s dedication and leadership helped MFAC grow in all the right ways. We wish her all the best in retirement.

We also very much appreciate the commitment and support of MnDOT Commissioner Nancy Daubenberger, including her participation in our meetings, updates on important topics, and investment of time and attention to our concerns.

Finally, we continue to be grateful for all our members who devote their time and talents to helping ensure that the state benefits from a robust freight system. As we move forward, we will continue to ensure that our membership reflects the many aspects of freight. MFAC recognizes the value of our members’ efforts and we aim to share that knowledge to help the freight network grow even stronger.

—Jason Craig, Chair, Minnesota Freight Advisory Committee



Supports State Freight Plan  
Freight Action Agenda

Throughout this report, items related to the State Freight Plan Freight Action Agenda will be denoted with this symbol and the action items supported.

[dot.state.mn.us/planning/freightplan](https://dot.state.mn.us/planning/freightplan)





Supports State Freight Plan  
Freight Action Agenda  
#2: Freight Education & Advocacy



## Tariffs and Freight: A Complex Relationship

*MFAC takes a closer look at the evolving tariff situation and its implications*

In March 2025, the U.S. began instituting tariffs on goods coming from countries such as China, Canada, and Mexico as well as on specific goods, such as copper and lumber.

That same month at their quarterly meeting, MFAC members turned to a panel for insights on the changes and their implications. Jason Craig, MFAC chair and director of government affairs for C.H. Robinson, Dan Glessing, president of the Minnesota Farm Bureau, and Laurence Reszetar, deputy director of the Minnesota Trade Office, explored the different aspects of the then-emerging tariff changes.

Tariffs have been part of American trade policy for years, said Craig, who highlighted multiple trade acts and sections, including section 338 from the Tariff Act of 1930, that grant the President authority to establish tariffs in certain circumstances. The more expansive use of the 2025 tariffs supports policy goals to gain an economic and security edge over China and bring strategic manufacturing back to the U.S., he said.

“Those goals are universal regardless of the administration, but what feels like a chaotic implementation of the tariffs is really just a public discussion of the tactical implementation of the overarching strategy,” Craig said. “The industry is struggling with the difference between what’s part of the policy discussion and what’s part of the policy implementation.”

For the freight and logistics industry, the changes in discussion and tariff decisions require consideration of

impacts and scenario planning for those possible policy changes, he added.

“Because there are so many different tariffs on different products, different companies are taking many different stances,” he said. “It depends on the industry, and it depends on which tariff, which country, which commodity, and their reaction to it. It’s very complicated.”

The tariffs make it challenging, particularly for small and midsized businesses in Minnesota, Reszetar said. A business importing loads valued at \$20,000 from a country with a 25 percent tariff adds \$5,000 to the cost. Businesses can try to absorb that cost until it’s no longer possible to do so.

When it comes to exports, Canada leads the way as a number one exporter for Minnesota businesses, with Mexico as number two, and China as number three. “Reciprocal tariffs really start to chill activity within the markets for companies looking to export and who are focused on just trying to deliver quality products or goods and generate revenue from it,” he said.

The tariffs have also interrupted the seasonal nature of freight, when demand increases with holidays and other events, and injected uncertainty into the supply chain, Craig said.

“I think for Minnesota the biggest ramification has probably been the retaliation on the export side and the impact that has had on our agriculture sector, and exports in general, because we are a big export state.”

# Adaptations at Work

*Since new tariffs have taken effect, supply chains have been busy adapting*

## Careful planning and sourcing

Companies are closely paying attention to the national conversations and policy discussions. C.H. Robinson is helping customers both scenario plan for possibilities if policy discussions become reality and implement the latest change. "There's a lot more scenario planning being done than in previous years for sure," Craig said.

Another shift underway involves looking closely at sourcing hierarchy, which guides companies importing into the U.S. through tiers of options based on their needs and risk tolerance. "Sourcing hierarchies aren't one-size-fits-all," Craig said. "This isn't a quick fix or something you can accomplish in a few days. It's a strategic realignment aimed at building more agile, resilient supply chains for the long haul."

One simplified version shows how goods may flow, each with advantages and disadvantages:



- **China:** Importing has historically offered advantages, but rising tariffs and other concerns may prompt diversification.
- **China-adjacent countries:** Vietnam, Thailand, and Malaysia provide an alternative, but infrastructure, capacity, and lead times can vary significantly.
- **Friendshoring:** Sourcing from politically aligned countries may lead to stable trade relations but also may require additional logistics and compliance support.
- **Nearshoring:** Importing from Mexico, Canada, or Latin America can reduce transit times and transportation risk but also may demand a supply chain redesign and requalification of suppliers.
- **Reshoring:** Returning manufacturing to the U.S. gives proximity and more control but typically involves higher initial costs and long-term investments in workforce and automation.

## Custom brokerage woes

With the complexity of tariffs, custom brokerage now plays a crucial role as a competitive advantage in the supply chain. Custom brokers are the licensed professionals responsible for properly classifying items and collecting duty on behalf of the government.

"Each entry is taking longer, and the analysis is taking longer, and you have more work with the same workforce and a pipeline that's not easily filled," Craig said. "There's definitely a capacity crisis in customs brokerage."

## Trucking challenges

Tariffs are putting more pressure on an industry that has spent almost three years in an industry recession, said Dan Murray, senior vice president for the American Transportation Research Institute.

"The Trump administration was trying to level the playing field in terms of trade agreements," Murray said. At the same time, efforts are underway to move manufacturing facilities back to America. Because it takes many years to establish those facilities, the tariffs tend to hit harder in the short term as costs rise, he said.

“Tariff cost impacts on imports are immediate, but reshoring widget production in the U.S. is a long-term investment since manufacturing infrastructure takes years to create. So the time disconnect is creating a lot of pain points, not just for trucking but also for consumers,” Murray said.

In November 2025, a 25 percent tariff also was added on imported trucks and parts. This new tariff may not necessarily prove a significant challenge because of several large U.S.-based trucking manufacturers. The big challenge for truck manufacturers is the administrative effort to determine whether the thousands of parts in a truck are foreign or domestic.

Despite tariffs, rising operational costs, and fleet closures and bankruptcies, Murray remains optimistic that conditions for the industry will improve in 2026 with a strong holiday season and increasing consumer confidence. “The trend lines indicate some improvement,” he said.

## Rail and trade policy

The decision to impose tariffs on steel, aluminum, and lumber products and on goods from Mexico that fell outside of the United States-Mexico-Canada Agreement (USMCA) attracted the attention of the rail industry.

According to the Association of American Railroads, 40 percent of freight rail traffic is tied to international trade, moving key goods such as grain and autos. Trade-related shipments accounted for \$29.8 billion in rail revenue and 37 percent of Class I railroad earnings. Those statistics help explain why the association opposes tariffs that raise costs and limit access to global markets.

As Managing Director of Business Development and Transload for CPKC, Eric Goodman has been looking carefully at the tariff situation. CPKC resulted from a 2023 merger between Canadian Pacific and Kansas City Southern. The merger marked a milestone by creating the first single-line railway connecting Canada, the U.S., and Mexico.

“Our network is strong,” he said. “We continue to invest in it. We know that a lot of growth is going to eventually have to flow south into our network.”



## In the air

At Minneapolis–St. Paul International Airport (MSP), freight moves primarily through cargo-only aircraft operators and, to a lesser degree, through the belly of passenger aircraft.

“Tariff uncertainty and fluctuating percentage rates have disrupted the global air cargo industry, with the industry reexamining route structures particularly within the U.S.-Asia corridor,” said Brian Peters, director, air service development, Metropolitan Airports Commission (MAC). “This has not had a significant impact on MSP air cargo activity thus far, but future impact could occur as the industry implements service adjustments.”

## On the water

At the Port of Duluth–Superior, anything that affects global trade affects the port, said Kevin Beardsley, executive director of the Duluth Seaway Port Authority.

“But in the case of tariffs, it’s too early to tell whether we’re seeing causation, correlation, or coincidence,” he said. Many factors influence supply chain trends, making it difficult to pinpoint the impact of any single factor.

“What we can say with certainty, however, is that U.S. and Canadian ports along the Great Lakes–St. Lawrence Seaway System are highly interconnected, and we’re tracking declines in 2025 tonnage and revenue due to changes in U.S.-Canadian relations,” Beardsley said.

The struggles that face soybean, corn, and wheat farmers as a result of tariffs are impacting river shipping, said Kathryn Sarnecki, senior vice president of development at the Saint Paul Port Authority. China, the largest importer of U.S. corn and soybeans, continues to source more soybeans from Brazil and other grains from South America, and is building a Chinese mega port in Peru for direct shipping access from South America’s west coast.



“Farmers are no strangers to uncertainty [of] the weather and crop growing,” Sarnecki said. “But not having a market to sell these products has hurt the farmers and the shippers that load and unload grain on the Mississippi River.”

The largest single barge commodity by tonnage, grain moves long distances by barge to reduce overall shipping costs.

“Less grain moving on our inland waterways system means there is no longer a high demand for empty barges going downstream. This makes the cost of our imports to this region more expensive, since they may not be a backhaul to split the cost,” she said.

## The Soybean Story

As a farmer and representative of farmers, Dan Glessing hopes for greater certainty when it comes to tariffs that impact Minnesota farmers, such as those who grow soybeans and send product to other countries.

“When you drive by a field of soybeans, 6 out of 10 rows need to be exported out of this country,” said Glessing, president of the Minnesota Farm Bureau, at the March MFAC meeting. “China is by far the biggest buyer of our beans.”

The second-largest crop in the U.S.—and in 2024, the country’s largest agricultural export—soybeans accounted for 14 percent of all U.S. farm goods sent overseas, according to the U.S. Department of Agriculture. Here’s a quick look at how soybeans have become vital for Minnesota’s farmers:

- **1973:** Passage of the Farm Bill helps accelerate American’s rise in soybean production by encouraging more production across key crops.
- **1977:** China imports U.S. soybeans for the first time.
- **1970–1979:** U.S. soybean acreage expands by nearly 40 percent.
- **2000s–2010s:** China accounts for 50–60 percent of all U.S. soybean exports.
- **2018:** China imposes a 25 percent tariff on American soybeans in retaliation for U.S. tariffs on Chinese goods.
- **2018–2020:** Before tariffs, the U.S. ships \$12.8 billion worth of soybeans to China every year. In 2018–19, that number falls to \$4.7 billion; in 2019–2020, it’s \$5.8 billion.
- **April 2025:** China raises the soybean tariff to 34 percent.
- **January and June 2025:** U.S. soybean exports to China fall an additional 39 percent by volume.
- **January and August 2025:** China imports 72 percent of its soybeans from Brazil.
- **September 2025:** China, which normally secures 40 percent of its annual U.S. soybeans by early October, does not make a single booking.
- **November 2025:** Following a deal with the U.S., China suspends retaliatory tariffs on U.S. imports, including farm goods, but imports on soybeans face a 13% tariff.
- **December 2025:** President Trump announces a \$12 billion aid package for U.S. farmers.



Supports State Freight Plan  
Freight Action Agenda  
#2: Freight Education & Advocacy



## “A Big Step for Us”

### *Members identify and submit federal freight priorities*

When it came time to talk about federal funding needs, Tracie Walter and Brian Peters shared their aviation-related priorities, including a key one for freight and passengers: air traffic control (ATC) modernization.

“It is something that is severely lacking and really needs to be addressed,” said Walter, president of Bemidji Aviation Services. She also added pilot and mechanic training as another area for funding support. While Peters supported those aims, he also included funding for air traffic control staffing and customs and border patrol staffing.

“Our custom border protection staff is understaffed by 15 to 20 percent, and that is causing us to potentially miss out on opportunities for new international air service from a foreign airline,” said Peters, director of air service development for the Metropolitan Airports Commission.

One by one, members at the June MFAC meeting offered their thoughts about priorities for federal transportation reauthorization, which included continued infrastructure investments, streamlined permitting of infrastructure projects, traffic safety, truck parking, technology development, support for maritime freight concerns, rail short line tax credits, and a freight research program.

Also at the meeting, Jack Smyth from the Office of U.S. Senator Tina Smith and Ken Heintzeman from the Office of Representative Pete Stauber took note of members’ freight priorities. Legislators are already working on reauthorization bill language.

The current transportation funding bill, the Infrastructure Investment and Jobs Act (IIJA), expires in 2026. It allocated \$110 billion for roads and bridges, \$66 billion for passenger and freight rail, \$39 billion for public transit, \$25 billion for airports, and \$17 billion for ports and waterways.

MFAC Executive Committee members synthesized and summarized comments from the meeting, ultimately crafting a letter to Minnesota’s congressional delegation that highlights freight funding priorities for consideration as the bill begins to take shape and move forward.

The gathering of feedback for the state’s federal delegation marked a milestone for MFAC. “This is a new process for the freight advisory committee here to weigh in at the federal level with some of our priorities,” said Jason Craig, MFAC chair and director of government affairs at C.H. Robinson. “It is a big step for us.”

*“Our custom border protection staff is understaffed by 15 to 20 percent, and that is causing us to potentially miss out on opportunities for new international air service from a foreign airline.”*

— Brian Peters, Metropolitan Airports Commission

## Themes and highlights from MFAC's letter to Minnesota's U.S. Capitol delegation on freight priorities for federal transportation reauthorization

Theme	Highlights
Sustain and stabilize federal freight funding	<ul style="list-style-type: none"> <li>• Stabilize the Highway Trust Fund</li> <li>• Consider user-based revenue sources that reflect the evolving transportation economy</li> <li>• Continue or increase federal funding for freight-related programs, adjusted for inflation, across the five-year period</li> </ul>
Enhance program flexibility and streamline permitting	<ul style="list-style-type: none"> <li>• Increase flexibility in funding eligibility and delivery in federal freight programs</li> <li>• Reduce permitting burdens under NEPA and related laws</li> </ul>
Modernize multimodal freight infrastructure	<ul style="list-style-type: none"> <li>• Invest in Great Lakes maritime operations, dredging, and maintenance of navigable waterways</li> <li>• Improve border inspection facilities</li> <li>• Support projects of national and regional significance, such as the Blatnik Bridge</li> </ul>
Advance freight technology and innovation	<ul style="list-style-type: none"> <li>• Support public and private investment in innovative freight technologies such as digital twins, connected vehicles, and machine-learning applications</li> <li>• Expand research initiatives such as University Transportation Centers, regional infrastructure assistance, and technical support centers</li> <li>• Restore funding for the Cooperative Freight Research Program</li> </ul>
Address workforce development and training	<ul style="list-style-type: none"> <li>• Prioritize training, education, and workforce pipeline initiatives</li> <li>• Partner with universities and technical colleges that coordinate with the private sector for those initiatives</li> </ul>
Invest in and expand truck parking	<ul style="list-style-type: none"> <li>• Develop a dedicated standalone federal program to increase truck parking capacity, rather than solely investing in information systems</li> </ul>
Elevate cargo theft as a national priority	<ul style="list-style-type: none"> <li>• Increase law enforcement resources</li> <li>• Include provisions that increase penalties, enhance coordination, and provide resources to deter and address freight and cargo theft</li> </ul>
Preserve modal balance and avoid disruptive mandates	<ul style="list-style-type: none"> <li>• Support data-driven, performance-based policy discussions that reflect actual infrastructure impacts and uphold competitive neutrality across transportation modes</li> <li>• Avoid imposing policies that harm freight carriers' abilities to operate safely and efficiently, such as prescriptive operational mandates on freight rail or interstate trucking</li> </ul>
Strengthen the role of freight advisory committees	<ul style="list-style-type: none"> <li>• Formalize and elevate the role of state Freight Advisory Committees (FACs) in national freight policy and investment decisions</li> <li>• Consider a pilot program that allows FACs to help prioritize projects of national importance</li> </ul>
Improve clarity and integration of federal freight networks	<ul style="list-style-type: none"> <li>• Simplify and finalize the National Multimodal Freight Network</li> <li>• Align the network with state freight plans for a coherent, functional, and strategic investment and performance-measurement framework</li> </ul>



### Supports State Freight Plan Freight Action Agenda

#7: Preserve Key Rail Corridors

#13: Improve Freight  
Rail System Safety

#19: Implement Sustainable  
Freight Efforts



## On the Right Track

### *New State Rail Plan supports the health of Minnesota's rail system*

Minnesota's rail system—the nation's eighth largest—consists of Class I railroads, which operate as large, long haulers; regional railroads, which run smaller networks in limited areas; and short line, or last mile, railroads. Statistics also show the state as the fourth highest in originating and terminating rail tonnage.

The recently developed State Rail Plan intends to help keep this impressive and important mover of goods in and out of the state strong. The plan outlines a vision for rail in Minnesota, which Robert Clarksen, MnDOT freight planner, shared with MFAC members at its June meeting.

"The Minnesota rail system will provide efficient, cost-effective, and environmentally responsible transportation for the movement of goods and people to all Minnesotans while maintaining the quality of life in the communities through which it travels," he said.

While the state's almost entirely privately owned railroads regularly make investments to improve their operations, the State Rail Plan can help support railroads in a number of ways, including by better understanding railroad issues and needs and identifying potential opportunities for which public funding could make the most difference.

MnDOT administers the Minnesota Rail Service Improvement Program, which helps prevent the loss of rail service on lines potentially subject to abandonment by railroads. It also provides grants for rail infrastructure projects that support economic development, as well as no-interest loans for capital improvements, rail line rehabilitation, and rail purchase assistance.

The State Rail Plan includes an overview of Minnesota's railroad system; actions areas such as safety, system stewardship, critical connections, climate action, healthy equitable communities, and passenger rail; and action steps for each area. It covers both freight and passenger rail. MFAC members contributed to the development of the plan, which will enter its final approval phase in early 2026.

"As we think about objectives like greenhouse gas emission targets or vehicle miles traveled goals, investing in the railroad system, whether it's for freight or passenger rail, is a good opportunity to potentially achieve those goals in a meaningful manner," said Andrew Andrusko, freight and rail planning director at MnDOT.

Check out the State Rail Plan at [dot.state.mn.us/planning/railplan](https://dot.state.mn.us/planning/railplan).



### State rail facts

- Four of the nation's six Class I railroads—BNSF Railway, Canadian National Railway, Canadian Pacific Kansas City, and Union Pacific Railroad—operate **3,218** miles of rail, or **80** percent of rail miles in the state.
- Combined, two Class II regional railroads and twelve Class III or short line railroads operate the other **20** percent of rail miles in the state.
- The entire network includes **55** multimodal connectors and **4,104** miles of track.

# “FNOT”: New Source of Freight Data Modeling

*Shaping a picture of freight flows and much more in Minnesota*

A shipper wonders how much it could save by using an existing rail, barge, or intermodal facility. The operators of an existing freight facility want to estimate potential new volume that may result from an expansion or reduction. Those considering a new freight facility look to identify which one of three counties offers the optimal location for success.

There is good news for shippers, supply chain operators, planners, researchers, and a host of others in the public and private sectors who move freight or need to know where freight moves. In 2025, MnDOT launched a public pilot of its online Freight Network Optimization Tool (FNOT).

“The tool can be used in a wide variety of ways,” said Andrew Andrusko, freight and rail planning director at MnDOT, including to determine costs to ship through different modes and to understand freight volumes in regions.

Developed in collaboration with Minnesota IT Services, FNOT helps pull together data sets from different sources to offer a more complete picture of freight flows in and out of the state and its regions, as well as applying data to model specific scenarios, Andrusko said.

Recognizing the value of freight data, the Minnesota Legislature passed legislation in 2021 to develop such a freight flow tool at the state and local level, with the aim of improving transportation and supply chain efficiency, decreasing costs for moving goods, reducing supply chain bottlenecks, and providing strategic information to support economic development.

MnDOT encourages representatives from public and private organizations to try FNOT and then share their thoughts about its features, ease of operation, and other functions they would like to see incorporated. A series of

embedded video tutorials helps users make the most out of the tool’s different features.

“FNOT is available as a prototype,” Andrusko said. “It’s a work in progress. Our intent is to improve the tool with what we learn from users.”

## At your fingertips

Access the Freight Network Optimization Tool:  
[fnot.dot.state.mn.us](https://fnot.dot.state.mn.us)

*Help shape next-generation improvements through your feedback by taking the FNOT User Survey after your test drive.*

## What can FNOT help you do?

- Lower shipping costs and increase economic competitiveness
- Identify market opportunities and support projected growth
- Improve supply chain network performance and address constraints and inefficiencies
- Reduce highway congestion, emissions, and truck-related crashes while lessening road maintenance and capital expenditures
- Anticipate the impact of changes in economic conditions or of new infrastructure investments
- Model environmental and social impacts

The image shows a screenshot of the Minnesota Freight Network Optimization Tool (FNOT) web application. The interface features a dark blue sidebar with navigation options: Home, Analytics, Insights, and Resources. The main content area is titled "Minnesota Freight Network Optimization Tool" and is divided into "Analytics" and "Insights" sections. The "Analytics" section includes three cards: "Freight Flows" (Visualize freight demand for domestic and import/export commodity flows), "Benchmarks" (Explore transportation costs, equipment, and truck corridors benchmarks), and "Scenarios" (Analyze and compare your optimization scenarios and results). The "Insights" section includes three cards: "Run Scenarios" (Run what-if scenarios and generate results), "Manage Results" (Review and manage your scenario results and data), and "Analyze Scenarios" (Analyze and explore scenario results and opportunities). To the right of the screenshot is a promotional banner with a white checkmark icon, the text "Supports State Freight Plan Freight Action Agenda #3: Improved Data Collection", a QR code, and the URL [fnot.dot.state.mn.us](https://fnot.dot.state.mn.us).



## Freight, Facilities, and the Future

*Urban and regional growth takes center stage at symposium*

The 28th Annual Freight and Logistics Symposium, “Freight, Facilities, and the Future—Unpacking Innovative Land Use for Regional Growth”, was held December 12 in Minneapolis. The event featured presentations and a panel that helped unlock the complexity of planning for freight and the opportunities it brings. Brief session summaries follow.

### The Role of Freight Efficient Land-Use Planning in the Era of Climate Change

*Dr. Jose Holguin-Veras, Director of the Center for Infrastructure, Transportation, and the Environment, Rensselaer Polytechnic Institute*

*“We need to deploy holistic approaches.”*

Reducing excessive fuel consumption and harm to the environment due to freight does not fall only on the shoulders of freight. Drawing from his extensive research and case studies, Holguin-Veras argued that a collaborative approach among public and private organizations is needed to best tackle complex issues of land use, parking and loading management, and demand now and through the long term.

### Connecting Freight Infrastructure and Economic Development

*Benjamin Hart, Executive Director, Utah Inland Port Authority*

*“We need a statewide system that supports business growth, strengthens supply chains, and connects us to the world.”*

By providing tax incentives, the Utah Inland Port Authority acts as a statewide economic engine. The organization

brings together local communities, state leaders, federal partners, and private industry to help close gaps in Utah’s logistics system with rail connections, intermodal hubs, and industrial infrastructure.

### Curbside Management Policy Development

*Dillon Fried, Mobility and Curbside Manager, City of Minneapolis*

*“We wanted to build on that spirit of collaboration.”*

Thanks to a federal grant, Minneapolis launched an initiative to improve curbside management in the city through the use of improved data. The data, along with stakeholder feedback, is helping the city as it shapes its curbside management policy and curbside action work plan. Minneapolis also will benefit from funding for a stage two project on a data-driven approach across cities in partnership with Seattle.

### Minnesota’s Freight Future: Opportunities and Challenges

*Notable quotables from the panel discussion*

*Kevin Beardsley, Executive Director, Duluth Seaway Port Authority:* As the largest port by tonnage on the Great Lakes, the Port of Duluth-Superior primarily moves bulk, non-hazardous natural resources, with iron ore that propels the steel industry leading the way. Served by four Class I railroads and easy access to highways, the port operates as a multimodal logistics hub. Since 2015, the port has spent more than \$50 million on infrastructure improvements.

*“We seek flexible supply chain solutions for our regional industries to keep them competitive in the global market.”*

**Fried:** “I often tell people you can’t solve curbside management. You can just improve curbside management.”

**Eric Goodman**, *Managing Director of Business Development and Transload, CPKC:* As the first single-line railway connecting Canada, the U.S. and Mexico, CPKC continues to pursue growth. It has established a site-ready program, reviewing and classifying locations along its rail network that include turnkey and near turnkey properties for development. CPKC has been talking with several

economic development leaders in Minnesota to identify some potential locations in the state for next year’s site-ready program.

**Hart:** “It’s just incredible how dependent we are on this transportation network, and yet the public doesn’t know what’s going on. I think awareness of transportation is going to be critical to make sure this industry evolves the way it needs to.”

**Holguin-Veras:** “We need to have a public sector that is well-trained and in sufficient numbers to make a change.”

## Short takes: Updates on urban freight planning initiatives

**Statewide Freight Plan:** Implementation of the Freight Action Agenda continues with progress in the following areas:

- Freight engagement and stakeholder involvement, including expanding MFAC’s representation and planning for succession and continuity
- Minnesota Highway Freight Program solicitations, including applying the investment direction from the Statewide Freight Plan to the distribution of \$47 million in freight-related projects
- Truck parking, including kicking off an update of the 2019 truck parking study
- Development of a research project around cargo electric e-bikes
- Launch of the Freight Network Optimization Tool (see page 9) and a wayside detector study
- Participation in two federal grade crossing evaluation studies
- Data analysis and communication materials on oversized, overweight permitting

**Metro District Freight Plan:** The Metro District Freight Plan is nearing completion, with the public comment period concluding this past fall and the project team now working to finalize the document. MFAC members helped recruit candidates for the Metro District Freight Advisory Committee (MDFAC), which offered guidance during plan drafting.

The plan pulls together freight data that ranges from truck travel time reliability to crashes involving trucks to roadway condition and more in a resource for use by MnDOT during project development and planning phases of new projects. MDFAC helped identify high-priority

areas for freight needs, and the committee will remain a resource for MnDOT planning and engineering staff as they work on projects.

“All of the work allows MnDOT to scan the Twin Cities region for areas of highest priority when it comes to addressing those freight needs,” says Jack Johansen, principal freight transportation planner at MnDOT.

**Rethinking I-94 update:** MnDOT plans to open a public comment period starting in early January through early March for feedback on its four recommended approaches for improvements on the I-94 corridor between Minneapolis and St. Paul, as well as six alternatives that MnDOT recommends eliminating from further consideration.

The project aims to help enhance pedestrian and bicyclist access, overall safety, infrastructure, and mobility in the corridor. The feedback will help MnDOT narrow the list of recommendations to one as it prepares for the project’s environmental review phase, set for 2026-2029. Engagement with MFAC will continue throughout the life of the project. For more information, visit [talk.dot.state.mn.us/rethinking-i94](http://talk.dot.state.mn.us/rethinking-i94).



**Urban Freight Distribution Study: E-Commerce Trends and Implications for Urban Planning:** Commissioned by the Metropolitan Council, this 2024 study explores e-commerce trends and growth, land use trends for e-commerce warehouse and distributions centers, and curbside management best practices and research on new or emerging technologies for last-mile delivery. It concludes with policy recommendations for curbside management and the adoption of new technologies. The study’s findings will inform the Met Council’s 2050 Transportation Plan Policy. Check out the report at [metro council.org/Transportation/System/Freight/Urban-Freight-Study.aspx](http://metro council.org/Transportation/System/Freight/Urban-Freight-Study.aspx).





Supports State Freight Plan  
Freight Action Agenda  
#19: Implement Sustainable  
Freight Efforts



Flint Hills Resources Pine Bend refinery

## Forward Movement

### *Freight sustainability efforts look to decrease emissions*

In Minnesota, the transportation sector accounts for 29 percent of all greenhouse gas (GHG) emissions, followed by electricity generation and agriculture, forestry, and land use at 20 and 15 percent, respectively.

Breaking this down further, light-duty vehicles account for 44 percent of GHG, with heavy-duty vehicles at 26 percent and passenger cars at 17 percent.

Members learned more about Minnesota's emission-reduction laws at the September MFAC meeting. Legislation calls for capacity-expansion projects to assess GHG impacts and develop a plan to offset them and for emission-reduction performance targets for the transportation sector.

Amendments passed in 2023 to the Next Generation Energy Act adopted a goal to reduce GHG emissions by 30 percent in 2025 and 50 percent by 2030, with net zero emissions by 2050, said Anna Pierce, carbon reduction program coordinator for MnDOT's Office of Sustainability and Public Health. MnDOT is working to integrate emission reductions through its own work and through collaborations with freight partners who are investigating ways to reduce emissions.

"We are proactively developing a charging and refueling network to support low and zero emissions freight transportation," Pierce said. "And then we are continuing to develop a clean transportation standard. We are also looking at our own fleet at MnDOT."

Pierce encouraged MFAC members to share their experiences and challenges as they explore approaches to reduce GHG emissions. "We know that there are more ways each of you are progressing and reducing emissions, taking more sustainable operational approaches. [We] really would like to know where you are at," she said.

### Aiming high

Minnesota is playing a leading role in efforts to decarbonize aviation fuel. Part of the economic development organization, Greater MSP, the Minnesota Sustainable Aviation Fuel Hub seeks to leverage Minnesota's diverse agricultural economy to develop sustainable aviation fuel (SAF).

Currently, the amount of SAF produced today would not make a dent in the potential demand, which opens an opportunity for Minnesota to take the lead.

"Our ambition is to build a full industrial-scale value chain here in Minnesota, starting first with serving the MSP airport, [then] serving other airports in both the state and the Upper Midwest potentially," said Julie Silvis, managing director, research and intelligence, at Greater MSP. "We know we have enough feedstocks in the state for one billion gallons of SAF."

A blending facility at Flint Hills Resources Pine Bend refinery (Dakota County)—one of only two other such facilities—is scheduled to come online in 2026 to produce SAF, which would move via pipeline directly to MSP.

Making SAF requires a steady source of agricultural waste, wood waste, corn, and other product. The SAF initiative benefits from diversity in Minnesota's freight community. "Freight is something that we're starting to talk more with producers about," Silvis said. "They want rail access. They also want truck access."

# Engaged and Involved

*MFAC members shared their expertise, strengthened collaborations, and explored issues through Unpacking Freight events*

MFAC members extended the reach of freight by participating in several freight-focused events as part of the University of Minnesota's Center for Transportation Studies 2025 thematic focus, *Unpacking Freight: From Producers to Front Doors* ([cts.umn.edu/UnpackingFreight](https://cts.umn.edu/UnpackingFreight)).



## Freight 101 webinars

A series of six one-hour webinars focused on sharing information about Minnesota's freight system and freight modes, helping showcase freight's value to the state. MFAC members led the majority of the following webinars:

### **Minnesota State Freight Plan**

*Presenter:* Andrew Andrusko, Director, Freight and Railroad Planning, MnDOT

### **Maritime Freight**

*Presenters:* Deb DeLuca, former Executive Director, Duluth Seaway Port Authority, and Kathryn Sarnecki, Chief Development Officer, Saint Paul Port Authority

### **Aviation**

*Presenters:* Brian Peters, Director, Air Service Development, Metropolitan Airports Commission, and Tracie Walter, President, Bemidji Aviation Services Inc.

### **Rail**

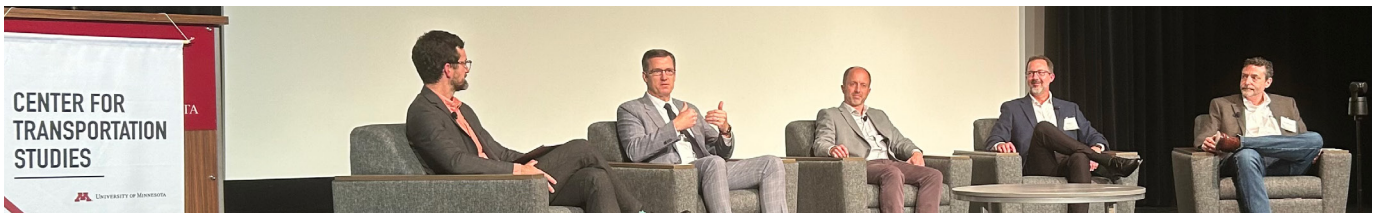
*Presenters:* Lydia Underdahl, Executive Director of Public Affairs, BNSF Railway, and Mark Wegner, President and CEO, Twin Cities and Western Railroad

### **Trucking**

*Presenters:* Sam Anderson, President, Bay and Bay Transportation, and Dan Murray, Senior Vice President, American Transportation Research Institute

### **Urban Freight Delivery and Logistics**

*Presenter:* Ari Silkey, General Manager, Amazon Freight



*(Right to left) CTS Director Kyle Shelton moderates a panel discussion on cargo theft and fraud with Will Johnson, chief special agent and assistant vice president, BNSF Railway Police Department; Ari Silkey, general manager, Amazon Freight; Matthew Minton, vice president of North American surface transportation, C.H. Robinson; and Cornell Heldenbrand, vice president of security, J.B. Hunt Transport.*



## Securing the Freight Supply Chain: Addressing Cargo Theft and Fraud

Freight fraud accounts for billions of dollars in losses and inefficiencies, jeopardizes the supply chain, and affects consumers. This workshop brought together representatives from the public and private sectors, including MFAC members, to explore the challenges and potential action areas.



## Transportation Synergies: A Cross Sector Workshop on Moving People and Goods

As part of its 2025 Unpacking Freight theme, the Center for Transportation Studies (CTS) at the University of Minnesota organized this workshop with cosponsors ICM, the Minnesota Department of Transportation, and the Minnesota Freight Advisory Committee.

During the workshop, participants broke into small

groups to discuss issues that impact both the movement of people and of goods, with the following themes emerging.

- Safety as a priority
- Design for people and freight
- Innovate, innovate, and add flexibility
- Data coordination and accountability
- Technology, of course
- Wide involvement in policy development
- Economic value of moving people and goods



# About MFAC

Established in 1998 as the first state-level freight advisory committee in the U.S., the Minnesota Freight Advisory Committee (MFAC) continues to serve as a model for other states.

A partnership between government and businesses, MFAC meets quarterly to exchange ideas and recommend policy and actions that promote a safe, reliable, and efficient freight transportation system.

MFAC plays a critical role in the continued development and implementation of the Minnesota State Freight Plan and its Freight Action Agenda, as well as regional District Freight Plans. MFAC also offers a forum for discussing freight industry trends, issues, and needs and offers input on related recommended actions, strategies, and resources.

## MFAC Strategic Plan

### Mission

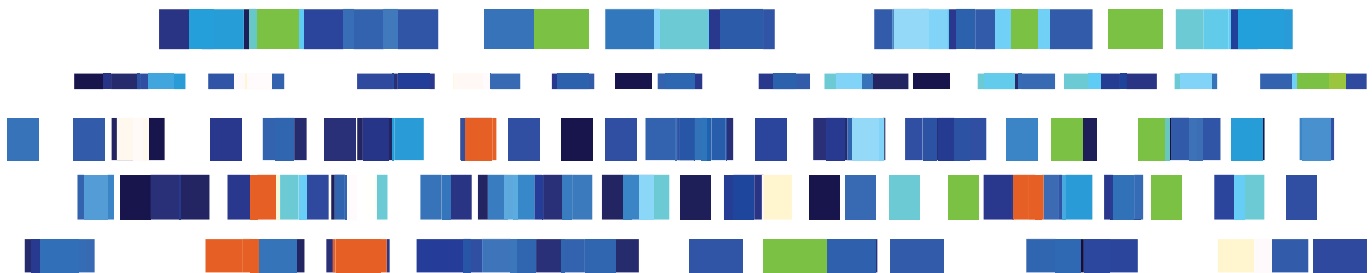
Advise MnDOT and other public agencies and officials on the performance and importance of Minnesota's freight transportation system to support the state's economic competitiveness.

### Goals

- Provide active leadership in the creation and implementation of the State Freight Plan.
- Engage agency leaders and elected and appointed officials to affect decision making on freight issues.
- Bring value to members and reflect the diversity of stakeholders that have an interest in the movement of freight into, out of, and within Minnesota.

*"My thanks to MFAC members for the input that they have provided throughout the year on so many initiatives, such as the State Rail Plan and efforts to advance rail safety, as well as their contributions to the freight-focused events this year. MnDOT values our partnership with MFAC and the opportunity to work together on ways to improve our state's essential freight system."*

— Nancy Daubenberger, MnDOT Commissioner



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