

May 14, 2008

BNSF closes on parcel in Dallas; 2nd intermodal yard possible

By Andrea Jares

BNSF Railway Co. has closed on 198 acres at a logistics business park in south Dallas, bringing the possibility of a second intermodal yard there closer to reality.

If the Fort Worth-based railroad joined Union Pacific with an intermodal yard at the 6,000-acre Dallas Logistics Hub, it would be a rarity that would increase transportation options for companies distributing Asian cargo. BNSF, known for its sprawling intermodal facility at the Alliance complex in north Fort Worth, has an option on 164 acres in Dallas.

A second intermodal facility at the logistics park taking shape near Hutchins, Wilmer, Lancaster and south Dallas may or may not happen, said a representative from BNSF. It is up to BNSF to decide how the land will be used, said a spokesman for the park's developer, The Allen Group.

What it means

Two intermodal yards would add tremendously to access available to trains and trucks moving goods across the country.

"Two intermodals do not exist anywhere at a logistics park," said Jon Cross, Allen's director of marketing. "This would be the first of its kind in North America."

But the land will not necessarily become an intermodal yard, said Suann Lundsberg, BNSF

spokeswoman. The rail company exercised its option to buy the land for an undisclosed price, she said.

"We do not have plans at this time," Lundsberg said.

How the deal works

In April 2007, BNSF entered into an option agreement to buy 387 acres at the Dallas Logistics Hub. The land purchased is part of that option. The development of rail infrastructure at the park enhances the three major highways -- Interstates 45, 35E and 20 -- that are close or adjacent to the park. A proposed Loop 9 would increase access to the south, Cross said.

"If a company has access to strategic rail and highway infrastructure, it improves your supply chain and reduces transportation costs," Cross said.

Closer to home

In north Fort Worth, BNSF completed a \$32.4 million expansion at its intermodal terminal at Alliance in recent months. Additions including rail increase its capacity to 750,000 lifts a year. In 2007, BNSF handled 570,000 lifts.

"BNSF has made a significant commitment to the Alliance facility with the improvements they have made in the past year," said David Pelletier, spokesman for Hillwood, the developer of Alliance.

The intermodal yard is a key factor in the 17,000-acre industrial park's business growth, he said. Since

the BNSF intermodal yard opened in 1994, business at Alliance has grown in tandem, Pelletier said.

Hillwood is working on expanding highway access around the intermodal yard to improve truck flow and open more land close by, Pelletier said.

