

PARTICIPANT HANDBOOK



2009 Regional Freight Conference

May 5-6, 2009

Jeffersontown, KY



KENTUCKY'S 2009 REGIONAL FREIGHT CONFERENCE

May 5 - 6, 2009



AGENDA

Day One – Tuesday – May 5, 2009

| | | | |
|------------------|---|---|--------------------------------------|
| 8:00 - 8:30 am | Registration | | E X H I B I T S |
| 8:30 - 9:00 am | Welcome Address | Clay Foreman, Jeffersontown Mayor Joe Prather, KYTC José Sepúlveda , FHWA-KY | |
| 9:00 - 10:00 am | National Perspective For All Modes and News on Authorization Bill | Tony Furst, FHWA-HQ Kate Quinn, FHWA-HQ | |
| 10:00 - 10:15 am | Morning Break | | |
| 10:15 - 10:45 am | The Corps of Engineers' Role in Ohio River Navigation <i>(basics of water transportation)</i> | Mark Hammond, COE | |
| 10:45 - 11:15 am | Inland Water Highways | Greg Pritchett Henderson Riverport | |
| 11:15 - 12:00 pm | The Global Economy and Impact of Freight on Transportation Infrastructure Needs: A Regional Perspective | Mark Policinski, OKI | |
| 12:00 - 1:00 pm | LUNCHEON SPEAKERS: Papa John's - Rising Dough - Not Rising Costs | Eric Hartman, Papa Johns | |
| 1:00 - 1:30 pm | Board Vehicles and Travel to Tour Location | | |
| 2:00 - 5:00 pm | Tour 1 Tour 2 | | |
| | McAlpine Locks and Dam Norfolk Southern Intermodal Yard | James Bruszewski, USCOE | |
| | Norfolk Southern Intermodal Yard McAlpine Locks and Dam | Chris Jeselnik, Norfolk Southern | |
| 5:00 - 5:30 pm | Travel from Tour Location and Debarck | | |
| 5:30 PM | End of Day 1 | | |

Day Two - Wednesday – May 6, 2009

| | | | | |
|------------------|---|--|--------------------------------------|------------------|
| 8:30 - 9:00 am | Vehicle Size and Weight Program | Tristan Truesdell, KVE | E X H I B I T S | |
| 9:00 - 9:30 am | Opening New Markets Through Rail Access | John Licht, Western Bluegrass Terminal Railroad | | |
| 9:30 - 10:00 am | KY Highland Investment Corporation <i>(what we do and how we can help you)</i> | Jim Carrol, KY Highlands Investment Corp | | |
| 10:00 - 10:15 am | Morning Break | | | |
| 10:15 - 10:30 am | Notify Every Truck (NET) | Jim Mallory, Northrop /Grumman Information Systems | | |
| 10:30 - 11:15 pm | Trucking Trends in Kentucky | Jamie Fiepke, KY Motor Transport Association | | |
| 11:15- 12:00 pm | Logistics at the Louisville Airport | Skip Miller, Louisville Airport | | |
| 12:00 PM | Conference Ends - Thank You For Participating! | | | |
| | | | | O P E N |

SPEAKER BIOGRAPHIES

(in order of appearance)



Clay Foreman

Mayor
Jeffersontown, KY



Mayor Foreman is a life-long, 46 year, resident of Jeffersontown

Father of two children: 16 year-old son, Lee, and 13 year old daughter, Kaylin.

He and his family have operated Foreman Funeral Home in Jeffersontown, Kentucky, since 1955.

Served on the Jeffersontown City Council for eleven (11) years before becoming Mayor on January 2, 2001

1984 Graduate of the University of Kentucky with a B.S. degree in Biology

1995 Graduate of the Mid-America College of Funeral Service

Volunteer Board Member with the Following Organizations:

- Jeffersontown Chamber of Commerce
- Greater Louisville Sports Commission
- KIPDA
- Kentucky League of Cities
- Jefferson County League of Cities

Joe Prather

Secretary
Kentucky Transportation Cabinet



Joe Prather was appointed by Governor Steve Beshear as Secretary of the Kentucky Transportation Cabinet in December 2007. Prather oversees operations for maintaining and improving a transportation infrastructure that includes 27,000 miles of roads, 244 licensed airports and heliports and 33 public transportation systems. The cabinet also oversees the registration of 3 million licensed drivers and 4 million vehicles annually.

Prather's long record of public service began in 1967, when he was elected to the first of three terms in the Kentucky House. He was elected to the Kentucky Senate in 1973, serving as president pro tempore from 1976 through 1986. Prather returned to state government service as secretary of the Finance and Administration Cabinet under Governor Brereton Jones.

Prather also has a history of business and civic involvement in his native Hardin County, where he has been a banker, Realtor, auctioneer and business owner. He has served as president of the Elizabethtown-Hardin County Chamber of Commerce, the Hardin County Board of Realtors and the Fort Knox/Daniel Boone chapter of the Association of the United States Army. He is a former chairman of the Elizabethtown-Hardin County Industrial Foundation, a member of the University of Louisville Board of Overseers and a former member of the boards of Hospice of Central Kentucky and the Louisville Branch of the Federal Reserve Bank of St. Louis.



José M. Sepúlveda

Division Administrator

Federal Highway Administration – Kentucky Division

Mr. Sepulveda has been the Administrator of the Kentucky Division of the Federal Highway Administration (FHWA) since March 2000. He directs a multi-disciplinary staff which administers the nearly \$600 million Federal-aid highway program in Kentucky. Under his leadership, the Division also provides technical and programmatic support to the Kentucky Transportation Cabinet and other public agencies in Kentucky. Prior to his current assignment, he was the Division Administrator in Puerto Rico.

As Division Administrator, Mr. Sepulveda has provided strong leadership and fostered successful partnerships that helped Kentucky become a national leader in transportation context sensitive solutions, environmental stewardship, strategic safety planning, and efficient program management. Because of his leadership contributions, major and significant projects have been implemented in Kentucky. Among these are; completing Paris Pike, widening I-75, reconstructing I-64, and constructing critical Appalachia projects along US Routes 119 and 430. His partnering skills were instrumental in the development and approval of major environmental documents for critical transportation projects such as the Louisville Ohio River Bridges and the Land Between the Lakes.

He joined the Federal Highway Administration in 1980 as a highway engineer in the former Region 15 Direct Federal Programs office where he held technical and supervisory assignments. While there, he had prominent roles in the development of landmark projects on the Natchez Trace and the Blue Ridge Parkways.

From 1988 to 1991, Mr. Sepulveda was a safety engineer in the FHWA Office of Safety and Traffic Operations where he helped develop national policy and guidance for the implementation of various highway safety programs. From 1991 to 1993, he was the Special Assistant to the FHWA Region 5 Regional Administrator and became the Regional Emergency Transportation Representative responsible for planning and implementing emergency transportation initiatives in support of national security.

He was the Technology Advancement engineer in the Wisconsin Division from 1993 to 1995 and led a team of engineers in implementing new transportation technologies. Mr. Sepulveda fostered partnerships with the transportation department, industry, and academia that led to the implementation of cutting-edge SuperPAVE pavement technologies in Wisconsin. From 1995 to 1997, he was the Assistant Division Administrator in Puerto Rico and was the Territorial Representative to the Virgin Islands. While at this post, he worked closely with the Governor of the Virgin Islands to enhance the delivery of the Federal-aid program in the Territory. He successfully led FHWA's emergency response and recovery efforts in the Virgin Island and Puerto Rico after several major hurricanes devastated the islands.

In 1997, he was appointed Administrator of the Puerto Rico Division where he worked closely with the Secretary of Transportation and the Executive Director of the Highway Authority to implement innovative financing strategies that leveraged over \$100 million in additional funding for the implementation of critical transportation projects in Puerto Rico.

Mr. Sepulveda is a 1980 graduate of the University of Puerto Rico, Mayaguez Campus, where he received a Bachelors in Science on Civil Engineering. He is a Registered Professional Engineer and has received numerous FHWA performance and honor awards including twice receiving the FHWA Administrator Superior Achievement Award.

Tony Furst

Director

FHWA Office of Freight Management and Operations



On August 25, 2003, Tony Furst became Director, Office of Freight Management and Operations. He directs a multi-level staff, which develops freight policy for the Federal Highway Administration (FHWA); provides data analysis and decision-support tools for transportation professionals evaluating freight projects; develops and promulgates professional capacity building programs and training for freight professionals; provides the truck size and weight program guidance and interpretation; and evaluates and promotes freight technology development for national and international deployment.

Tony joined the U.S. Department of Transportation in 1986 when he received his commission as a Coast Guard officer. He held numerous marine safety and environmental protection positions throughout the Coast Guard and retired in June 2000 after serving his last 3 years as the Chief, Vessel Compliance Division at U.S. Coast Guard Headquarters.

After Coast Guard retirement and prior to joining the FHWA, he held a range of positions in the Department of Transportation with the Maritime Administration as a program coordinator, the Office of the Secretary of Transportation's Office of Intermodalism as a regional coordinator for intermodal projects in the Northeastern States and California, and the Transportation Security Administration as the Branch Chief of the Maritime Infrastructure Security Branch in the Maritime and Land Security Directorate.

Tony is a graduate of Florida State University and received his M.B.A. from the University of Washington.

He has received numerous performance and honor awards including the Meritorious Service Medal, three Commendation Medals, and four Achievement Medals.

Kate Quinn

Team Leader

FHWA Office of Freight Management and Operations



Currently Kate works for the FHWA Office of Freight Management and Operations as the Freight Program Delivery Team leader. The team is responsible for the Freight Professional Development Program, various programs in SAFETEA-LU focusing on freight, and select research projects. She formerly served as the Assistant Division Administrator in the Indiana FHWA Division Office. Kate has worked for the FHWA since 1992 in a number of different capacities including environment, real estate, statewide and metropolitan planning, freight, and management. She has been in four different states as well as New York City.

Prior to working for FHWA Kate worked for the Pennsylvania Department of Transportation and served as a senior manager for transportation projects in the private sector.

Kate grew up in Philadelphia and has a BA and Masters Degrees in Anthropology.

Mark R. Hammond

Regional Economist
U.S. Army Corps of Engineers



Mark R. Hammond is a regional economist with the Huntington District US Army Corps of Engineers. He has a bachelor's degree from Akron University and a master's degree from Ohio University and has 20 years experience in navigation economics with the Great Lakes and Ohio River Division's Navigation Planning Center.

As a planner, Mr. Hammond has worked on economic development studies and navigation systems analysis for the Ohio River System, Great Lakes and St. Lawrence Seaway and Panama Canal.



Greg Pritchett

Executive Director
Henderson Riverport Authority

Mr. Pritchett is a native of Henderson Kentucky. He is the Executive Director of the Henderson County Riverport Authority and has served in this capacity since 2004. He is also chairman of the Kentucky Riverport Association.

Currently, Mr. Pritchett serves on the Inland Waterway Committee for the national Transportation Board (Academy of Sciences).

Mr. Pritchett has a history of community and business involvement. He is a former member of the Henderson City and County Planning Commission, the Henderson County Board of Zoning Adjustments, the Rotary club and the Riverbend Academy.

Mr. Pritchett is married and has two children.

Mark Policinski

Executive Director
OKI Regional Council of Governments



Mr. Mark R. Policinski joined the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) as executive director in November 2003. Prior to starting with OKI, Mr. Policinski held senior level positions in the private sector including chief executive officer of the Brown Publishing Company and vice president of The CoStar Group.

Before moving to Cincinnati, Mr. Policinski worked in Washington D.C. as a senior economist for The Joint Economic Committee on Capitol Hill where he was an advisor to members of Congress regarding economic matters. His work on incentive-based changes in the tax code helped usher in a major shift in the economic policy of the United States. He also served as the associate deputy secretary with the U.S. Department of Commerce under President Ronald Reagan. In this position, he was a senior manager of the U.S. Department of Commerce's \$2 billion budget and 35,000 employees.

He also served on the Ohio Governor's 21st Century Transportation Task Force in 2008.

He is a graduate of Indiana University where he earned a Bachelor of Science in Education with concentrations in political science and economics. Mr. Policinski also earned a Masters in Economics from Western Kentucky University.

OKI is a council of local governments, business organizations and community groups with a board consisting of 117 people of which 65 are elected officials. OKI is federally mandated and funnels about \$40 million in transportation funds to construction and planning projects throughout its eight-county, three-state region.

Eric Hartman

Senior Director of Logistics
Papa Johns



Eric Hartman has been with Papa John's since 2006. He joined Papa John's as the Senior Director of Logistics. During his tenure at Papa John's, he has overseen the creation of an Inbound Logistics group, implemented a Transportation Management Solution, and is responsible for all Inbound and Outbound Logistics for Papa John's.

Previously, Eric worked with a Fortune 50 Retailer and spent 10 years with a global 3PL provider.

Tristan Truesdell

Commercial Vehicle Enforcement
Kentucky State Police



Officer Truesdell is currently assigned to the Commercial Vehicle Enforcement (CVE) Programs section of the Kentucky State Police which is part of the Kentucky Justice Cabinet. The CVE Programs section has three main areas of responsibility: data entry, compliance review, and the "New Entrant Program". The data entry group is responsible for compiling data from all inspections; the compliance review group makes site visits and reviews documentation required by federal regulation. (i.e. driver applications, driver histories, maintenance files, hours of service records, etc.) They also field complaints for improper operation and crash reviews after a fatality or serious crash. The "New Entrant Program" group provides an educational contact for each company after they begin operations. They provide information about what documentation is required and how to fill out the forms. Officer Truesdell serves as the Technical Officer for the CVE Programs section, and is responsible for answering questions from the public concerning laws and regulations for commercial vehicles.

In addition to his primary duties, Tristan Truesdell is a Certified Law Enforcement instructor through KLEC (Kentucky Law Enforcement Council). He is also certified to teach North American Standard (a Federal course by which all inspectors throughout the United States are taught to inspect commercial vehicles).

Mr. Truesdell began his career immediately after graduation from the Police Academy Class #242. His first position was with the Mason County Sheriff's Office in 1995. He joined Kentucky Vehicle Enforcement in 1997, as an inspector at the Kenton county weigh station. In 1998 he was promoted to officer. He continued to work in the Northern Kentucky area for about 6 1/2 years before going to work for CVE.

John Licht

Owner

Western Bluegrass Terminal Railroad



Mr. Licht is the owner of the Western Bluegrass Terminal Railroad (WBTR). WBTR operates as a Private Public Partnership (PPP) with the City of Madisonville, Kentucky. WBTR leases, operates, maintains and most importantly markets the 2.75 mile municipal railroad. WBTR restored rail service and created a western Kentucky multi-modal freight complex. The terminal created a new trans-load terminal, where truck loaded commodities are consolidated into freight cars. It is international, as the terminal handles freight cars to and from both Canada and Mexico. The terminal has been able to: upgrade its track from "exempt" to Class I, install the new trans-load facility, add a new grade crossing, and upgrade switches without any cost to the city.

After his four year Navy enlistment, Mr. Licht financed his academic degree as a Journeyman Freight Car Inspector – Repairman for Penn Central and Consolidated Rail Corporation (Conrail). During this period, he was also Chairman for Transportation Workers Union 2003. He represented the union during the Railroad Reorganization period that created Conrail.

Some of his professional assignments include:

- Quality Control Representative, Richmond Tank Car Manufacturing, Inc. Houston, Texas
- Transportation Manager, Texas Instruments, Houston, Texas
- Distribution Center and Fleet Manager, Ralston Purina Foodmaker Division, Houston, Texas
- National Marketing Manager, Derby Tank Car Company, Ekron, Kentucky
- LITX Rail Equipment Marketing Corporation, Nashville, Tennessee
- TYES Computer System Trainer, Norfolk Southern, Atlanta, Georgia
- Commercial Property Infrastructure Director, The Port Group, Indianapolis, Indiana
- Department of Labor, Supply Chain Management Instructor, Morganfield, Kentucky
- His training background includes a Transportation Management Degree from Indiana University's School of Business. Some continuing education and professional training include:
- University of Wisconsin, Madison, Wisconsin, Transportation Marketing and Sales Course
- University of Tennessee, Knoxville, Tennessee, Railroad Track & Roadbed Course.
- University of Wisconsin, Madison, Wisconsin, Transportation Marketing Management
- AAR (American Association of American Railroads) UMLER - Universal Machine Language Equipment Register Course, Washington, DC
- University of Wisconsin, Madison, Wisconsin, Freight Services Pricing Course
- Military Sealift Command School, Naval Supply Center, Oakland, California
- Federal Express Hazardous Material School, Memphis, Tennessee
- Import and Export Procedures, University of Houston, Houston, Texas
- Naval Control of Shipping Course, Naval Base Norfolk, Norfolk, Virginia
- Additional continuing professional and business training courses

Mr. Licht is active in commerce, industrial and economic communities including:

- Former Fort Knox – Meade County Industrial Development Authority Director
- Association of American Railroad Private Car Owner, LITX
- Port of Evansville Propeller Club
- Warehouse Education Research Council
- Kentucky Railroad Association
- Western Kentucky Coal Association
- GRADD – Green River Area Development District Transportation Representative
- Indiana Railroad Transportation Group
- U.S. 231 Coalition
- Chambers of Commerce
- Indiana University Kelly School of Business, Alumni Association
- University of Louisville "Kentucky Industrial Materials Exchange"
- Kentucky Forest Industry Association

James “Jim” Carroll

Director of Entrepreneurial Growth
Kentucky Highland Investment Corporation



Contact Information:

606.260.0830
jcarroll@KHIC.org

Personal:

London, KY
Married (Amy), 2 Children
BSBA, University of Louisville

Industry Experience:

2007 to Present – Rivermine, Louisville, KY, EVP Global Wireless Services
1997 to 2007 – BBR Wireless Management, Louisville, KY, President & CEO
1994 to 1996 – TDS Telecommunications, Minneapolis and Austin, TX, Director of Operations
1991 to 1994 – Bellsouth Cellular, Indianapolis, Project Manager, Major Accounts Manager
1984 to 1991 – PacTel Paging, Louisville, KY, Area Manager

Speaking Engagements and Published Articles

Published in industry publications such as Mobile Enterprise and EWeek.
Quoted in industry publications such as Wireless Week, RCRWireless and IT World
Featured Speaker, Information Systems Audit and Control Association
Featured Speaker, Telecom Agent Channel Partners Conference, Miami and Las Vegas
Featured Speaker, Business Improvement Seminar for Bottom Line Impact, Inc., Kentucky
Featured Speaker, Information Technology Exchange Conference, Kentucky
Featured Speaker, National Entrepreneur Conference, San Francisco
Featured Speaker, Technology 2020, Knoxville
Featured Speaker, Society of Retired Executives, Kentucky

Commentary:

Jim spent much of his career in the telecommunications industry holding senior sales and operations positions with Fortune 500 companies such as PacTel, BellSouth, and TDS. Ten years ago, Jim founded BBR Wireless Management, an internet-based service company that helped businesses make better decisions on wireless services that would also help them decrease the costs of these services. BBR helped hundreds of clients save millions of dollars. Clients included Ryder, United Airlines, and Bridgestone. Jim played an integral role in the merger of BBR with wireline TEM industry leader Rivermine. The combined company is recognized by industry analysts as one of the key players in the Telecommunications Expense Management space, and is a global partner with IBM and Accenture in providing TEM services to their clients. Jim now serves as the Director for Entrepreneurial Growth at Kentucky Highlands Investment Corporation and is dedicated to sharing his formulas for success with other business owners.

Jim Mallory

Northrop/Grumman Information Systems



Mr. Mallory is employed by Northrop/Grumman Information Systems, and works in the TRIMARC program, which is an Intelligent Transportation System project of the Kentucky Transportation Cabinet.

Mr. Mallory is a retired Police Officer from the Louisville Division of Police. He is a graduate of the Traffic Institute, Northwestern University, in Evanston Illinois, where he studied traffic accident investigation and reconstruction, traffic engineering and several accredited law classes. Mr. Mallory attended the Southern Police Institute and the University of Louisville, as well as the National Crime Prevention Institute.

Mr. Mallory worked in the Traffic Bureau in accident investigation and enforcement. He was recognized as an accident reconstructionist and as an expert witness in accident reconstruction. He later served in the Planning and Research unit, where he conducted staff studies and wrote Highway Safety Grants. Mr. Mallory was later re-assigned back to the Traffic Bureau where he continued to write and administer highway Safety Grants, and supervised the Traffic Safety Unit, until his retirement.

Since retirement, Mr. Mallory has worked as a staff Manager with the Prudential Insurance Company of America, and as a Shift Supervisor for Caesars Hotel and Casino, in Indiana, before joining the TRIMARC program.



Jamie Fiepke

President/CEO
Kentucky Motor Transport Association



Jamie Fiepke is a graduate of the University of Louisville with a degree in Business Administration. Jamie has over 15 years experience in the trucking industry.

He was Vice President of Operations with Harry Owen Trucking based out of Elizabethtown, KY for 11 years. Jamie spent 2 years working for the Department of Transportation in the Division of Motor Carriers. That Division administers all the laws that apply to the commercial motor carrier, i.e. IFTA, KYU, KIT, IRP and overweight/over dimensional permits.

He is currently the President/CEO of the Kentucky Motor Transport Association. The Kentucky Motor Transport Association represents over 400 companies in the trucking industry. The association focuses on educating the public, legislators and state administrators on key issues that impact the trucking industry.

C.T. "Skip" Miller

Executive Director
Louisville Regional Airport Authority



Education:

Associate of Science Degree - Aviation Administration, Northern Kentucky University
Bachelor of Science Degree - Business Administration, Indiana Institute of Technology

Employment History: 29 years of Aviation/Airport Management Experience

Greater Pittsburgh International Airport, Pittsburgh, PA – Operations Manager's Aide
Michiana Regional Airport, South Bend, IN - Operations Supervisor
Town Air Freight Company, South Bend, IN – Management Assistant to the President
Fort Wayne-Allen County, IN Airport Authority - Executive Director of Airports

Current Position:

Executive Director/CEO of the Louisville Regional Airport Authority
As the chief executive officer, have primary responsibility for administration, finance, operations, maintenance, engineering, planning, public relations, marketing, and air service development

Professional Affiliations:

Airport Council International – North America (ACI-NA)
Board of Directors 2005 - Present
American Association of Airport Executives (AAAE)
National Board of Directors 2002 - 2005
Great Lakes Chapter President 1999-2000
Great Lakes Chapter Environmental Symposium Chairman 1997 & 1998
Member since 1978
Environmental Services Committee – Former Member
Safety, Security & Technical Services Committee – Former Member
Kentuckians for Better Transportation (KBT)
Board Member 2004 - Present; Vice President 2007

Kentucky Aviation Association
Member

Aviation Association of Indiana
President 2000 & 2001
Person of the Year 2001
Annual Conference Chairman 1996 & 1997

Community Involvement:

Leadership Louisville 2005
Greater Louisville Inc. – Board of Directors 2004 - Present
Great Louisville Transportation Logistics Network - Board of Directors 2004-2006
Downtown Rotary Club – Member since 2003
Louisville Aero Club – Member since 2005
Fort Wayne Convention and Visitors Bureau – Board Member 2002-2003

Accreditation/Licenses:

Accredited Member of AAAE since 1987
FAA Private Pilot License since 1985

Outside Organization Affiliations:

Greater Fort Wayne YMCA- Board of Directors
Mustang Club of America – Member
Derby City Mustang Club – Member

PRESENTATIONS

(in order of appearance)



US Army Corps of Engineers
 Planning Center of Expertise for Inland Navigation

Ohio River Lock Configuration

Two Lock Chambers
 Main Lock – 1200' x 110'
 Aux Lock – 600' x 110'



Upper Ohio Configuration
 Main Lock – 600' x 110'
 Aux Lock – 360' x 56'



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Alternate Transportation Mode Comparison

| Mode | Capacity | Volume | Weight | Volume | Weight |
|--------------------|-----------|-----------------|-------------|-------------------|-----------------|
| 15-Barge Tow | 15 Barges | 61,250 Bushels | 26,250 Tons | 7,927,500 Gallons | 528,000 Gallons |
| Jumbo Hopper Car | 1 Car | 3,850 Bushels | 110 Tons | 33,264 Gallons | 7,855 Gallons |
| 100 Car Unit Train | 100 Cars | 385,000 Bushels | 11,000 Tons | 3,326,400 Gallons | 7,855 Gallons |
| Large Semi-Truck | 1 Truck | 910 Bushels | 26 Tons | 7,855 Gallons | 7,855 Gallons |

1 Barge = 16 Jumbo Hoppers = 67 Semi-Trucks

1 15-Barge Tow = 2.4 100-Car Unit Trains = 1000 Semi-Trucks

Equivalent Lengths

0.25 Miles (1 15-Barge Tow) vs 2.9 Miles (2.4 100-Car Unit Trains) vs 40 Miles (Assuming 150 Feet Between Semis)

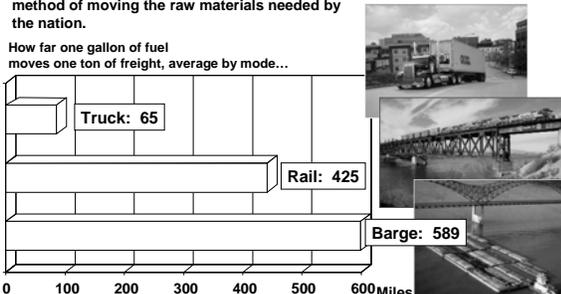
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Water Transportation Conserves Fuel

Barge transportation is the most fuel efficient method of moving the raw materials needed by the nation.

How far one gallon of fuel moves one ton of freight, average by mode...



0 100 200 300 400 500 600 Miles

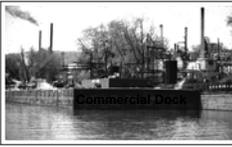
Truck: 65
 Rail: 425
 Barge: 589



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Ohio River Navigation System Value

- ♦ **Economic Impacts of the Ohio River**
- ♦ **Commercial Navigation**
 - 20 navigation locks and dams
 - Energy conservation, reduced emissions
 - Over \$2 billion annual savings
 - Over \$100 billion invested in electric utility construction and industrial capital investment
- ♦ **Water Supply** (\$1 billion annual value)
 - Municipal, Industrial - Electric Utilities
- ♦ **Recreation - Tourism**
 - Boating, Swimming, Fishing, Camping
- ♦ **Shore-side Development**
 - Ports, Docks, Public/Private Terminals




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Ohio River Navigation System Value

Waterborne Commerce and Economic Growth

- ♦ Post WWII expansion of the economy increased the use of bulk commodities carried on the river
- ♦ Commodities are products of coal mines, petroleum refineries, stone quarries, cement plants and farms
- ♦ Raw materials for farms, construction companies, steel mills, electric utilities, paper plants, aluminum manufacturers, and chemical companies

Ohio River Tonnage

| Year | Tonnage (Millions of Tons) |
|------|----------------------------|
| 1940 | ~40 |
| 1950 | ~60 |
| 1960 | ~80 |
| 1970 | ~110 |
| 1980 | ~140 |
| 1990 | ~180 |
| 2000 | ~220 |

Averages 88% of ORS tonnage

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Ohio River Navigation System Value

Important Nationally
Employment - 100,000 jobs
Business Activity - \$11.5 billion
Tax Revenue - \$3.0 billion

- ♦ 150 million tons of coal a year
 - electric utilities
 - steel industry
- ♦ 120 million tons of other
 - refining
 - aluminum
 - chemicals
 - paper
 - agriculture
 - construction/cement

| Category | Percentage |
|--------------|------------|
| Coal | 57% |
| Stone | 16% |
| Other | 9% |
| Grains | 7% |
| Petrol Prods | 7% |
| Chemicals | 4% |

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Ohio River Navigation System Value

ORS Electric Utilities and Water Supply

- ♦ 52 coal-fired power plants on the ORS
- ♦ 20 percent of nation's coal-fired capacity
- ♦ Low cost transportation
- ♦ Water for cooling
- ♦ Source of drinking water for 3 million

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Ohio River Navigation System Value

ORS Agriculture

- ♦ Over 15.0 million tons of grain shipped in 2006
- ♦ Valued at \$3.2 billion
- ♦ Over 2.5 million tons of fertilizer in 2002
- ♦ Valued at \$850 million

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Ohio River Navigation System Value

ORS Chemicals

- Numerous waterside chemical plants, docks and terminals
- Over 10.5 million tons shipped in 2006
- Almost \$6.0 billion in value



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Ohio River Navigation System Value

ORS Petroleum Products

- Barge as alternative mode to Gulf pipeline nearing capacity
- Over 19.4 million tons shipped in 2006
- Valued at over \$3.0 billion



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Value of the Ohio River Navigation System

- Transportation savings
- Fuel efficiency and safety
- Jobs to regional economies
- Supports industrial development
- Critical component of regional infrastructure
- Water Supply
- Reliable water transportation improves US balance of trade
- Enhance national security



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Ohio River Ports

- Huntington – 77.2 m tons
 - Largest inland river port
 - 7th largest overall
- Pittsburgh - 52 m tons
- Louisville and Cincinnati -20-25 m tons





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Kentucky Waterborne Commerce

| Commodity Group | 2007 Tonnage Shipped | Estimated Value |
|---------------------|----------------------|------------------|
| Coal | 36,564,751 | \$ 1,390,104,720 |
| Petroleum | 2,718,557 | \$ 449,784,532 |
| Stone | 24,580,481 | \$ 1,279,410,164 |
| Grain | 2,534,593 | \$ 422,500,585 |
| Other | 4,620,452 | \$ 1,696,441,022 |
| Sub-Total Shipments | 71,018,834 | \$ 5,238,241,023 |

| Commodity Group | 2007 Tonnage Received | Estimated Value |
|--------------------|-----------------------|------------------|
| Coal | 21,160,763 | \$ 814,084,697 |
| Petroleum | 9,296,782 | \$ 1,202,524,615 |
| Stone | 9,430,682 | \$ 415,642,327 |
| Grain | 150,841 | \$ 30,093,529 |
| Other | 7,722,076 | \$ 2,719,258,909 |
| Sub-Total Receipts | 47,761,144 | \$ 5,181,604,077 |

Total Commerce 118,779,978 \$ 10,419,845,100

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Ohio River Navigation - Growth

- Basin population of 25 million
- Rich in natural resources
- Served by a transportation system that has allowed for economic development
- River traffic projected to grow 1.0 percent annually through 2060



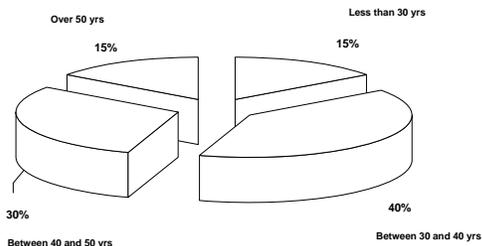

Ohio River
 Historic and Projected Traffic



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Problem: Aging Infrastructure

Ohio Mainstem Lock Ages



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Recent Ohio River Lock Closures

| Lock | Closure Dates | Closure Duration | Delay (hrs) | | Number of Tows Delayed | Delay Costs \$ |
|------------|----------------------|------------------|-------------|-----|------------------------|----------------|
| | | | Max | Avg | | |
| Hannibal | Nov 1 - 15, 2005 | 15 days | 140 | 58 | 125 | \$ 3,000,000 |
| McAlpine | Aug 8 - 19, 2004 | 10 days 23.4 hrs | 257 | 77 | 19 | \$ 695,000 |
| Greenup | Sep 8 - Oct 31, 2003 | 52 days, 8 hrs | 93 | 38 | 718 | \$ 13,200,000 |
| Montgomery | Jun 18 - 28, 2002 | 10 days, 17 hrs | 110 | 34 | 130 | \$ 1,200,000 |
| Montgomery | Jul 15 - 31, 2002 | 16 days, 16 hrs | 132 | 33 | 179 | \$ 1,700,000 |

Source: Lock Performance Monitoring System (LPMS) and Institute for Water Resources (IWR) cost data.

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How is the Inland Waterway System being used now?

- **Primarily used for moving bulk and break-bulk commodities regionally and nationally:**

- Coal
- Aggregates
- Petroleum
- Chemicals
- Steel products
- Minerals and ores
- Fertilizer
- Grains
- Machinery
- Cement

- **Some containers**



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National Freight Forecasts

- Forecasts vary depending on the source, however.....
- **Most forecasts suggest substantial increases** in freight movements into the nation's coastal ports.
- The greatest increase will likely be in international containers arriving in 6,000+ TEU vessels or larger (Panama Canal to Gulf ports).
- Already stressed urban port areas will be hard-pressed to handle substantial increases in truck and rail traffic (i.e. I95)
- Multiplied effects of air pollution, noise and congestion at the coastal ports and radiating heavy freight corridors are probably not the foundation of a sustainable national freight strategy – Clean Air Act limitations.

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National Transportation System

Sustainable national freight policy?





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Driving Forces

- ♦ What future factors or "driving forces" may shape our use of the inland waterways in the future?
 - Climate - global changes.....droughts/floods – navigability of the system, competing water supply needs or irrigation needs
 - Technology - energy options, new vessel designs, VTS/GPS
 - Economics - **fuel prices**, foreign and domestic market conditions, commodity flows, national economy
 - Environment - Clean Air & Clean Water Acts, transportation safety,
 - Social - national security (terrorism), green vs. corporate directions
 - Political - national/foreign investment, transportation policies
- ♦ How will we incorporate these forces in our planning for the nation's waterways?

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Should We Move the Nation's Cargoes Like This?



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Or Should We Move More Cargo Like This?



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Common Scene in Europe



This exists because of European Union mandates – not purely a market decision

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Other Possibilities on the Waterways

- ◆ Hauling by-product or waste materials (glass, paper, plastics, milled metals) to regional recycling centers.
- ◆ Redistribution of empty containers - deadheading.
- ◆ On-barge manufacturing or de-manufacturing of products.
- ◆ Tourism/excursion traffic – ecotourism.
- ◆ Floating warehouse space.
- ◆ Moving military assets – national guard equipment.

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Public Port Collaborative Planning Initiatives

- ◆ Six specifically authorized and funded master plan studies by Huntington District
 - Jackson County Maritime Port – Operational facility (Plastics recycling, wood products by container being developed).
 - Erickson/Wood County Port– PED phase (chemicals, FTZ, container yard).
 - Putnam County – Port Authority initiating (Auto parts, Toyota containers)
 - Kanawha Valley Port – Master Plan phase (chemicals, containers).
 - Weirton Port – Port Authority initiating (steel, containers, recycling)
 - Cabell/Wayne Port – **Heartland Corridor (intermodal ramp, navigation access).**
- ◆ Ohio Department of Transportation – Inland Ports Reconnaissance Study
- ◆ ODOT, ODOD, ORDC – “Nexus Ohio” (connecting OH intermodal freight system).
- ◆ Port of Huntington – TriState.....Future Strategic Development Plan

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The Heartland Corridor Project

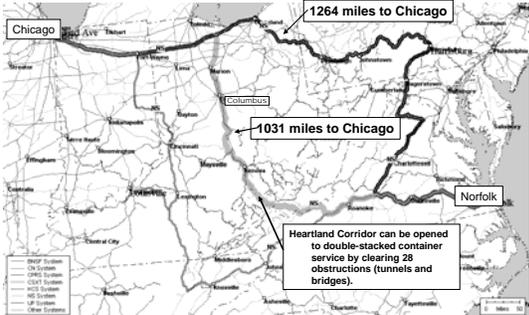
Intermodal Transportation Through Collaborative Planning



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Heartland Corridor Route Comparison



1264 miles to Chicago

1031 miles to Chicago

Heartland Corridor can be opened to double-stacked container service by clearing 28 obstructions (tunnels and bridges).

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Heartland Corridor Benefits

- Current single-stack container trains can be double-stacked.
- Doubles the capacity of each train reducing transportation costs and fuel usage.
- Saves 233 miles on Norfolk to Chicago route - reducing transit time by 1-1/2 days.
- Reduces truck traffic on same highway freight routes.
- Facilitates central Appalachia access to proposed Pritchard Intermodal Ramp (WV, KY, OH).
- Location of intermodal ramps and access to them is of critical importance to industries and potential shippers.

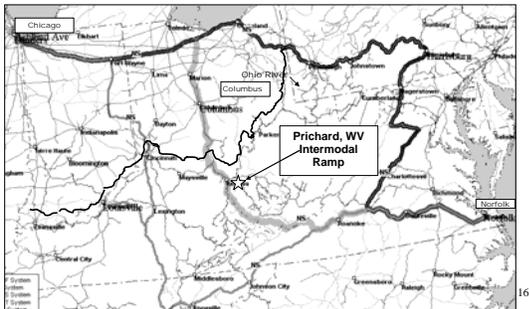


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Proposed Prichard, WV Intermodal Ramp Location



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Virginia Inland Intermodal Port

- ◆ Since opening in 1989 VIP has attracted numerous business to the Shenandoah Valley area of Virginia
- ◆ 24 Major companies have located near the Virginia Inland Port
 - Investment of over \$600 million
 - Over 6.25 million SF of warehousing and manufacturing added.
 - Employment of over 7,000
- ◆ Significantly reduces truck traffic at Norfolk and Baltimore ports and centralizes container distribution.



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Prichard Intermodal Site

- ◆ **Potential benefits:**
 - Facilitates intermodal freight access to the Ohio River Waterway
 - Realize reduced costs for shipping containers on barges
 - Waterway access for containers to public ports along the Ohio River.
 - Reduces highway congestion within the corridor.
 - Increases and diversifies the commodity base within the Port of Huntington
 - Tri-State (largest inland port in tonnage moved – 77.2 million in 2006).
- ◆ **Project Status:**
 - Norfolk Southern schedule – double-stack service to be operational in 2010.
 - WV negotiating construction of Prichard intermodal terminal with NS.
 - A Corps' Reconnaissance Study addressing extension of commercial navigation on the Big Sandy River to the proposed intermodal ramp would evaluate the engineering, economic and environmental feasibility of providing inland waterway access to the Prichard Terminal.

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Collaborative Planning Could Get Us Here



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Corps Role in Inland Navigation

Questions?

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Size and Weight Enforcement

Why do we have/need size & weight enforcement ?

To insure safety of the motoring public and to safeguard the infrastructure of our roadways.

Who Enforces Laws?

KRS 189.223 states-

Any peace officer having reason to believe that the height, length, width or weight of any motor truck, semitrailer truck, or trailer, is in excess of the maximum limits prescribed by KRS 189.221 and subsection(1) of 189.222 or permitted by any special permit under 189.270.....

Who Enforces Laws cont.

May measure it or weigh it either by portable or stationary scales, and may require it to be driven to the nearest scales, if !

Within 5 miles from the point at which the vehicle is first directed to stop.

Axle Weight

☐ Axle Weight : Means the weight allowed for an axle or set of axles.



Gross Weight



Enforcement

- ☐ CVE uses both fixed facilities and portable scales to enforce weight laws in Kentucky.
- ☐ Kentucky operates 17 fixed facilities throughout the State.



Portable Trailer Scales



Enforcement – Portable Scales



Roadway Classifications

- Single A Highway = 44,000 Lbs
 - Double AA Highway = 62,000 Lbs
 - Triple AAA Highway = 80,000 Lbs
 - Interstate System = 80,000 Lbs
 - County Road = 36,000 Lbs.
- *The county may make the weight limit lower if they deem necessary for safety purposes.

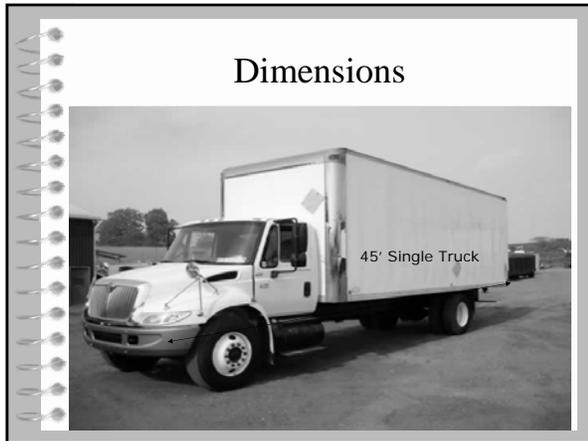
State Hwy Vs. Interstate

There are some weight tolerances depending upon what type of roadway you are on. However, there is NO tolerance for weight on the interstate system.

Dimensions



Dimensions



Dimensions



Double trailers limited to 28' each

Ken Goudy Collection

Oversized Loads / Permits

Over Dimensional Loads: Obviously there are some loads that are large and weigh more than the legal limit. These loads are required to obtain a O/D Permit in order for them to progress through the state. The Transportation Cabinet has special requirements depending upon the load.

Over Sized Loads / Permits



Overdimensional

Why are these permits important????
HMMM..... Lets take a look!

Over Dimensional



Now what was the height on that
Overpass ???



Whoops! Apparently not High Enough !



18 Ft. Tall 254,000 Lbs.



Enforcement

Commercial Vehicle Enforcement are sort of the unsung hero's of the law enforcement community. There have been countless lives saved, by CVE just doing their job. Nothing glamorous, just a job that has to be done.

Why do we do what we do? Maybe this will help!

July 2004

There was a crash that occurred on Interstate 75. Traffic was stopped due to the crash, and the backup quickly became evident. The following is a set of events that once set into motion, cannot be changed until it is all over.

July 2004



July 2004



July 2004



July 2004



July 2004



July 2004



July 2004



July 2004

☐ The officer had just stepped back out of the car, from running some information over the car radio, only moments before the truck crashed. Both the Officer and other people associated with the crash spared any serious injury, but they were “run up the embankment.”

July 2004

☐ So next time you hear about the truck driver getting a ticket for being overweight or over dimension. Think about that crash in July 2004.

☐ Do you want us out there, or would you rather take your chances!!!!!!



Kentucky Transportation Cabinet's Regional Freight Conference

Kentucky Highland Investment Corporation

**Financial and Management Assistance
Opportunities**

Presented by:
Jim Carroll, Director – Center for Entrepreneurial Growth
Kentucky Highlands Investment Corporation
362 Old Whitley Road
London, KY 40743

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KHIC's Mission

**To provide and retain
employment opportunities in
Southeastern Kentucky
through sound investments,
training and management
assistance.**



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History

- Founded in 1968 as part of War on Poverty
- Community Development Corporation
 - Southeastern Kentucky
 - Limited success from 1968 – 1973
- Changes Strategy in 1974
 - Pursued Venture Strategy
 - Converted from a 501 (c) (3) to a 501 (c) (4)
- Recent Growth
 - 1990 - \$15 million in assets
 - Today - \$47 million in assets

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EXTENDED SERVICE AREA
ORIGINAL SERVICE AREA

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Bankers Engineers
Judges School Janitor
Farmers Entrepreneurs
Minister Professors

Unique Board of Directors

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- **Communications**
- **Automotive**
- **Transportation**
- **Defense Contracting**
- **Food Industry**
- **Homeland Security**
- **Software**
- **Medical Services**
- **Hospitality**
- **Adult Day Care**
- **Wood Products**
- **Agriculture**
- **Boat Manufacturing**
- **Energy**

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KHIC Loan Programs

- Micro-Enterprise Loan Fund for Loans up to \$35,000
- Small Business Loan Fund for Loans up to \$250,000
- Current Asset Leverage Financing (Lines of Credit)
- USDA Business and Industrial Loans up to \$10 million
- Venture Capital Equity Investments
- Partial Deals - Partnerships

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Other Financial Assistance

- DOT Office of Small and Disadvantaged Business Utilization
- Small Business Administration
- Department of Agriculture
- American Recovery and Reinvestment Act



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Training and Managerial Assistance

- Advice and counsel
- Business Plan Development
- Marketing Strategy
- Financial Strategy
- Human Resources
- Business Incubator



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KHIC Incubator Program

Furnished, modern office space
with access to....

- Communications Network
- Wet Labs
- Conference Rooms
- Training Rooms
- One-on-one Mentoring
- Peer Networking
- Introductions to Funding Sources



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The Entrepreneurial Imperative by Carl J. Schramm

"For the United States to survive and continue its economic and political leadership in the world, we must see entrepreneurship as our central comparative advantage."



"Entrepreneurship is the process in which one or more people undertake economic risk to create a new organization that will exploit a new technology or innovative process that generates value to others."

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Importance of Entrepreneurs and Small Business

- 27 million small businesses in the US (99%)
- Small businesses employ 50% of the US workforce
- Consistently creates 60 – 80% of all new jobs
- Creates more than 50% of the GDP in the US
- Reflects our nation's diversity (women, minorities, rural, urban, education)



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Kentucky's Small Business Climate

- About 350,000 Small Businesses
- Employs 50% of the workforce (2.3 million)
- Accounts for 50% of the non-farm GDP
- Most are micro-business – less than 10 employees
- Small Businesses employ 250K in SE Kentucky



How Are We Doing? KY Ranks...

- 1st in Business Success rate (16.5% fail - US average is 23.1%)
- 9th in University Spinout Businesses (20.6 businesses created for each \$1 billion in R&D)
- 11th in New Business Churn (difference between startups and failures)
- 21st in Small Business Payroll Growth (5.6%)
- 26th in Proprietor Income Growth (3.4%)



Source – Small Business Association of Michigan,
2007 Entrepreneurial Scorecard



Impact of Entrepreneurs

- New companies create new industries
- Entrepreneurial companies create new jobs
- Small businesses are more productive
- Employees of small companies have higher job satisfaction
- Small businesses are a major source of innovation





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"Innovation is the application of new ideas to products and processes in the pursuit of profit" - Joseph Schumpeter

Small Businesses are the primary tool for achieving innovation



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The Time is Right for Entrepreneurs

- American Recovery and Reinvestment Act to target small business
 - \$3 billion to be invested in Kentucky
 - Investment Manager appointed to support SBA loan program
 - Eliminates some SBA loan fees
 - New bank regulations support small businesses
- Outsourcing of people and processes at larger corporations
- Interest in innovation (energy, green initiatives, efficiencies)
- Community and business support of Entrepreneurship
 - KHIC – Incubator, Training and Funding
 - Small Business Development Centers
 - Innovation and Commercialization Centers
 - Community Colleges
 - Area Development Districts
 - Cabinet for Economic Development www.thinkkentucky.com

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"Economic recovery will be driven, in a large part, by America's small businesses."
- White House Statement

"These small business lending provisions will unlock \$21 billion in new lending for small firms."
- Nydia Velazquez, Small Business Committee Chairwoman



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To learn more about KHIC Mentoring and Incubation Programs, contact:

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