

★ Roll Call Number

15-1708

Agenda Item Number

35

Date October 12, 2015

**RESOLUTION APPROVING APPLICATION TO THE IOWA DEPARTMENT OF
TRANSPORTATION LIFTS PROGRAM FOR A RAIL PORT TRANSLOADING FACILITY IN THE
CITY OF DES MOINES**

WHEREAS, on October 20, 2014, by Roll Call No. 14-1667, the City Council received and filed the Des Moines Rail Transload Feasibility Study (“Transload Study”), as commissioned and approved by the Des Moines Area Metropolitan Planning Organization (MPO) to examine the need for a rail port or transload facility for transfer of shipments of products from one mode of transportation (rail or vehicular) to the other to assist and attract Des Moines area businesses transporting goods to and from the area; and

WHEREAS, the Transload Study followed prior studies of regional goods movement by the MPO in 2002, 2006 and 2013 that identified issues with the efficient movement of goods including rising fuel costs, interstate congestion, and a need to identify changes that could be made by the rail and truck industries to address these issues; and

WHEREAS, the Transload Study identified City-owned real property in southeast Des Moines, immediately north of the alignment of the SE Connector roadway between the SE 14th Street viaduct and SE 18th Street, as the preferred site for a Rail Transload Facility (“Facility”) due to the convergence of Class I and II rail lines in the area including BNSF Railway Company, Norfolk Southern Railway Company, Union Pacific Railroad Company, and Iowa Interstate Railroad Company, and the proximity to the planned extension of the SE Connector to Highway 65 to promote vehicular access to the facility; and

WHEREAS, the MPO has received approval of its application to the Iowa Department of Transportation (IDOT) Rail Revolving Loan and Grant (RRLG) Program for partial funding of the development of the Transload Facility, which loan may be used by the selected developer for construction of the Facility; and

WHEREAS, on October 20, 2014, by Roll Call No. 14-1668, the City Council approved an agreement for professional services with McClure Engineering Company (“McClure”), using subconsultant Engineered Rail Solutions, LLC, to review the potential options for development of the Facility and preparation of a Request for Proposals to locate a developer and operator for the Facility, and further approved submitting a Letter of Support to the IDOT RRLG Program as requested by the MPO; and

WHEREAS, on May 4, 2015, by Roll Call No. 15-0771, the City Council approved the distribution of request for qualifications (RFQ) and Request for Proposals (RFP) for the development of the rail port transloading facility; and

WHEREAS, an additional potential funding source, the Iowa Department of Transportation (IDOT) Linking Iowa’s Freight Transportation System (LIFTS) Grant, has been identified, and the City Manager recommends that the City apply for said Grant, on behalf of the developer to be selected through the RFP process, in the amount of \$2,500,000 for use for the development of the private rail port transloading facility; and

WHEREAS, in the event that the City is awarded and accepts the Grant, an anticipated local match of \$680,000 (20% of estimated total project cost of \$3,400,000) would be required if the City is considered the applicant and grantee under the LIFTS program, which may be able to be negotiated with the identified rail port transload operator; or an anticipated private match of \$1,700,000 (50% of estimated total project cost of \$3,400,000) would be required from the City’s selected developer if the developer is considered the grantee under the LIFTS program.

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the City Manager is hereby authorized and directed to submit an application for the Iowa Department of Transportation (IDOT) Linking Iowa's Freight Transportation System (LIFTS) Grant program, which application is substantially in the form on file in the office of the City Clerk; and that, in the event that the City is awarded said Grant funding, the City Manager is further directed to submit any and all grant agreement(s) and funding obligations to the City Council for consideration prior to the execution or approval of any such agreement or obligation.

(Council Communication No. 15-553)

Moved by Hensley to adopt.

APPROVED AS TO FORM:

Glenna K. Frank
 Glenna K. Frank, Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | ✓ | | | |
| COLEMAN | ✓ | | | |
| GATTO | ✓ | | | |
| GRAY | ✓ | | | |
| HENSLEY | ✓ | | | |
| MAHAFFEY | ✓ | | | |
| MOORE | ✓ | | | |
| TOTAL | 7 | | | |

MOTION CARRIED 7 APPROVED
T. M. Franklin Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Diane Rauh City Clerk