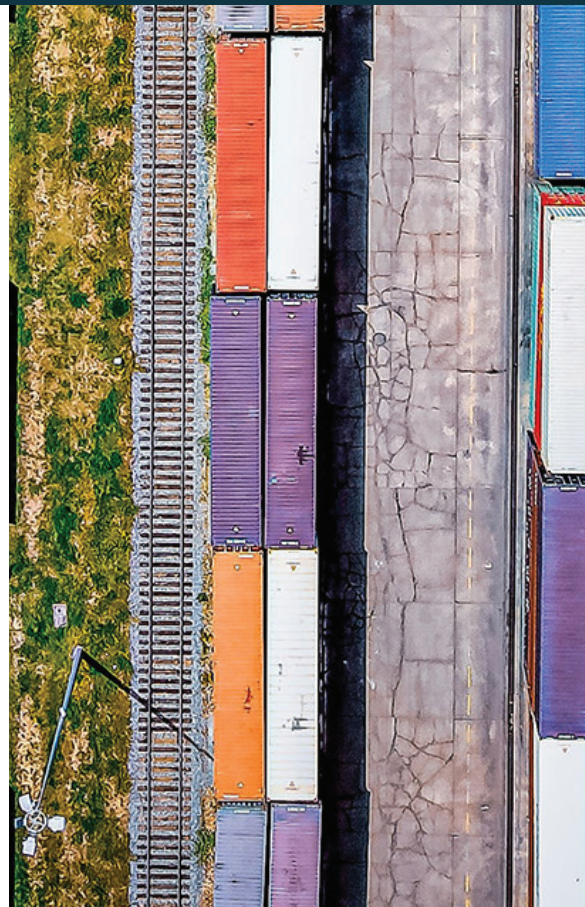


Part Two

World-Class Infrastructure, Focus on the Intermodals

Dallas-Fort Worth: A Premier Inland Logistics Hub

DFW boasts a transportation infrastructure that is second to none. Its expansive network of highways, including I-35, I-20, I-30, and I-45, provides seamless connectivity to the nation's transportation backbone. Complementing this robust road network is a sophisticated intermodal system.



Intermodal Facilities

» Mesquite Intermodal Facility

As one of the nation's largest intermodal terminals, the Mesquite Intermodal Facility plays a pivotal role in connecting rail and road transportation. Its strategic location within the DFW metroplex allows for seamless transfer of containers between trains and trucks, reducing transportation time and costs. The facility is especially crucial for the U.S. auto industry, facilitating the efficient movement of automotive parts and finished vehicles.

» Union Pacific (UP) Intermodal Terminal

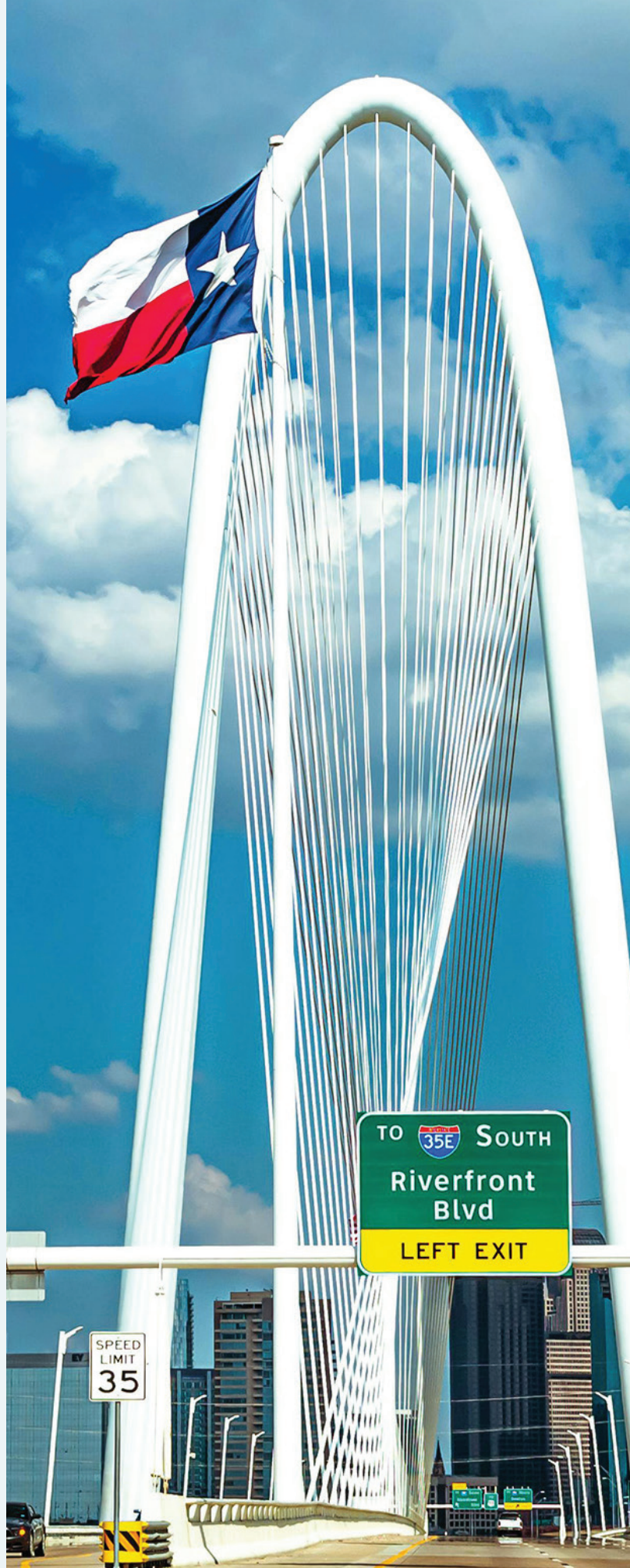
Located in southern Dallas County, this facility spans 360 acres and handles around 365,000 containers annually. Significant recent investments in technology and infrastructure have enhanced its operational efficiency and capacity, making it a vital link in the region's logistics network.

» BNSF Alliance Intermodal Facility

Situated in the AllianceTexas development in Fort Worth, this 700-acre facility manages over 1 million containers each year. It has experienced substantial growth in cargo volumes, thanks to its strategic location and integration into a robust rail network, making it a key player in regional and national freight movement.

» Wylie Intermodal Facility

Operated by Canadian Pacific Kansas City (CPKC), the Wylie Intermodal Facility is a central hub in the DFW area, providing extensive connectivity across North America. Opened in 2015 and expanded in 2018, it features 19,000 feet of track capacity and an annual lift capacity of 342,000 containers. The facility supports a significant volume of freight and is complemented by the adjacent Wylie Logistics Park, which offers up to 2.4 million square feet of space for warehousing and distribution.





Mesquite Intermodal

A Crucial Link in the Supply Chain

The Mesquite Intermodal Facility is a cornerstone of DFW's logistics infrastructure, playing a pivotal role in connecting rail and road transportation, enhancing efficiency, and supporting economic growth. As one of the largest intermodal terminals in the nation, it is especially vital for the U.S. auto industry, providing a critical link in the supply chain for automotive manufacturers and suppliers.

The Role of Mesquite Intermodal:

» Efficient Freight Transfer

The facility's strategic location within the DFW metroplex allows for seamless transfer of containers between trains and trucks, significantly reducing transportation time and costs. This efficiency is particularly crucial for the auto industry, where just-in-time delivery is essential to maintaining production schedules and minimizing inventory costs.

» Key Hub for the Auto Industry

Mesquite Intermodal is a key node in the supply chain for the U.S. auto industry. The terminal handles a significant volume of automotive parts and finished vehicles, facilitating their distribution to assembly plants and dealerships across the country. The facility's ability to quickly and efficiently move large quantities of auto-

related freight is vital for the industry's operations, particularly as automotive manufacturing becomes more reliant on integrated logistics solutions.

» Increased Capacity

Recent expansions, including additional tracks, parking areas, and a new crane maintenance facility, have significantly increased the terminal's capacity to handle growing freight volumes. This is especially important as the auto industry continues to experience increased demand and supply chain complexity, requiring greater throughput at intermodal facilities like Mesquite.

» Economic Impact

The Mesquite Intermodal facility supports thousands of jobs, both directly and indirectly, and contributes significantly to the

region's economy. Its role in the auto industry supply chain further amplifies its economic importance, as the smooth operation of this facility helps sustain manufacturing jobs across the U.S. and ensures that vehicles and parts reach their destinations efficiently.

» Supply Chain Resilience

By providing a robust intermodal link, the facility enhances the resilience of the supply chain, reducing disruptions and ensuring the timely delivery of goods. For the auto industry, this resilience is critical, as delays in the supply chain can lead to costly production halts and impact the availability of vehicles in the market. The Mesquite Intermodal Facility's capacity to handle high volumes of auto-related freight helps mitigate these risks, contributing to a more stable and reliable supply chain.

Union Pacific (UP) Intermodal Terminal

A Key Component of Southern Dallas Logistics

The Union Pacific (UP) Intermodal Terminal in southern Dallas County is a cornerstone of the region's freight transportation network. Spanning 360 acres, this facility is integral to Union Pacific's operations and plays a crucial role in the DFW area's logistics infrastructure. Originally opened in 2005, the \$100 million project expanded container capacity by five-fold, it features one track for incoming and departing trains; four tracks for unloading a total of 76 double-stack cars; five tracks for staging cars; four cranes with Global Positioning System technology for trailer and container lifts; a satellite-guided system for operating dual cranes on parallel tracks; more than 4,000 parking places for trailers and containers; and a state-of-the-art security system.

Key Features and Developments:

» Capacity and Efficiency

The UP Intermodal Terminal handles approximately 365,000 containers annually. Its significant capacity supports efficient freight movement across the region, accommodating a large volume of intermodal traffic and ensuring swift transfer between rail and road transportation.

» Technological Advancements

Recent investments in technology and infrastructure have enhanced the terminal's operational efficiency. Upgrades include advanced tracking systems and improved logistics management tools, which contribute to streamlined operations and better service quality.

» Strategic Location

Situated in southern Dallas County, the terminal benefits from its proximity to major highways and transportation routes. This location facilitates easy access to regional and national markets, making it a vital link in the supply chain.

» Economic Impact

The terminal's operations support numerous jobs and contribute to the local economy. Its role in handling a significant volume of freight helps sustain regional economic activity and supports broader supply chain operations.

» Future Developments

Continued investment in the terminal is expected to bolster its capacity and efficiency. As demand for intermodal transportation grows, the UP Intermodal Terminal is positioned to remain a key player in the DFW logistics network.





BNSF Alliance Intermodal Facility

A Major Hub in Fort Worth

The BNSF Alliance Intermodal Facility, located in the AllianceTexas development just north of Fort Worth, is a cornerstone of BNSF's network and a key player in the regional logistics landscape. Since its opening in 1994, the facility has evolved from a greenfield site into one of the most modern and efficient intermodal centers in the Southwest.

Key Features and Developments:

» Strategic Design and Expansion

Originally developed on 13,000 acres of farmland, the Alliance Intermodal Facility was purpose-built for intermodal operations. The facility's design includes efficient parking layouts, increased track centers, and 60-foot-span overhead cranes that enhance service capability and efficiency. The footprint has expanded to approximately 500 acres, with nine production tracks—four exceeding 8,000 feet in length—and over 8,500 parking spots.

» Growth and Capacity

The facility has experienced remarkable growth since its inception. It now handles an average of 2,700 trailers and containers daily, with a peak daily lift record of 3,900. Alliance is one of BNSF's two facilities that have achieved 1 million lifts annually, showcasing its critical role in the network.

» Technological Advancements

Alliance incorporates advanced technologies such as drones for inventory management and artificial intelligence (AI) for optimizing train load plans. An AI-based algorithm at the facility has improved train loading times by more than 30 minutes on average, enhancing overall efficiency.

» Operational Scope

Operating 24/7, the facility manages all types of intermodal freight, including international containers and domestic truckloads. It serves as a major connection point for markets including Mexico, the Upper Midwest, and the West Coast. Recent expansions have added new lanes, such as one connecting the Port of Houston to Alliance, further boosting its service offerings.

» Economic Impact

With its robust infrastructure and high-performance capabilities, the BNSF Alliance Intermodal Facility supports significant freight volumes and contributes substantially to regional economic development. The facility's continuous growth and technological innovations underscore its importance in the logistics network and its role in facilitating efficient goods movement.

Wylie Intermodal Facility

A Key Node in Regional Logistics

The Wylie Intermodal Facility, operated by Canadian Pacific Kansas City (CPKC), is strategically positioned to enhance supply chain efficiency in the Dallas-Fort Worth area. Opened in 2015 and expanded in 2018, the facility serves as a central hub for intermodal transportation, linking rail and road networks seamlessly.

Key Features and Developments:

» Extensive Connectivity

The Wylie Intermodal Terminal is central to CPKC's 20,000-mile rail network, linking to eleven ports in the Gulf of Mexico, two Pacific Ocean ports, two Atlantic Ocean ports, and six Great Lakes ports. With 181 interchange points with other major railroads across the U.S., Canada, and Mexico, it provides seamless connectivity to all major markets in North America.

» Expansion and Capacity

Since its opening, the Wylie Intermodal Terminal has seen significant growth. The facility now features 19,000 feet of track capacity and an annual lift capacity of 342,000 containers. Its expansion in 2018 enhanced its operational capabilities, including 1,800 wheeled parking spaces and 300 container stack spots.

» Advanced Infrastructure

The \$64 million terminal boasts a state-of-the-art Automated Gate System (AGS) equipped with high-definition imagery, optical character recognition, and biometric driver identification. This sophisticated technology streamlines operations, ensuring efficient processing and improved on-time performance for arrivals and departures.

» Strategic Development

In January 2021, Kansas City Southern partnered with NorthPoint Development to develop the 220-acre Wylie Logistics Park adjacent to the intermodal terminal. This master-planned park offers up to 2.4 million square feet of space for warehousing and distribution. It features industrial-grade amenities, including a dual-feed electrical system with redundant power, and a heavy-haul road network with direct access to Highway 78 and the interstate system.

» Economic Impact

The Wylie Logistics Park capitalizes on Wylie's pro-business environment, low taxes, and double free port exemption. It is expected to continue to drive significant economic growth by attracting businesses seeking efficient logistics solutions and access to a robust transportation network.

» Environmental and Operational Benefits

The integration of the Wylie Intermodal Facility and Logistics Park offers substantial cost savings by reducing drayage distances and providing quick access to regional interstate routes. Additionally, it supports the environmental benefits of intermodal transportation, enhancing connectivity to other intermodal and port facilities within the U.S. and Mexico rail network.

Looking Ahead

As the DFW metroplex continues to grow as a national and international logistics hub, there is increasing interest in expanding its intermodal capabilities. BNSF, in particular, has been exploring land options for a potential new intermodal facility in the southern area of Dallas County. While no firm dates have been announced, the addition of new intermodal facilities is a strong likelihood in the coming years. This expansion would not only increase DFW's capacity to handle growing freight volumes but also solidify its position as one of the premier inland ports in the United States.

Future-Proofing DFW's Intermodal Infrastructure

To maintain its competitive edge and accommodate future growth, DFW's intermodal facilities are likely to see continued investments in technology, infrastructure, and sustainability initiatives. These investments will include the adoption of automation and digitalization technologies to streamline operations, reduce costs, and enhance service quality. Additionally, there may be a focus on developing green infrastructure and reducing the environmental impact of freight operations, aligning with broader industry trends towards sustainability and resilience.

