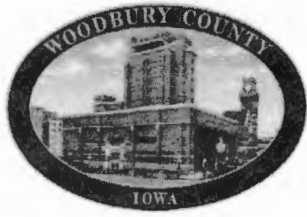


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## Woodbury County Secondary Roads Department

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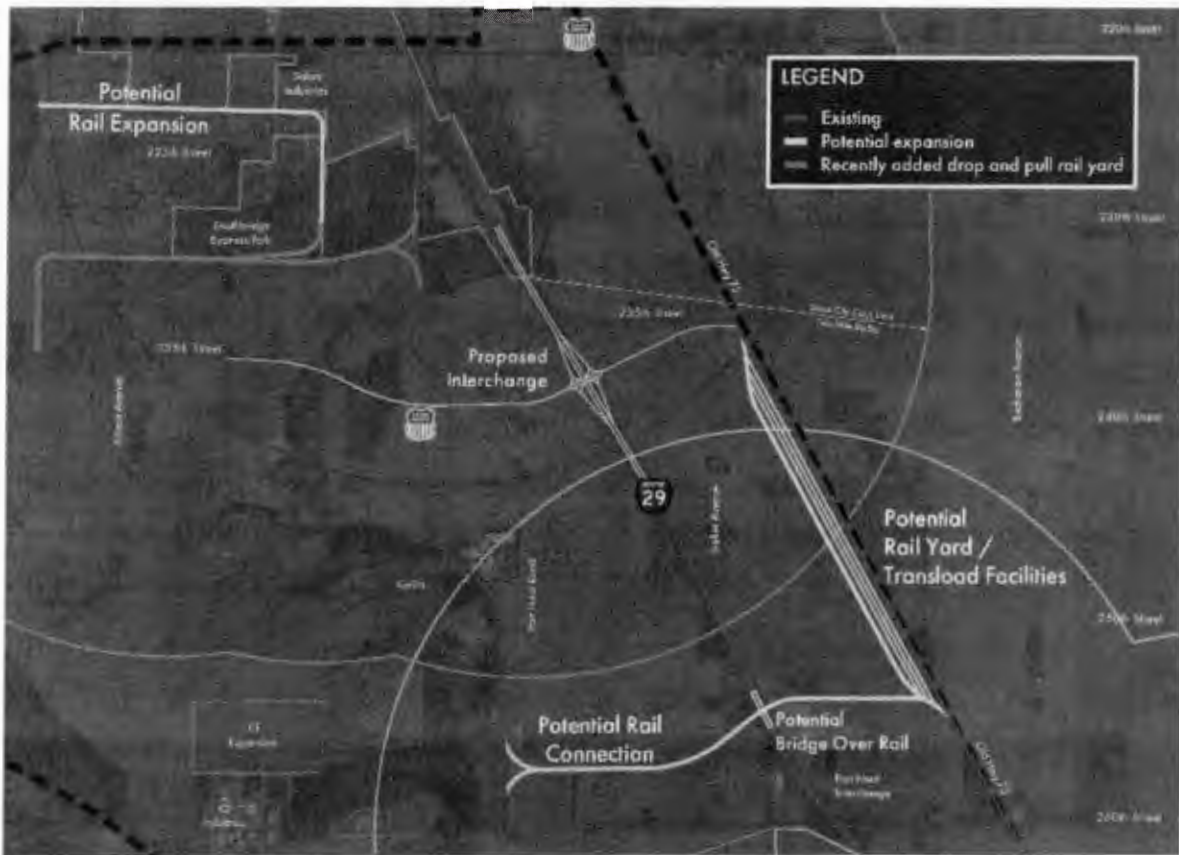
### **Justification for using General Obligation Bonds for Southbridge Interchange**

The justification for using General Obligation Bonds for the Southbridge Interchange project follows Iowa Code Section 331.441, where the Code dictates that general obligation bonds may be issued by a County for an essential county purpose. Capital projects for the construction, reconstruction, improvement or repair of roads and bridges are considered an essential county purpose, provided capital projects assist in economic development which creates jobs and wealth.

**Summary of Project:** The I-29 Southbridge project is recognized as priority by local, regional, and statewide residents, illustrated by the letters of support and level of local investment. The I-29 Southbridge Project has been part of the long-term planning vision for Woodbury County, the Cities of Sioux City and Sergeant Bluff, and the Siouxland Interstate Metropolitan Planning Council (SIMPCO) since 2005, to support planned workforce housing and industrial development south of Sioux Gateway Airport in the southern portion of the Sioux City metropolitan area. In 2005, the City of Sioux City included a proposed interchange in their *2005 Comprehensive Plan*, and SIMPCO, in parallel, approved an amendment to its Long-Range Transportation Plan (LRTP) to include a new interchange on I-29 near mile marker 139. In partnership with Sioux City and SIMPCO, Woodbury County included the interchange in 2025. The Woodbury County General Development Plan carried this vision forward with Woodbury County's *Envision 2050* plan, published in 2015. Since this time, Woodbury County, the City of Sioux City, and the City of Sergeant Bluff have partnered to foster development and bring heavier industries, better paying jobs, and the opportunity for wealth creation to the area. The planned development and opportunities are focused on two primary development areas: the Southbridge Business Park, located south of the Sioux Gateway Airport, and the Sergeant Bluff Industrial Park, located north of the project site at the southern edge of Sergeant Bluff. [Southbridge Business Park on Vimeo](#)

The I-29 Southbridge Project is in the heart of an emerging industrial hub, less than two miles from the Sioux Gateway Airport, three miles from the navigable Missouri River, and directly adjacent to the Union Pacific rail lines. These are all critical linkages that support freight efficiency.

Sioux City is served by three Class I railroads in addition to Class II and Class III rail lines. Union Pacific is the primary rail provider through the Southbridge Business Park. In 2015, Sioux City and Union Pacific completed a nearly \$8.5 million drop-and-pull rail yard and additional spur for Cold Link Storage. The yard contains three tracks with over 8,000 track feet of space for switching cars and assembling unit trains. A plan has been prepared for expansions of the rail infrastructure as industrial development grows further south. This significantly reduces shipping costs and increases freight mobility.



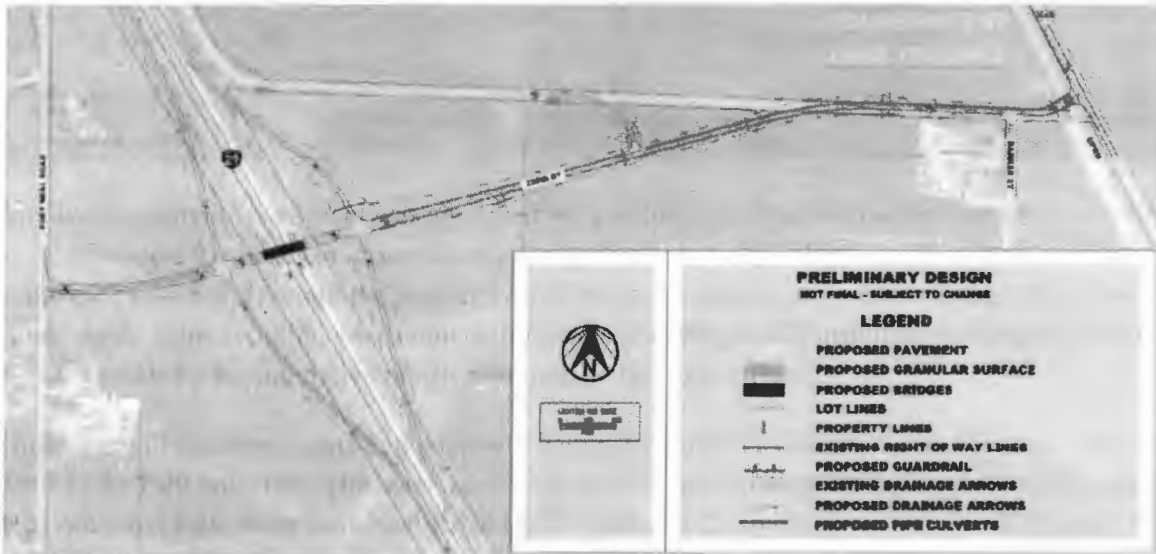
The Missouri River runs alongside the western edge of the Southbridge Business Park. Although there is currently no existing barge facility, with future land and business development, barge shipments may become a more viable and cost-effective transportation mode to complement truck freight movement. The closest existing barge facility is the Big Soo Terminal, located north of the airport. Complete with barge, interstate, and rail access, the Big Soo Terminal specializes in movement of dry bulk, fertilizers, grain, feed, and other commodities. The terminal operates six days a week to accommodate rail operations with Union Pacific which runs directly through their laydown yard. The project identifies existing businesses that could benefit from a barge facility operating along the Southbridge Business Park.

The Sioux Gateway airport is two miles north of the project area. Largely used for commercial and military operations, the airport has an estimated economic impact of \$152 million with 717 on-site airport jobs and an additional 1,192 indirect job impact. Over the last three reported years, the airport has been in the top three for transporting the most cargo in the state of Iowa. The airport is also home to the Iowa Air National Guard's 185th Air Refueling Wing. Currently there are roughly 1,000 traditional and full-time military with another 300 air technicians and state contract employees. Freight connections can be made on the south side of the airport from Port Neal Road via the 235th Street interchange and provide a strategic route for National Guard movements.



An Environmental Assessment was approved with a Finding of No Significant Impact. The project location is ideal to minimize impacts to wetlands, floodplains, farmland, noise and other resources that were evaluated. Overall, the project avoids the fragmentation of lands with high conservation value. Aside from avoiding environmental impacts, the design will install environmental features in the corridor by adding native prairie plantings in the right-of-way.

The Bond will fund the interchange that will connect Woodbury County, Sioux City, and Sergeant Bluff to the I-29 interstate. The local road work will realign existing 235th Street, which currently does not cross I-29, from Port Neal Road (K25) west of I-29 to Old Highway 75 (K45) east of I-29 (approximately 0.9-mile total length). Extend Banner Avenue north of 235th Street to the south, parallel to the northbound entrance ramp to better tie in with 235th Street. Old Highway 75 will have turn lanes added to accommodate the traffic the interchange will create at the new signalized intersection.



**Safety Enhancements:** The project has documented safety benefits within the limits surrounding I-29 and 235th Street. Safety is a primary project purpose because of the projected increases in

freight and commuter activity in the surrounding area. The project supports actions and activities identified in the National Roadway Safety Strategy by upgrading the existing unpaved roadway on 235th Street to a paved facility with pavement markings, dedicated turning lanes and signage.

The primary safety measure comes from reconstructing the rail crossing on the eastern limits of the project area near Old Highway 75. The other crash reduction benefit comes from adding the diamond interchange at 235th Street.



Woodbury County, with support from Union Pacific Railroad and Iowa DOT, is adding a signalized rail crossing with pre-emption and automatic gates to prevent drivers from disregarding warnings.

The area surrounding the proposed interchange and rail crossing is rural, as evidenced by 235th Street currently operating as an unpaved road with no signalized protection (no flashers or gates) crossing at the rail tracks just west of Old Highway 75.

According to the Interchange Justification Report (IJR), an additional 1,470 daily vehicles are expected to travel on 235th Street east of the interchange, where the rail tracks are located. The Union Pacific Railroad may also see increases in freight movement around this area.

The traffic analysis from the IJR shows that adding an interchange will provide a cumulative benefit to I-29 and the interchanges immediately to the north and south of 235th Street, resulting in reduced fatal and injury crashes by roughly one crash per year, which is significant considering the analysis area is rural.

There are currently no existing active pedestrian transportation facilities within three miles of the proposed project. Traffic analysis concluded that there would be limited benefits for adding bicycle or pedestrian facilities on 235th Street because there are no other existing networks to which the infrastructure would connect. If residential development is constructed around the project area, Woodbury County will collaborate with developers and city leadership to determine appropriate multimodal options that fit the needs of the rural community.

This project is being designed in cooperation with Iowa DOT. District staff is working with the county to provide enhancements to the project as the interchange is proposed to be a link in the Iowa Freight network with overpass bridge capacity and pavements in the area being increased in thickness and strength to serve heavier truck loads, including “superloads,” which are becoming more prevalent in Iowa. Iowa DOT is picking up that portion of the construction costs.

**Maintenance Cost and Characteristics:** Future maintenance of the interchange will be handled by the Iowa DOT. Outside of the interchange, future maintenance will be handled by Woodbury County. The City of Sgt. Bluff and Woodbury County has come to an agreement that the signal at K-45 will be operated by Sgt. Bluff with funding by Woodbury County.

**Project Cost:** The cost for the project includes easements and the grading, paving, bridge and signing construction costs. The project was awarded a Metropolitan Planning Organization (MPO) Surface Transportation Grant and a Revitalize Iowa Sound Economy (RISE) Program funds. The table below provides the best estimate of the final costs of the project.

Permanent & Temporary Easement Costs	\$758,112.00
Paving, Grading, Bridge, and Signing Construction Costs	\$19,600,022.60
Metropolitan Planning Organization (MPO) Surface Transportation Grant	-\$2,030,000.00
Revitalize Iowa Sound Economy (RISE) Program funds up to 21% of construction costs	-\$3,689,704.75
<b>Estimated County costs</b>	<b>\$14,638,429.85</b>

**Economic Significance:** The primary purpose of the new interchange and enhanced rail crossing is to stimulate increases in economic development, freight movement, and job creation in the business parks surrounding the project. Businesses have already started to locate into the area west of the proposed interchange, providing hundreds of jobs to the region. Sabre Industries – Connecting America’s Communities, a leading telecom and utility infrastructure supplier, and one of Siouxland’s largest employers with 500 employees, recently completed a \$25 million expansion in 2022 that added a galvanizing plant to their Sioux City location. This expansion created nearly 80 new jobs. Cold Link Logistics, which is a 190,000 square foot facility that specializes in cold storage warehousing, opened in 2023 with a \$60 million investment that resulted in 80 jobs. In 2024, the Company expanded 154,000 square feet and added an additional 39 jobs. Dayton Freight

and Old Dominion Trucking have just recently constructed new facilities in the business park near Sabre Industries.

The new interchange will provide needed access for businesses who wish to take advantage of the freight multimodal options immediately surrounding the business parks. The two newest developments that have been heavily invested in by Woodbury County, Sioux City and Sergeant Bluff and are considered “project-ready” sites for businesses to move into.

Southbridge Business Park - The City of Sioux City has been developing the Southbridge Business Park since 2011 as a premier location for large-scale industrial and commercial projects. Located on the southern edge of the City of Sioux City, the business park encompasses nearly 10,000 acres of flat, developable land. An extensive planning effort by the City of Sioux City and its partners resulted in the annexation of approximately 400 acres for development. More than \$50 million has been invested in this site which has been certified through the IEDA Certified Sites Program. The certified sites program has rigorous requirements proving the site is shovel-ready, with utilities and infrastructure available and without encumbrances such as liens, environmental issues, and archaeological issues.

Development since 2011 includes the \$28 million Sabre Industries expansion, located north of 225th Street and west of I-29, and CF Industries expansion, west of Port Neal Road and County Road D51 (260th Street). CF Industries completed construction of a new dry granulated urea plant in 2016 to expand operations. A Mid-American Energy Company power plant is located southwest of Port Neal Circle. This plant received extensive emission control updates in recent years. Gelita USA is located west of Port Neal Road and north of County Road D51 (260th Street). In 2019, Gelita added a \$22 million addition to its plant for the production of collagen peptide nutritional additives which added 21 new jobs to the 250 jobs already at the plant. Several other smaller businesses have also developed in Southbridge Business Park. A 4 MW solar farm was constructed by MidAmerican Energy in 2021 at the intersection of 260th Street and Port Neal Road with additional ground available for expansion of the facility.

A drop-and-pull rail yard was constructed on the Union Pacific Railroad spur line west of Port Neal Road and south of 225th Street; this was built by the City of Sioux City in 2016. The rail service will attract new industry to the Southbridge Business Park.

Approximately 7,500 acres of land within the Southbridge Business Park remains available for future growth and development.

Sergeant Bluff Industrial Park - The Sergeant Bluff Industrial Park is located north and east of the project area and consists of over 117 acres of available property. Development of the Sergeant Bluff Industrial Park is anticipated to generate 170 jobs. Utilities are in place to allow for businesses to quickly locate to the site.

Estimates taken from SIMPCO and reported in the 2022 Interchange Justification Report originally projected a net increase of 6,227 new jobs between 2010 and 2050 in the Southbridge Business Park, Sergeant Bluff Industrial Park, and Bridgeport West Industrial Park (north of the airport). The projections were later increased by an additional 6,915 jobs, although a portion of these new jobs are expected north of the airport. These projections are dependent on an interchange at 235th Street.

**Submitted by:** Laura Sievers, PE, Woodbury County Engineer