



Date June 24, 2013

RECEIVE AND FILE LETTERS OF INTEREST ON CITY OWNED PROPERTY IN THE SE AGRIBUSINESS URBAN RENEWAL PROJECT AREA AT SE 15th STREET AND EAST MARTIN LUTHER KING, JR. PARKWAY AND REFER TO CITY MANAGER TO DEVELOP PROCESS FOR LAND SALE AND DEVELOPMENT

WHEREAS, letters of interest for the purchase and development of City owned property located in the SE Agribusiness Urban Renewal Project Area at SE 15th Street and East Martin Luther King, Jr. Parkway have been received by the City Manager; and

WHEREAS, it is desired to formulate a process to sell the property for development in accordance with the SE Agribusiness Urban Renewal Plan including appropriate requirements and criteria for development; and

WHEREAS, the City Manager shall recommend to the City Council the process to sell the property for development in accordance with the SE Agribusiness Urban Renewal Plan and the appropriate manner to solicit and receive development proposals.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa that the letters of interest for the purchase and development of City owned property located in the SE Agribusiness Urban Renewal Project Area at SE 15th Street and Martin Luther King, Jr. Parkway are hereby received and filed and the City Manager is directed to formulate and recommend a process to sell the property for development in accordance with the SE Agribusiness Urban Renewal Plan and the appropriate manner to solicit and receive development proposals.

Moved by _____ to adopt

Council Communication No. 13-342

FORM APPROVED:

Lawrence R. McDowell
Deputy City Attorney

Table with columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GRIESS, HENSLEY, MAHAFFEY, MEYER, MOORE, TOTAL, MOTION CARRIED, APPROVED.

CERTIFICATE

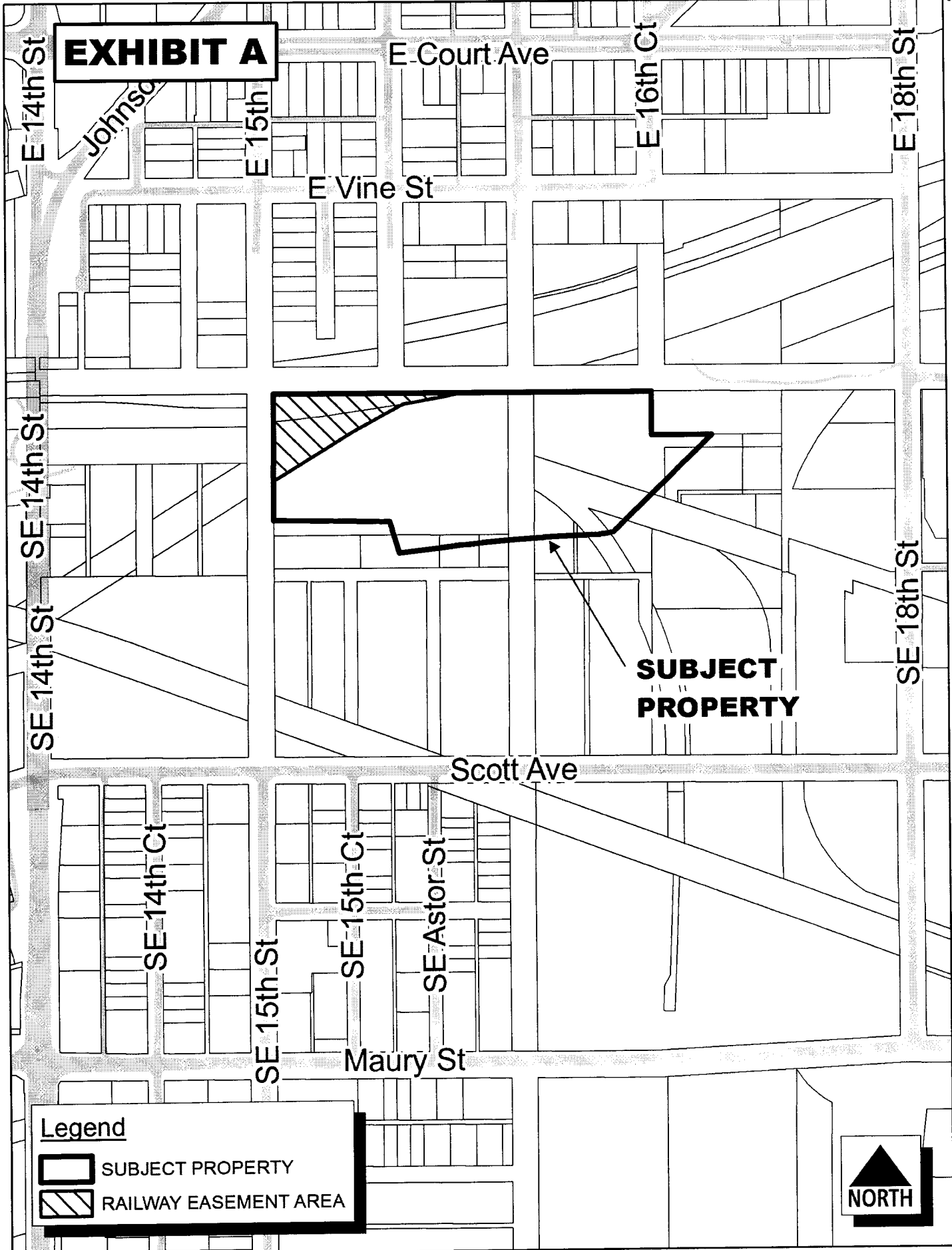
I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

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

Mayor

City Clerk

EXHIBIT A



Burlington Junction Railway

200 Jefferson Street
P.O. Box 982
Burlington, IA 52601
Phone: (319) 754-5000
Fax: (319) 754-1960

Email: hothlaw@mchsi.com
Web: www.bjryrail.com

RECEIVED

JUN 07 2013

CITY MANAGER'S OFFICE

June 5, 2013

Mr. Richard A. Clark
City Manager
City of Des Moines
400 Robert D. Ray Drive
Des Moines, IA 50309

Re: Development of Transload Facility at City Site
Adjacent to new SE Connector Road

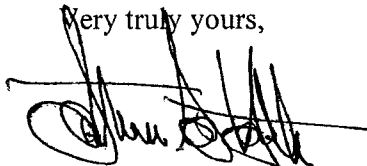
Dear Mr. Clark:

The Burlington Junction Railway (BJRY) is writing to express its interest in developing a commodity transload facility on the above property. BJRY is a shortline railroad and logistics company that is headquartered in Burlington, Iowa. We have been in operation 25 years and now provide rail switching and commodity transloading services in seven cities in Iowa, Illinois and Missouri.

Given the size of the site and its proximity to existing rail service, we feel that there is the potential to develop a transload facility at this location. BJRY would like to explore potential partnerships with the City and Class I railroads in developing the site for this purpose. We believe such a facility would provide enhanced access for businesses in the Des Moines area to ship and receive both bulk and dimensional commodities via rail.

We look forward to further discussions with you about this development.

Very truly yours,



Steven S. Hoth
President
Burlington Junction Railway

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Merchants

Merchants Distribution Service

1420 11TH AVENUE N.E. P.O. BOX 555
ALTOONA, IA 50009-0555 515-244-2123 FAX 515-967-2561

May 23, 2013

Mr. Richard A. Clark
City Manager
City of Des Moines
400 Robert D. Ray Drive
Des Moines, Iowa 50309

Re: Rail Transload Site

Dear Mr. Clark:

I am the President of Merchants Distribution Service. The intent of this letter is to express interest in the transloading facility that would be located on the southeast side of Des Moines, on a tract of land owned by the city and to consist of approximately 30 acres.

Merchants has been in Des Moines since 1880, and currently has a facility at 1850 East Euclid, as well as a facility in Altoona. Our facilities are rail served allowing for rail-to-truck and truck-to-rail shipments via box car, flat car, open gondola car, and tank car. The proposed facility would complement our existing operations and allow for the expansion of the type of rail transload service available in Des Moines.

The proposed site is close to existing rail lines. Merchants already has a working relationship in Des Moines with the UP and the Union Pacific Distribution Service, and with the Burlington Northern, Norfolk Southern, and the Iowa Interstate. This makes the site a "natural" for development of a transload facility.

The development of the proposed site as a transload facility would put this property to its highest and best use.

Let me know if you need anything further from me at this time. Thank you for considering our interest in this project.

Warm regards,

Greg A. Dickinson
President

RECEIVED
MAY 23 2013
CITY MANAGER'S OFFICE

MEMBER



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Merchants

Merchants Distribution Service

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ALTOONA, IA 50009-0555 515-244-2123 FAX 515-967-2561

May 23, 2013

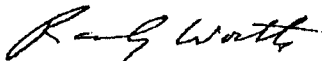
TO: Joyce Warburton, Executive Assistant to the City Manager
FROM: Greg A. Dickinson – President, Merchants Distribution Service

This fax contains two pages.

Good Afternoon Joyce;

I am forwarding to you for the City Manager's file, our letter of introduction and interest regarding the property in the area of SE. 18th and Scott for potential development of a transload facility.

Sincerely;
MERCHANTS DISTRIBUTION SERVICE



Randy Worth
V.P. and General Manager

MEMBER



Mr. Richard A. Clark
City Manager
City of Des Moines
400 Robert D. Ray Drive
Des Moines, IA 50309

May 24, 2013

Mr. Clark,

Please consider this correspondence as our formal Letter of Interest to purchase real estate owned by the City of Des Moines and to operate a regionally based transloading facility. We appreciate your assistance with this process as we collaboratively chart a course for this new endeavor which will result in economic and community development for the City of Des Moines and surrounding communities.

Site

The site located approximately at 1500 Scott Avenue is strategically located adjacent to downtown Des Moines with proximity to the key transportation routes. Being at the crossroads of I80 and I35, Des Moines can be the central hub to service transloading needs not only for the Greater Des Moines Area itself, but also to be a regional transloading asset to surrounding Iowa communities within 100 miles. The location will best serve industry in Des Moines due to being located immediately adjacent to the central business district and within minutes of key industrial parks and manufacturers.

Collaborative Engagement

As Omaha TransLoading enters the Des Moines market, we wish to engage in a partnership-like working relationship with the City of Des Moines that is open and transparent resulting in continuous benefits to the City of Des Moines, local businesses, its citizenry and Omaha TransLoading. Omaha TransLoading is proud to state that we currently operate under this same partnership with the City of Omaha with great success. As a "Premier" Midwestern Transloader focused on maintaining quality relationships, Omaha TransLoading continues to provide value-added services that enable its clients, and the communities in which they reside, to be more profitable. We believe that by working collaboratively we can achieve results that will be in the best interest of the Greater Des Moines area as a whole.

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MAY 24 2013

CITY MANAGER'S OFFICE

Enhancing the Competitiveness of Des Moines-based Business

Our endeavor will bring a competitive advantage to the Des Moines area that does not currently exist. Having a transloading facility such as the one proposed will enable Des Moines area businesses to focus more squarely on those items within their core competencies. This will allow for those firms providing goods and services to the residents and businesses in the region to be more competitive through lower costs of business, lower transportation cost and increased opportunities for manufacturing and warehousing. This competitiveness can be the catalyst to create new jobs and pass along value that can make goods and associated services more affordable for all.

Job Creation & Investment

Omaha TransLoading will be initially creating over twenty (20) jobs in Des Moines, with the real potential of growing its employment base as utilization of the facility increases. Approximately \$650,000 in wages will be generated in the facility's first year. It will additionally induce other direct and indirect job creation throughout various other industries in the Greater Des Moines Area. This job creation is coupled with an initial investment of over \$3.3 million dollars. The ongoing operations will continue to bring dollars into the local economy for years to come.

Community Partnerships Enhancing Opportunity

As Omaha TransLoading seeks to fill these new positions created, we will explore opportunities to partner with Des Moines Area Community College (DMACC). DMACC, as well as other Des Moines-based employment resources, will be utilized to identify those students, graduates and other available potential employees with applicable skill sets for career opportunities in the logistics industry. In concert with these agencies and its own in-house training programs, Omaha TransLoading will develop and promote local employment.

Enhancing Sustainability

Omaha TransLoading continues to grow its reputation for being reliable and creating solutions that are both efficient and cost-effective. The proposed transloading facility will be a tool to assist the Greater Des Moines Partnership's Sustainability Committee in pursuing its green/sustainability efforts. The increased use of rail to move products can dramatically reduce the greenhouse gas emissions associated with the transporting of products and product inputs. Significant cost savings can also be associated with its

utilization. Furthermore, Omaha TransLoading is committed to constructing a facility which will utilize, foster and promote green/sustainability.

Business Recruiting Tool

The Des Moines Partnership has identified logistics as a targeted industry. The synergistic leveraging of resources with this proposed facility and the existing list of transportation companies in the Des Moines Area will enhance the competitive advantage of the region. The proposed facility will be an asset for the region to both recruit business and assist existing business. We believe that this facility will better position Des Moines to compete with its comparable cities for multiple types of industries across the board. This may be especially true as it relates to manufacturing and warehousing operations. Community resources such as the proposed facility can sometimes weigh significantly as industry eliminates cities from the list of potential communities for their new projects. The potential cost savings for businesses enabled by utilization of this Des Moines transloading facility, coupled with the aggressive state and local incentive programs, will add another strategic tool to the economic development arsenal of Des Moines.

Company History:

Omaha TransLoading is a family business that has a continuity of philosophy from top to bottom. Steve Braithwaite and his sons have a rich history of business experience. The critical thinking skills gained through these experiences have been one of the most valuable keys to the success of Omaha TransLoading. Within the first month of initiating operations in Omaha, Omaha TransLoading was designated as a "Premier Transloader" within the BNSF Railway. Omaha TransLoading is known for performing all three types of transloading, "Dimensional, Warehouse and Bulk". This same operation is planned for the Des Moines area and will result in greater enhancement and utilization of the facility.

Another key to success is Omaha TransLoading's unwavering dedication to servicing the needs of their client as the most important aspect of being in business. This dedication to serving the client is evident in the substantial growth of the firm through difficult economic conditions. In 6 short years, Omaha TransLoading has gone from transloading 3 railcars in its first year to exceeding over 1,000 in 2012. Despite its relative newness to the industry, Omaha TransLoading has been recognized over the past several years by the industry as one of its leaders. Being nominated and elected in 2013 to serve as President of the national transloading organization, the Transload Distribution Association (TDA), Steve Braithwaite has served the industry and continues

to shape the future of the industry in a way that has a focus on efficiency and collaboration between industry and the communities they serve.

Thank you for the opportunity to present you with this Letter of Interest in developing, constructing and ultimately operating a transloading facility. If you have any questions, or need further clarification, please let me know. We are enthusiastic about the project and working closely with your staff to make it happen. I personally look forward to being able to create jobs, investment, and to contribute to the overall economic health of the Greater Des Moines Area, and specifically Des Moines itself.

Respectfully submitted:

A handwritten signature in black ink, appearing to read 'Steve Braithwaite', written over a horizontal line.

Steve Braithwaite

President/CEO



PULLING FOR AMERICA

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Mr. Richard Clark, City Manager
City of Des Moines
400 Robert D. Ray Drive
Des Moines, IA 50309

Subject: Statement of qualifications for operating freight transload facility in Des Moines and rail switching district

Dear Mr. Clark:

Progressive Rail, Inc. is an experienced shortline rail service provider familiar with the operation of successful rail switching operations and freight reload facilities in several Midwestern states. We want to compliment the City of Des Moines on your strategy of developing a railroad switching district and freight reload center in the heart of your metropolitan area. This is an excellent strategy to enhance economic opportunities for business, create new jobs, and add to the tax base. It can also be part of a strategy to reduce the volume of heavy trucks moving into and out of your highway network.

Our company operates reload centers in Bloomington and Lakeville, MN; Marion, IL (in the St. Louis, MO market); and Mason City, IA. Commodities handled include commercial paper; wallboard; super sacks; bulk commodities such as flour, cotton seed, plastic resins; lumber; steel; rebar; palletized bags of various products; pipe; and machinery on flatcars to name a few. Des Moines has always been a railroad market that has been of interest to us, and we would appreciate the opportunity to participate in the city's freight rail reloading project.

Enclosed please find additional information about our company and its qualifications. We are an insured transloader and have excellent working relationships with the Class I railroads. We pride ourselves in working closely with city economic developers to share industrial prospect leads and to assist existing business in meeting rail transportation needs.

Thank you for the opportunity to share this information with you, and we look forward to working with the City of Des Moines to fully realize the strategy of a multi-modal freight reload facility. We look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "David Fellon", with a long, sweeping underline that extends to the right.

David Fellon
President