

## Executive Summary

This TIGER grant application is for infrastructure construction for the Upper Midwest Transportation Hub (UMTH) project at Manly, Iowa. The project consists of a full-service regional intermodal facility with equipment for loading/unloading containers on railcars and trucks, track infrastructure, a container staging area, and security systems to support the operation.



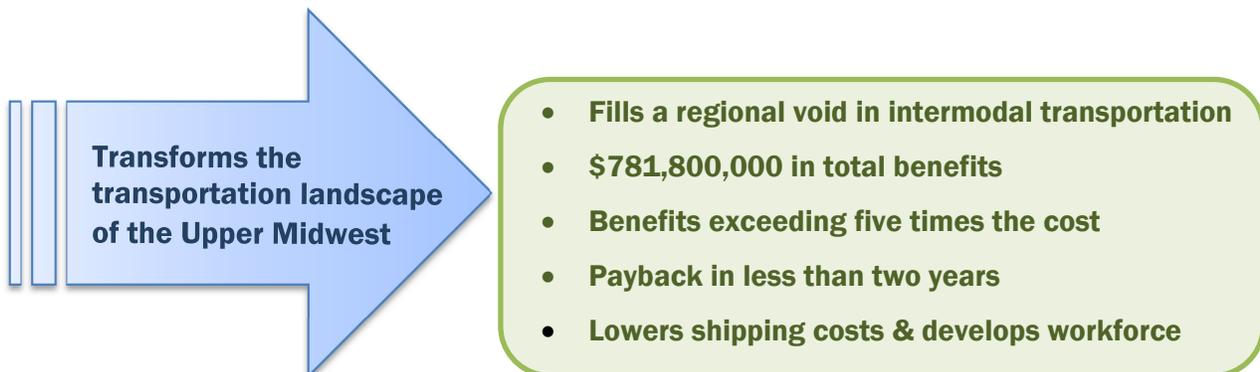
Figure 1-Strategic location of the UMTH in the Upper Midwest

**Objective:** The project presents an opportunity to transform the way in which products are shipped in the Upper Midwest. This innovative solution to an intermodal service dilemma promotes regional economic development in the Upper Midwest.

Currently, shippers and receivers of freight in the region have limited access to intermodal service. The north central Iowa location will draw customers from a 150-mile radius or beyond encompassing north central Iowa, southern Minnesota, and a small portion of western Wisconsin with a population of over 7 million. The UMTH will be an independent full-access facility located on a rural short line railroad that interchanges with four railroads (including three Class I railroads) and through other routing alternatives with the remaining four Class I's. The UMTH is near the I-80, I-35, I-90 and I-94 corridors for convenient highway access.

**Request:** The Iowa Department of Transportation along with the Minnesota DOT and Worth County, Iowa as partnering agencies request a grant of **\$7,100,000 or 46 percent** for completion of the UMTH. Matching private funds of **\$9,065,138 or 56 percent** are pledged for the cost of the improvement. The project is in a state of readiness and leverages prior continuous public-private investments. The UMTH is the next phase in the development of an existing transportation campus where support services, a fully rehabilitated rail yard and other transportation infrastructure already exist.

**Statement of Work:** The project request includes construction of infrastructure for a full service intermodal facility and container yard, including a second loop track, loading/unloading tracks, earthwork, pavement, security systems and acquisition of lift equipment and other components.



**Benefits:** The following table summarizes many of the long-term benefits that will accrue with completion of the UMTH.

*Table 1 – Long Term Outcomes and Benefits*

<b>State of Good Repair:</b>	<ul style="list-style-type: none"> <li>• The UMTH will be a state-of-the-art fully functional independent intermodal center with full access to the United States’ vast rail and highway network.</li> <li>• Prior private and public investments at the site provide the infrastructure and operational foundation for a limited investment.</li> <li>• UMTH will encourage more short-haul trucking by cutting heavy truck miles on the highway system and, reducing highway maintenance and rehabilitation costs.</li> </ul>
<b>Economic Competitiveness</b>	<ul style="list-style-type: none"> <li>• Reduces transportation costs for intermodal shipments, increasing profitability for regional producers.</li> <li>• Increases access to both domestic and export markets that were previously unavailable or cost prohibitive for the region.</li> <li>• Encourages competitive pricing because of the multiple rail connections available.</li> <li>• Mitigates an emerging trucking capacity shortfall.</li> <li>• Facilitates the growth of agricultural exports from a prime agricultural area.</li> <li>• Provides a better shipping option for identity-preserved grains, origin identified foods and dried distiller’s grain (an ethanol by-product.)</li> <li>• Encourages regional growth in warehousing and distribution centers.</li> <li>• Grows access to competitive paying jobs for the regions residents.</li> <li>• Revitalizes communities through more economic activity in a rural region where many disadvantaged areas exist.</li> </ul>
<b>Quality of Life</b>	<ul style="list-style-type: none"> <li>• Increases time savings for motorists by removing heavy trucks from highways.</li> <li>• Promotes more short-haul trucking, which is more attractive to today’s workforce and will help recruit additional truck drivers to the profession.</li> <li>• Produces safer, more lifestyle friendly trucking jobs to enhance family and community life.</li> </ul>
<b>Environmental Sustainability</b>	<ul style="list-style-type: none"> <li>• Decreases fossil fuel dependence and reduces emissions due to fewer truck miles and more efficient rail miles.</li> <li>• Avoids adverse environmental impacts by using an existing site and existing rail lines.</li> </ul>
<b>Safety</b>	<ul style="list-style-type: none"> <li>• Increases safety with the modal shift from truck to rail.</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Employs state-of-the-art traffic modeling to verify assumptions on the lift volumes and truck miles saved.</li> <li>• Uses a regional approach to solve a problem affecting thousands of shippers.</li> </ul>
<b>Partnership</b>	<ul style="list-style-type: none"> <li>• Leverages strengths of public/private partnerships.</li> <li>• Broad based support from state, local and private entities.</li> </ul>
<b>Readiness</b>	<ul style="list-style-type: none"> <li>• The project is “shovel ready” and can be completed quickly.</li> </ul>

**Conclusion:** Approval of a TIGER grant for the UMTH grant will transform the transportation landscape of the Upper Midwest. Access to new markets, lower transportation costs and increased economic growth will benefit shippers, communities and individuals in this broad, primarily rural, region and leverage a significant private investment.

