LINKING IOWA’S FREIGHT TRANSPORTATION SYSTEM PROGRAM

Freight Advisory Council
March 4, 2016

The purpose of the program is to:
- Enhance economic development by improving the multimodal freight transportation system. A strong multimodal infrastructure makes Iowa more attractive to new business development.
- Provide flexible funding for the changing demands of the freight transportation system. Flexible funding allows creative solutions for Iowa’s unique infrastructure needs.
- Enhance the ability to provide competitive transportation options for shipment of products and moving goods. Today’s companies are demanding the multimodal infrastructure needed to remain competitive in a global marketplace.
- Provide incentives to alternate modes for economic development partnerships opportunities. Funding not tied to a specific mode will allow Iowa to leverage limited or more specific funding.

Examples of the types of projects that may be funded include:
- Transload facilities where products can be transferred between rail and truck
- Capacity improvements at barge terminal facilities
- Intermodal facility in partnership with private industry
- Barge transload facilities where products can be transferred from barge to rail or truck
- Remove height or width restrictions on existing ramps or docks for loading/unloading air cargo
- Increase weight capacity to use heavier 286,000-lb. rail cars
- Expand or reconfigure rail yards to increase capacity or reduce dwell time
- Rehabilitate rail, barge or air freight infrastructure to improve condition or capacity to meet needs of Iowa business or industry
Linking Iowa’s Freight Transportation System (LIFTS) Program

$2.69 Million was awarded on Feb 9, 2016 as grants

Program Purpose:

• Enhance economic development by improving multimodal freight transportation system
• Provide flexible funding for changing demands of freight transportation system
• Enhance ability to provide competitive transportation options for shipment of products and moving goods
• Provide incentives to other modes for economic development partnership purposes
LIFTS Funding Demand

- Iowa DOT has $2.69 to award for LIFTS
- 25 grant requests totaled $17.2 Million
- Demonstrates a $14.4 million gap in funding
## List of Applicants

<table>
<thead>
<tr>
<th>STUDIES</th>
<th>RAIL IMPROVEMENT/CAPACITY</th>
<th>TRANSPORTING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest City Economic Development</td>
<td>Keokuk Junction Railway (2)</td>
<td>Burlington Junction Railway</td>
</tr>
<tr>
<td>City of Muscatine</td>
<td>Boone Scenic Valley Railroad</td>
<td>Manly Terminal LLC (4)</td>
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<td>City of Sioux City</td>
<td>ADM Terminal Services</td>
<td>Hall Towing Company</td>
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<td></td>
<td>Fauser Energy Resources</td>
<td>Sanders Products/Cerro Gordo County</td>
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<td></td>
<td>Tegra Corp/Big Soo Terminal</td>
<td>GROWMARK Inc.</td>
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<td>Kemin Industries</td>
<td>Midwest Dry Transload</td>
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<td></td>
<td>Standard Distribution Corp</td>
<td>Iowa Interstate Railroad</td>
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<td></td>
<td>Pattison Sand Company</td>
<td>Iowa Falls Economic Development</td>
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<td>City of Des Moines</td>
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LIFTS Project Evaluation

Projects were evaluated by a review of:

- **Freight Transportation Benefits (40%)**, including freight connectivity, how the project addresses freight challenges and improves freight mobility and reliability, and provides benefits to customers and shippers.

- **Economic Benefits (30%)**, including job creation and retention, state-wide or regional influence, including benefits and cost savings to customers and shippers, other investment by sponsor (leveraging private investment).

- **Public Benefits (20%)**, including highway user benefits, safety, congestion relief, environmental and other public benefits

- **Project Readiness (10%)**, including design status, environmental clearances, permitting, expected timeline of project
Port of Muscatine

Port of Muscatine Concept Plan

- Proposed Port Site
- New Dock
- New Overhead Crane
- New Access Road
- New Rail Spur
- Intermodal Cargo Terminal
- Future Warehouse Locations
- Canadian Pacific Railroad

Map of Iowa highlighting the Port of Muscatine: "Pearl of the Mississippi"
Port of Muscatine

- **Project Summary:** Conducting a planning study for establishing a multi-modal container terminal port facility on the Mississippi River in Muscatine, Iowa.

- **Total Project Cost:** $100,000

- **LIFTS Request:** $80,000

- **Funding Award:** $80,000
Hall Towing

- **Project Summary:** Construction of a 12,800 sf warehouse and transload dock at its facility adjacent to the Mississippi River for a barge to truck transload project.

- **Total Project Cost:** $959,624

- **LIFTS Request:** $479,812

- **Funding Award:** $479,000
Council Bluffs Transload Facility

- **Project Summary:** Iowa Interstate Railroad is looking to expand its current transload facility in Council Bluffs. The project will add new raillines for direct rail to truck and truck to rail transloads.

- **Total Project Cost:** $1,404,450

- **LIFTS Request:** $702,225

- **Funding Award:** $500,000
Iowa Traction Railway Propane Terminal
Iowa Traction Railway Propane Terminal

- **Project Summary:** Project includes installation of two risers, a permanent storage tank, and truck loading facility to unload propane from railcars into the storage tank and then loading transport trucks from the storage tank.

- **Total Project Cost:** $1,089,262

- **LIFTS Request:** $544,631

- **Funding Award:** $544,000
Standard Distribution Company
Standard Distribution Company

- **Project Summary**: Project will increase facility size, tracks, and staff at the facility.

- **Total Project Cost**: $2,900,000

- **LIFTS Request**: $1,450,000

- **Funding Award**: $584,000
Eastern Iowa Logistics Park

CIC 900 YARD
4,400' FT TRANSLOAD TRACK
$3.1M
Eastern Iowa Logistics Park

- **Project Summary:** Project proposes to build a direct transfer transload facility in SW Cedar Rapids.

- **Total Project Cost:** $4,233,000

- **LIFTS Request:** $2,116,500

- **Funding Award:** $500,000
# Funding Recommendation

## FY 2016 DOT Funding Recommendation

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Request</th>
<th>LIFTS Grant Award</th>
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<tr>
<td>Port of Muscatine</td>
<td>$80,000</td>
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<tr>
<td>Eastern Iowa Logistics Park</td>
<td>$2,116,500</td>
<td>$500,000</td>
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<tr>
<td><strong>Total LIFTS Recommendation:</strong></td>
<td><strong>$5,373,168</strong></td>
<td><strong>$2,687,000</strong></td>
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Feedback on LIFTS From Applicants

• Pattison was an applicant for LIFTS funding but was not part of IDOT’s funding recommendation (7th overall).

• Pattison Sand Company contacted the Office of Rail Transportation to better understand the application evaluation process and explore reevaluation opportunities. IDOT provided the scoring results and discussed the evaluation of the Pattison project.

• Pattison attended and expressed their questions/concerns of their final score with the Commission on February 8th.

• In conclusion, no changes to the LIFTS recommendations were made by the Commission.

• The IDOT received a number of excellent project applications, which helps us demonstrate a strong demand and need for this type of flexible funding.
Discussion on the LIFTS Program with FAC