

CEDAR CITY/IRON COUNTY AREA
REQUEST FOR PROPOSALS
REGIONAL LOGISTICS MARKET ASSESSMENT
AS PART OF A SATELLITE PORT DESIGNATION PROCESS

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Summary Sheet

Project: Cedar City – Iron County Economic Development is seeking proposals from qualified professional firms for the creation of a “Detailed Market Assessment” to help us determine the viability of a regional system of freight consolidating and movement to facilitate the efficient movement of freight through the southwestern region of Utah. We are soliciting information on the business case for a regional logistics center that would be self-sufficient, and that could potentially be complementary to the Utah Inland Port state-wide system.

The Utah Inland Port Authority has requested a detailed market assessment as part of the business case analysis when determining viability of a regional system of cargo movement and efficiency. A business case will propel the region into ongoing negotiations for designation of a project area, unlocking resources and partnership opportunities. We believe we currently have the business case for this regional logistics center and it is our hope that this kind of center in the Cedar City area could eventually be an important part of a statewide inland port system.

We need to understand demand, (e.g. potential users and commodities), infrastructure and characteristics, network connectivity, benefits and impacts, financial parameters, and economic, environmental and community considerations.

The analysis may address the following considerations: What is southwestern Utah’s industry demand for a regional logistics center? What types of commodities are currently served and where are they currently routed from? What commodities could be served and where will they be rerouted from? How would a regional logistics center complement the Utah Inland Port system?

Requested Proposal: Cedar City – Iron County Economic Development is seeking a qualified firm or organization to undertake the work necessary to complete a detailed market assessment indicating industry needs, key customers, market size, growth potential, and competitive analysis of a regional logistics center to serve the southwestern region of Utah from the Cedar City area. This work may include, but is not limited to gathering information, business outreach where feedback is gathered from regional companies that ship and receive materials and goods via truck or train, financial analysis and using reliable source material to assist in evaluating logistics development opportunities for Cedar City, UT and the surrounding region. At the end of the project the successful proponent will produce a written market analysis, and also strategic recommendations in conformance with the information presented in the analysis.

Proposal Due-Time: 5:00 p.m., Mountain Daylight Savings Time, on the 12th day of JULY, 2021.

Place: Office of Cedar City – Iron County Economic Development, Danny Stewart, 10 North Main Street, Cedar City, UT 84720.

Introduction

Iron County is approximately 250 miles south of Salt Lake City, Utah, 180 miles north of Las Vegas, Nevada and 40 miles north of St. George, Utah. Cedar City, located along I-15 and 75 miles south of I-70 is the largest community in Iron County, with a population of about 34,000 in the city limits and about 50,000 in the immediate Cedar City area. A Union Pacific railroad spur currently serves a number of businesses in the Cedar City area twice each week. The only businesses served by rail are those with a direct connection to this spur. The majority of these businesses receive plastic resins, chemicals, and other raw materials used mainly in manufacturing processes. Smithfield Farms in neighboring Beaver County receives grains and materials used at a large feed lot facility to support large-scale hog farms. The rail line is also used by Utah Iron, LLC, which ships large quantities of iron ore to foreign markets via the seaports in southern California. There is no sort of trans loading or intermodal operation located on the rail in the southwestern region of Utah.

History

The Iron County / Cedar City area was originally an agricultural and mining community and has since diversified its economic base in the sectors of manufacturing, small business, education, construction, and tourism. As home to a large public university, a technical college, a thriving tourism industry, and a growing manufacturing hub, Cedar City is now a regional center for southwestern Utah. St. George and Washington County to the south, is much larger than Cedar City, and it also has a growing manufacturing sector and other large companies that could benefit from a regional logistics center, especially since the St. George Area does not have direct access to rail.

Challenges and Opportunities

The Union Pacific Railroad Company controls the rail line into Cedar City and the main line that runs north and south from western seaports and major western US markets. The railroad already has some preferred uses for this rail line, and the kinds of uses available on this rail line is limited by the railroad. In early visits with businesses in the St. George and Cedar City areas, it is evident that there is a significant need for rail trans loading services and potentially for intermodal uses. There are hay growers throughout the region who are currently shipping product via truck to seaports, and there are mineral products mined locally that could potentially benefit from rail service. Other large industries, such as steel, lumber, and other building materials suppliers could benefit from regional railroad services. We have also learned that the rail infrastructure in Iron County is currently underutilized, and that greater demand on this rail spur would result in improved service for existing and potential rail customers. We have learned that there are companies in our region that rely on trucking have logistical challenges in obtaining the trucks they need and avoiding “dead head” trucking in and out of the region. We have also learned that there are businesses that import numerous goods from overseas and from other parts of the country that are being delivered long distance by truck. We believe there are other local business needs for a logistical center in the southwestern region of Utah.

Future Vision

Looking toward the next 20 to 30 years, Iron County hopes to encourage wise regional logistics development for the entire region, encouraging business growth in this part of the state, while preserving the unique scenic beauty, and maintaining a high quality of life for its residents.

Proposal Objective

The primary objective of this retail market analysis is to provide an informed evaluation of logistics opportunities in southwestern Utah concerning the development of a logistics center in the

Cedar City area. The final report will demonstrate whether there is a business case for logistics development in this area, including Opportunity zone development areas.

Scope of Work

The following information should be included in the scope of work:

- **Executive Summary** outlining current movement of goods and products in and out of southwestern Utah, the demand and feasibility of trans loading, intermodal, truck, and other transportation methods; any other logistics considerations found in this study.
- **Definition of the Geographic Region** that could best be served by a regional logistics center located in the Cedar City area.
- **Business Rationale:**
 - What is the potential demand and industry need for a logistics center?
 - What is the recommended configuration of a logistics center? (e.g. acreage, needed facilities {trans loading, intermodal, etc.}, infrastructure, etc.).
 - Assess the current ability to balance outgoing volume with incoming volume (and equipment) to determine the near-term scope and size of a facility.
 - What competition, barriers, and regulations will impede expansion or use of this facility?
 - Provide the strategic requirements needed to properly and efficiently implement this facility.
 - Provide an assessment of the risks and opportunities of establishing this facility in the Cedar City area. At a minimum, the opportunities and risks should consider an assessment of the risks to public and private investment, such as construction risks, geopolitical risks, pricing risks, weather, labor, and regulatory issues.
 - Network connectivity: Describe how this facility would connect to the state and national freight network. Identify and evaluate the existing network assets – major truck corridors, rail assets, and any local/international airports.
 - Site Preparedness: Does this location have shovel-ready attributes? Does this site have the right utility capabilities for industrial uses, including telecom, electricity, gas, water, etc.?
 - Benefits and Impacts: What are the potential benefits and impacts to the local community, economy, and environment? Are there opportunities for renewable energy at the site?
 - Community Considerations: Document community resources around housing availability, labor pool analysis, workforce training, hotels, recreational venues, etc.
 - Third Party Validation: Please note if the candidate location is eligible for a third-party program such as the Union Pacific Focus Site Program, EDCUtah Mega Sites Program, or Opportunity Zone Designation.
- **Financial Analysis** addressing current trends in the movements of goods and materials in and out of southwestern Utah, including where opportunities and weaknesses (i.e., gaps) exist in the region. This analysis should address the following:
 - Illustrate how well shipping needs of local businesses are being met.
 - Uncover unmet demand and possible opportunities.
 - Explore the strengths and weaknesses of local freight movement.

- Provide an economic impact analysis, calculating anticipated jobs created, incomes, and value-added to the community.
- Conduct a financial performance analysis including ongoing operational and maintenance costs, potential operating partners, forecasted revenue flows, and overall return on investment..
- **Maps:** Provide maps of potential sites for logistics center development in Iron County, including the following maps: tax parcels, **ownership and acreage, land availability, infrastructure, transportation, FEMA floodplains, topography, and aerial imagery.**
- **Additional Recommendations** are always welcome and considered. The scope of work should also include a description of any additional recommended sources and proprietary methods that the proponent uses that will support a comprehensive market analysis.

Proposal Deadlines

Proposals shall be delivered to the Cedar City / Iron County Economic Development's office no later than 5:00 p.m., Mountain Daylight Savings Time, on the 12th day of July, 2021.

Number of Proposal Copies and Point of Delivery

Eight (8) hard copies of the proposals shall be delivered to Cedar City Economic Development, 10 North Main, Cedar City, UT 84720

Proposal Evaluation Procedures

The proposal shall be evaluated by members of the Cedar City Economic Development Committee, City Staff and others as assigned. The evaluations shall be conducted in accordance with the criteria described in "Guidelines for Preparing Proposals".

Cedar City Contact

The Cedar City Economic Development Director Danny Stewart may be contacted for any questions or clarification on the Proposal. He can be reached during business hours at (435) 592-0111 or by email: dans@cedarcity.org.

Disposition of Proposals

Proposals become the property of Cedar City Corporation, are treated as privileged documents, and are disposed of according to City policies. The proposal of the successful proponent shall be open to public inspection for a period of 90 days after a contract is awarded to the successful bidder. If the successful bidder has required in writing the non-disclosure of trade secrets and other proprietary data, the City shall examine the request in the proposal to determine its validity prior to awarding the contract. If the parties do not agree as to the disclosure of data in the contract, the City shall inform the proponent in writing what portion of the proposal will be disclosed and, unless the proponent withdraws the proposal, it will be disclosed.

Incomplete or Late Proposals

Proposals that do not specifically address each item on the evaluation criteria, or that are turned in after the deadline may be rejected.

Disclaimer

The City reserves the right to reject any and all proposals or re-bid the project. The City also reserves the right to waive any or all informalities in proposals. Cedar City reserves the right to negotiate a final term with the successful proponent.

REQUIREMENTS FOR PREPARING PROPOSALS

INTRODUCTION

These requirements were developed to standardize the preparation of proposals and will be used in evaluating the received proposals.

The proposal shall contain the following information in the order listed:

1. Introductory letter.
2. Proponent's qualifications.
3. Examples of prior work completed by proponent.
4. Proposed scope of work to provide a comprehensive retail market analysis of the Cedar City region.
5. Project Cost.
6. Time to complete project.

It is very important that the proposals submitted be clear and concise and in the recommended format, so the City may evaluate them objectively. The various sections in the submitted proposals should be tabbed for easy reference.

DETAILS AND EVALUATION CRITERIA

1. **Introductory Letter - 5 points** - The introductory letter should be addressed to:

Danny Stewart
Cedar City- Iron County Development
10 North Main Street
Cedar City, UT 84720

- This letter shall contain an expression of the proponent's interest in conducting the necessary work, a statement regarding the qualifications of the proponent to conduct the work, and any summary information that may be useful or informative to Cedar City.

2. **Proponent's qualifications- 10 points**

- This evaluation will consider the proponents qualifications and history producing Retail Market Analysis. Cedar City will evaluate the proponent's overall expertise and experience that would qualify them to do the required work.
- This section will also evaluate the proponent's team. Please provide a detailed listing of all team members that will be working on this project. Please list all relevant team members and their experience and qualifications. Please provide a detailed disclosure showing the anticipated amount of time each team member is anticipated to dedicate to the successful completion of this project. Please provide a detailed disclosure of the types of work each team member is going to provide.

3. **Examples of prior work completed by proponent - 20 points**

- This evaluation will focus on the proponent’s prior work.
- The proponent should provide a listing of other municipalities where the proponent has been hired to produce a retail market analysis.
- Show examples of prior work where the proponent has completed retail market analyses for other municipalities. Cedar City – Iron County Economic Development wants to evaluate the content and aesthetic of the proponent’s prior work. Please make the work as contemporary as possible, preferably within the past five (5) years. Given the page limit for this proposal it will not be possible to include printed copies of these plans. Please provide web addresses where the evaluators may look at prior work so we may make a reasonable evaluation.
- The proponent shall provide a reasonable list of prior clients including a point of contact so that Cedar City may talk to prior clients.

4. **Proposed scope of work for Market Analysis - 20 points**

- Describe your understanding of the project parameters
- Include a proposed scope of work.
 - This scope of work shall detail the proponent’s approach and process to gathering the necessary primary and secondary data to complete a comprehensive report that includes the following:
 - Executive Summary
 - Definition of Geographic Region
 - Business Rationale
 - Financial Analysis
 - Maps
 - Additional Recommendations
(*See pages 4-5 for definitions)
 - Include a proposed schedule of required analyses.
 - Include the number of meetings and those individuals and organizations involved in the scope of work.
 - The scope of work should also include a description of any additional recommended sources and methods that the proponent uses that will support a comprehensive retail market analysis.
- Include in this section a description of the deliverables you would propose providing to Cedar City - Iron County Economic Development at the end of the process. Please include your proposal for delivering both written and electronic

format documents that the City may modify in the future.

5. Project Cost - 30 points

- Describe in detail the overall project cost.
- If applicable, provide the cost for each element separately, so that the Economic Development Department can make an informed decision related to various sections of the retail market analysis.
- Include any price discounts that may be applicable to this project.

6. Time to complete - 15 points

- Describe in detail the time to complete the project. Proponent should include a clear timeline showing various stages of the project and how long it will take to complete each task and how long it will take to complete the overall project.

SUMMARY

The Proposal should be clear, concise and detailed. The Proposal shall not exceed twelve (12) pages for sections 1 through 6.

NOTE: A page is defined as an 8 ½" by 11" or 11" by 17" sheet which contains text, pictures, graphs, charts, plan sheets or any other graphics. There is a limit of three 11" by 17" sheets which should be used in conjunction with pictures, graphs, charts, plans or any other graphics. If 11" by 17" sheets contain text only, they will be counted as two pages each. If proponent needs to include links to web based visual displays, please note these links in your proposal.