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Ari Ashe, Associate Editor | Dec 17, 2019 2:18PM EST



Traffic outside of BNSF Lot 16 has eased considerably after BNSF transferred operational control to a private yard operator. Photo credit: Ari Ashe/JOC.com.

Truck turn times have returned to normal in BNSF Railway's Lot 16 outside of Chicago following the railroad's transferring control of the lot in November to a private company with several locations in the market.

The lot is a depot where drivers return empty ocean containers after beneficial cargo owners (BCOs) unload the contents. It does not handle domestic containers. Although it's not a haul that many consider, delays in returning an ocean container can lead to detention penalties and drivers completing fewer jobs per day. That eventually causes other BCOs to be billed for terminal demurrage — also called rail storage fees.

The solution was to bring in DNJ Intermodal Services to take over operations in Lot 16; the company runs chassis and container depots elsewhere in Chicago.

BNSF announced in January 2019 that empty ocean containers had to be returned to Lot 16 rather than Logistics Park Chicago (LPC), its main terminal in Elwood, Illinois. Problems started immediately, with lines extending onto adjacent streets. Drayage providers told JOC.com drivers would sometimes wait for an hour only to discover the lot wouldn't accept the empty. Ocean carriers are supposed to remove boxes in a timely fashion, but sometimes they exceed their storage cap so the terminal refuses to take more.

Once inside, traffic ground to a halt because five lanes were condensed into one. Trucking executives also questioned whether Lot 16 — which can handle up to 1,300 containers — was capable of handling a high volume of empty containers, although that concern hasn't materialized because BNSF's intermodal volume is down 4.4 percent year over year through Week 49.

BNSF met with a group of draymen and a representative of the Illinois Trucking Association this summer. One suggestion was to hire DNJ Intermodal. The operational transfer, which occurred last month, has been a success so far, with turn times less than 30 minutes. Terminal fluidity has been restored.

"BNSF is pleased that customers and drivers are having a better experience. We have enjoyed our longstanding, collaborative relationship with the entire trucking community, working in and out of LPC and Lot 16," the railroad said in a statement to JOC.com Monday.

Manning the gate with a person

DNJ Intermodal CEO Joe Tovo said the first task was to put a person on site. Previously, if there was a problem when the information was entered into a portal at the gate, the driver would pick up a telephone to contact someone remotely. Now there is always someone in the lot to provide assistance.

"The most common problem we face when at the gate is driver error. The driver puts in the wrong container number. Each steamship line has a fleet file of all their containers, so if your information is off by even a digit, then the system will reject you," Tovo said Monday.

Another hang up can occur when an ocean carrier leases its container to an alliance member, and the driver may not input the information to reflect that. Having boots on the ground, Tovo said, speeds up troubleshooting.

More leniency on quotas, more space

DNJ is being more lenient on container quotas than before and is also accepting empty containers at its own depot only a short distance from Lot 16. DNJ's lot handles about 900 containers, increasing the total capacity of the two lots to more than 2,200 containers.

"In the past, if a steamship line reached its allotment but the lot was half empty, the driver could still not bring in the box. But now we have an updated daily inventory and we know our capacity, so we can flex and offer that steamship line more space," Tovo said.

If Lot 16 is full, ocean carriers will get a notification to instruct carriers to take it to the overflow DNJ-owned lot.

Separating the entrance lanes

Previously, there was no separation between those dropping off an empty container and those bobtailing to pick up a container for an exporter. Now, DNJ has created separate lanes for bobtails. If there is a backup of trucks to return empties, it will not cause a delay for drivers picking up containers.

“Half of the inbound traffic was bobtails, so we created a bobtail-only lane. It’s amazing how such a small change made a huge impact on the yard,” Tovo said. “Half the line would just be drivers going in to get an empty, so now they can bypass the gate. Then the same applies to drivers bobtailing out [after dropping off a container]. That decision greatly improved the velocity.”

The previous traffic pattern at the depot condensed the six ingates into one lane, but the pattern of the yard has been reconfigured so that no longer occurs.

“In January and February of 2019, the entire system was heavily taxed. Shortage of chassis, the weather, Union Pacific Railroad has its own set of issues, everyone had problems. I’m proud of BN to take the time to discuss with draymen about what needed to get done in Lot 16 and BN listened,” Tovo said.

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