

Transportation Infrastructure

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Topics

- Who we are
- Why we are interested in transportation
- What we have done
- What we are doing and plan to do
- Discussion

Who We Are

Soybean Checkoff and Corn Checkoff



Indiana Soybean Alliance

Mission:

The Indiana Soybean Alliance proactively works to improve the viability of Indiana Soybean Farmers and Industry partners.

Vision:

The Indiana Soybean Alliance will be a leading resource for Indiana agriculture.



Indiana Corn Marketing Council

Mission:

Indiana Corn Marketing Council works to enhance the value of corn for Indiana corn farmers.

Vision:

Indiana Corn Marketing Council will be a catalyst for innovation and leadership for Indiana agriculture.





Why We Are Interested in Transportation

Simply stated – our strategic plan

ISA/ICMC work to identify restrictions that result in increased transportation costs or reduced basis for Indiana farmers.



Source: INDOT



Why...

- Deteriorating infrastructure has been widely discussed
- Funding is short and the gap continues to widen
- Our international competitors are catching up...albeit slowly
- Our international customers have taken note
- Our domestic customers have taken note
- Production is projected to increase substantially – more grain to move
- Our competitiveness absolutely depends on transportation
- The bottom-line at the farm is directly impacted by transportation



What We Have Done

Soy Transportation Coalition

- 11 state checkoffs join to form STC
- USB major funding source for national level research on transportation issues



Indiana Transportation Studies

- Since 2008 significant investment has been made to: identify problems, look at economics, and find options to address the issues



Research Studies

- Funding Indiana's Rural Transportation Infrastructure and its Impacts to Agriculture, Informa Economics, July 2012
- Indiana Bridge Infrastructure Development Update, Informa Economics, February 2012, April 2013
- Analysis of Indiana's Transportation Infrastructure, Informa Economics, October 2011
- Impacts of Higher Truck Weights on Indiana Grain Producers, Informa Economics, August 2010
- Indiana Transportation and Agricultural Infrastructure, Informa Economics, April 2009
- Indiana Infrastructure Assessment and Economic Impact Relative to Grain Movements, Biofuels, Livestock and Further Food Processing, Informa Economics, November 2008
- Indiana's County Motor Vehicle Excise Surtax and Wheel Tax, DeBoer, L and Yadavalli, A. Purdue University, Dept. of Agricultural Economics, August 2012
- Assessment for Paved and Gravel Roads, Indiana LTAP Center, Purdue University School of Civil Engineering, January 8, 2013
- Farm to Market – A Soybean's Journey from Field to Consumer, Informa Economics and Economic Development Research Group, USB, USSEC, and STC, July 2012
- Analysis of Rural Infrastructure and Remedial Recommendations for the Eleven STC Member States, Informa Economics, Soy Transportation Coalition, October 2012



Research Studies

- Bridge Study – updated twice
 - <http://www.indianasoybean.com/strategic-programs/grain-marketing/40-strategic-programs-grain/274-bridge2012>

Indiana Transportation and Agricultural Infrastructure

TIPPECANOE COUNTY

Agriculture Production - 2012

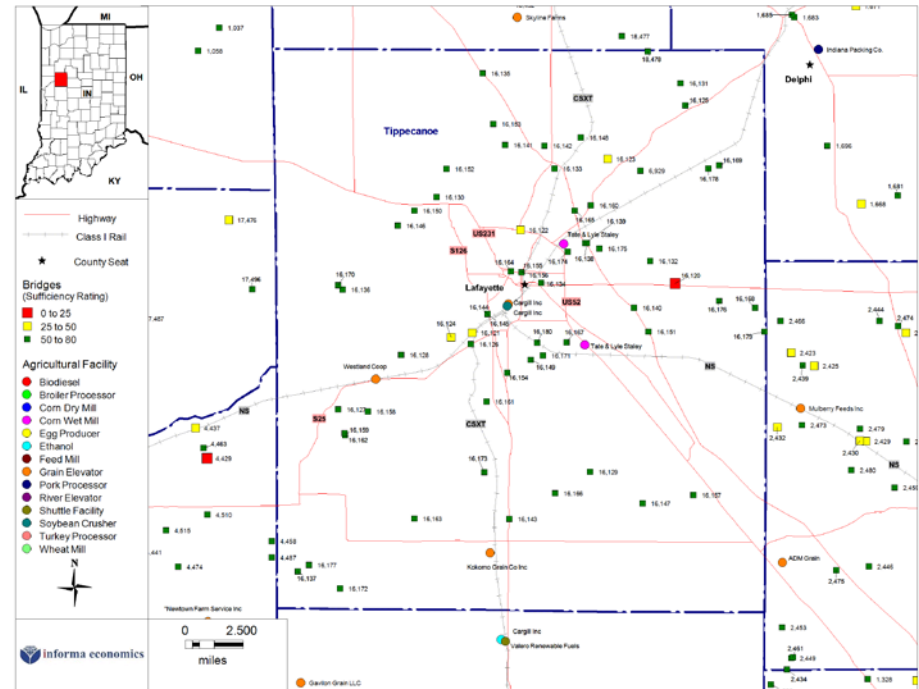
Crop Production	000 Bushels	Livestock Inventory	Head
Corn	12,050	Dairy Cows	300
Soybeans	3,304	Cattle on Feed	742
Wheat	181	Hog and Pig	57,032
Total	15,535	Broiler	NA
		Turkey	NA
		Layer	2,615

Agricultural Infrastructure: Grain Storage, Crop/Livestock Processing

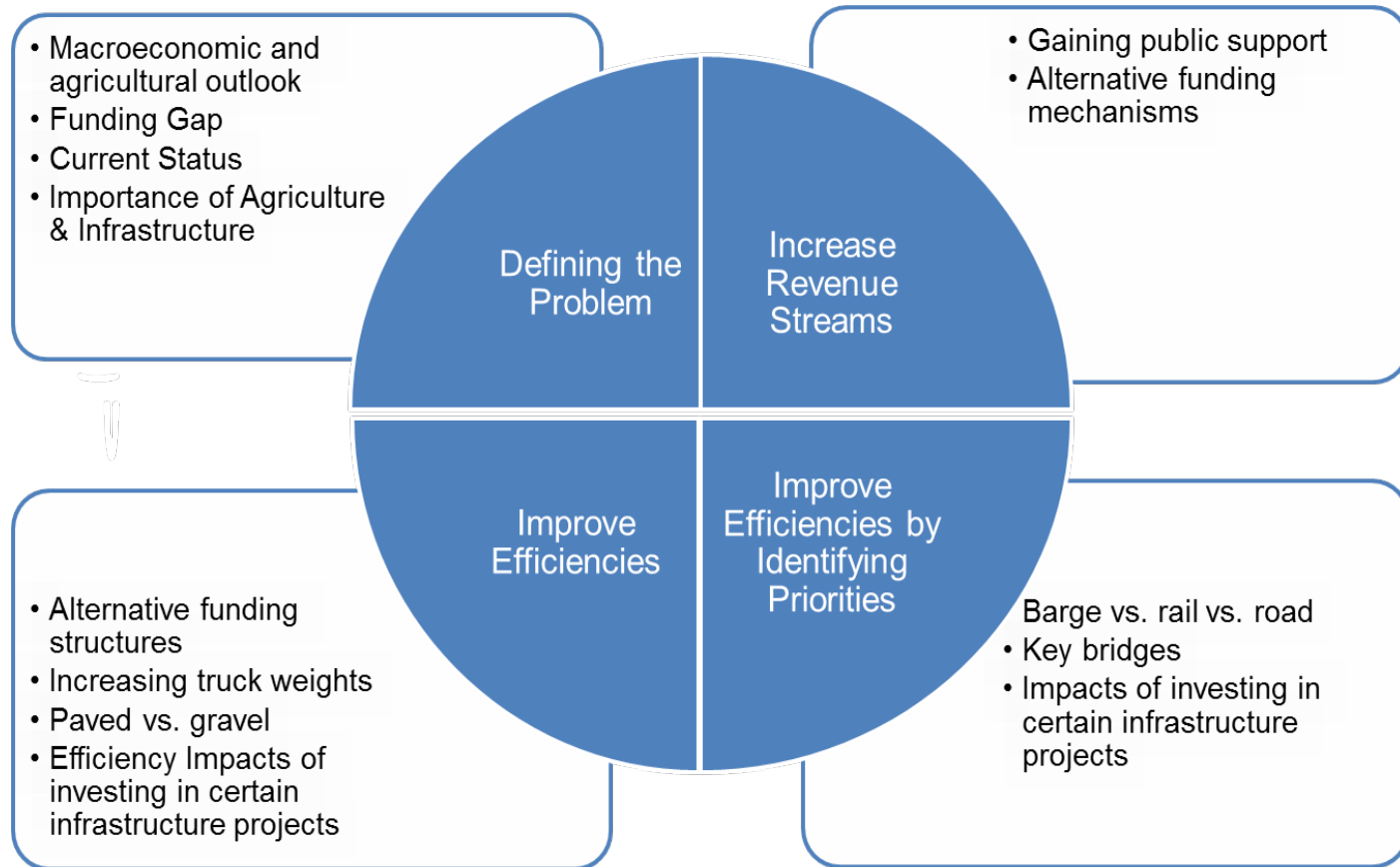
Type	Location	Scale
Corn Wet Mill	Lafayette	62 mil bu yr
Corn Wet Mill	Lafayette	26 mil bu yr
Grain Elevator	Lafayette	4,000 000 bu storage
Grain Elevator	Romney	600 000 bu storage
Grain Elevator	Lafayette	298 000 bu storage
Soybean Crusher	Lafayette	21 mil bu yr

Bridge Infrastructure: Bridge Sufficiency Ratings (SR)

Sufficiency Rating	Number	County Share	State	State Share
SR: 0-25	1	0%	409	2%
SR: 25-50	4	1%	1,260	7%
SR: 50-80	56	18%	4,264	23%
SR: 80-100	244	80%	12,859	68%
All Bridges	305	100%	18,792	100%



Key Findings Categories



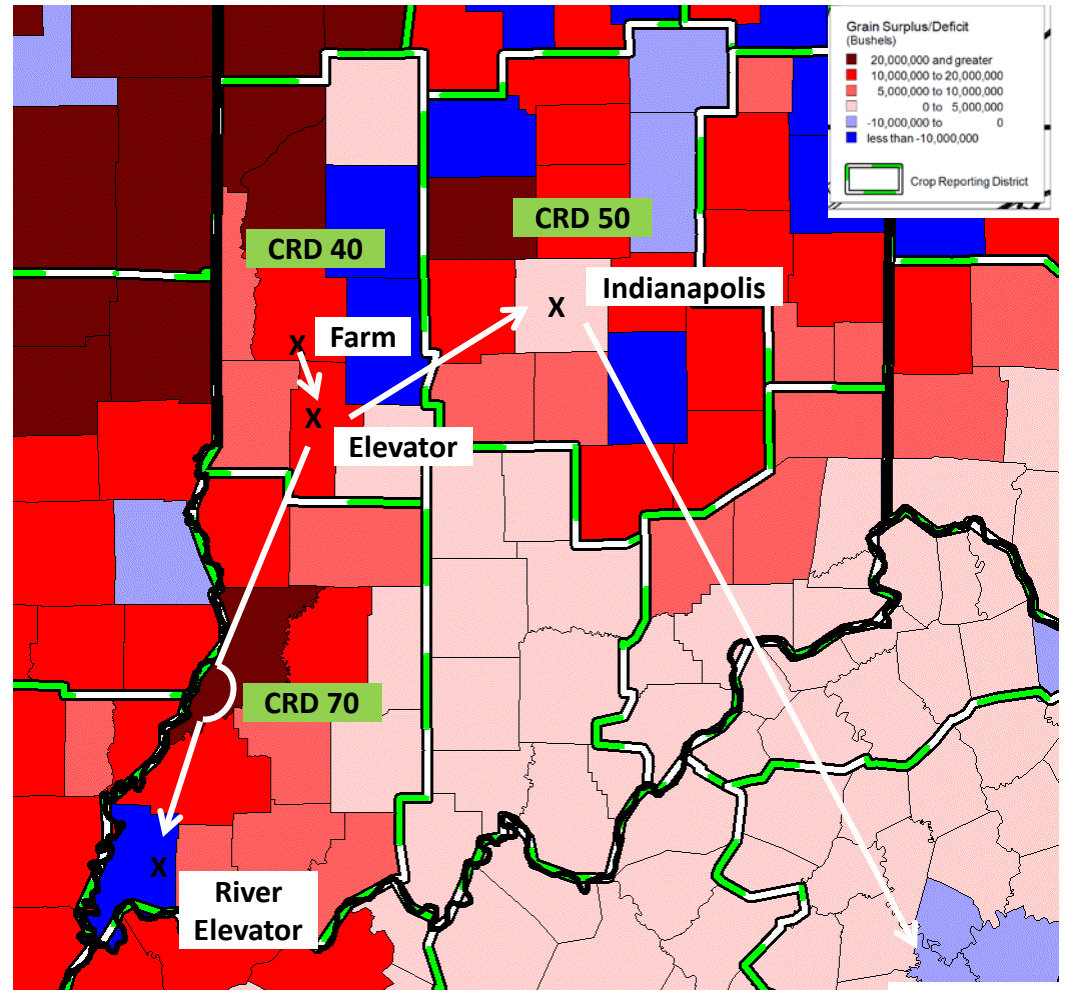
We know

Based on research conducted:

- A lock failure on the Ohio River would result in a 2 cent per bushel decrease across all of Indiana's production
- A Class I rail failure would result in a 3 cent per bushel decrease across all of Indiana's production
- A bridge failure is much more localized, but would result in a minimum of a 2 cent per bushel decrease
 - If it is an interstate bridge or requires a longer detour, the number only increases

Bridge Outage in Crop Reporting District (CRD) 70

- If a bridge were to go out along highway 41 causing a 20 mile round trip detour, an additional 7¢/bu cost is incurred to reroute around the bridge
- This additional cost makes it more economical to send more soybeans to Indianapolis
- Changes customers
- Disrupts trade



What we are doing

- Working with other industries and partners to collectively address the issues
- Public Private Partnership Pilot – Shelby County
- Encouraging Technology Adoption
- Looking at prioritization from an ag perspective



Public Private Partnership Pilot

OBJECTIVE: To have a project underway, but at the very least have a pretty clear roadmap of how to identify, prioritize, and ultimately complete PPP projects for infrastructure critical to agriculture

- Joint project with Illinois Soybean Association to leverage discovery in both states
- Working with consultants, potential projects were identified using the bridge study as well as some economic analysis of critical bridges for agriculture
- Shelby County has risen to the top due to interest, resources, project importance
 - Consultants are working with Shelby County Officials on an overpass project
 - Engagement with the private sector is now underway

Technology Adoption

Bridge Assessment Sensors – Structural Health Monitoring (SMH)

- In partnership with STC – we will be offering sensors at no cost
- <http://lifespantechnologies.com/articles>
 - South Carolina DOT has embraced the technology
 - Immediate benefits – including a \$700,000 savings on a single bridge
 - Supplements current inspection techniques



Project Prioritization

- How is it currently done?
 - Rotation?
 - Safety?
 - Economic Development?
 - Politics?
 - Comprehensive Analysis?
- We want to know what tools can we provide to assist counties in prioritization

What we have planned

- Continue to build a coalition of users
- Continue to develop our relationship with county decision makers
- More proactively engage farmers in the discussion
- Engage with the ag industry to increase their awareness of issues
- Pending board approval in September 2013 - Develop a 15 year agriculture transportation infrastructure plan



**LET'S WORK
TOGETHER.**

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