

Port MacKenzie Rail Extension



Ken Graham

Symbols show mineral deposits

A rail link from the Alaska Railroad mainline to the deep draft dock at Port MacKenzie will significantly boost the export of Alaska's strategic minerals, coal, cement, and other natural resources, helping diversify the Alaska economy.

Funding Plan:

2014 Ribbon cutting

Already funded-\$62 million

2011 Governor's budget-\$20 million

2011 Requested appropriation-\$55 million, pays for half of rail embankment

2013 Appropriation request-\$43 million, placement of rails, completes project

2012 Appropriation request-\$63.5 million, build rest of embankment



Photos: the ship, the deepest draft vessel ever in Upper Cook Inlet at Port MacKenzie; Above: 2010 haul road and rail loop construction at Port Mac moved 1.9 million cubic yards of dirt.

Description & Justification: \$55 million

The Port MacKenzie Rail extension will bring tremendous economic benefit to Alaska through economic diversification, state revenues, and new jobs. The production of bulk resources is heavily dependent on low transportation costs. This new rail link will shorten the distance to tidewater and lower transport costs to such an extent that minerals now idle will be profitable to mine and export. The value of mineral production is projected to be nearly \$1 billion a year over 100 years, according to ISER, Institute of Social & Economic Research. Three mining companies say the Asian market is poised now for Alaska minerals such as molybdenum, lead, zinc, and copper. Additionally, a 1.5 billion ton limestone deposit near Livengood could be mined to produce a new export: Portland cement. A world-class cement manufacturing plant would be built in the Interior. Alaska would supply up to 15 percent of our nation's demand for cement. With the rail link, Alaska coal becomes more competitive on the world market. Usibelli Coal Mine estimates it will likely export up to 4 million tons of coal a year through Port MacKenzie. State revenues are estimated to reach \$100 million annually in taxes, royalties, and fees. Some 3,000 construction related jobs and 4,000 mining jobs will be created. The Alaska Pipeline project will gain \$100 million in transport savings by shipping heavy pipe north through Port MacKenzie.

Bogard Road Extension



Funding needed: \$29 million to complete

SHOVEL READY: SPRING 2011

Brad Sworts/MSB

BOGARD ROAD EXTENSION—\$29 MILLION The funding will construct the last link of a second east-west corridor from Palmer to Wasilla, which will reduce the number of deaths, collisions, and vehicles on the two-lane Palmer-Wasilla Highway. The Palmer-Wasilla Highway has the highest fatalities and major injuries per mile in the state.



The funding will provide for the construction of 3.5 miles of road between the Glenn Highway in Palmer and Trunk Road. The construction of this segment will provide the last link for a second, east-west corridor between the Borough's two largest cities. The Bogard Road Extension will relieve traffic congestion on the Palmer-Wasilla Highway, one of the top five most dangerous roads in Alaska, nominated as a highway safety corridor because of its frequent traffic collisions. Construction could begin immediately upon receipt of funds in fall of 2011.

Substandard Roads and Bridges

There's a pressing need to upgrade bridges deemed unsafe by the State's Dept. of Transportation in the fastest growing community in Alaska. With funding provided, vehicular traffic and emergency response across bridges will return to normal levels. Many road surfaces, right-of-way, and drainage need rehabilitation.



Typical abutment

Funding Needed: \$6 million



Typical erosion



This "bridge" is actually the flatbed of a railcar with the wheels knocked off.

Description:

The project consists of completing the environmental, design, permitting and construction to rehabilitate or replace several vehicular bridges throughout the Matanuska-Susitna Borough and correct problems on many substandard roads. Several Borough bridges have been identified as unsafe by the State of Alaska. Significant road problems also exist, including degraded surfaces, insufficient storm drainage and gravel surfaces. Long the fastest growing community in Alaska, the Mat-Su must provide safe, passable roads and bridges that can allow for emergency response, and handle both commercial and residential traffic. This request for funding is in line with the Borough's overall emphasis and priority on promoting economic development through basic transportation infrastructure.



HATCHER PASS SKI AREA—\$4 MILLION FOR PHASE 2

Atcher Pass Nordic Ski Area is the premier site for cross-country skiing, running and mountain biking in the Mat-Su valleys. Commanding views of rugged peaks and valley floors draw people here. Hatcher Pass receives snow earlier than other ski areas in Southcentral Alaska and holds onto it longer. Its central location would draw crowds of Nordic skiers, 1,850 skiers mid-week and 9,860 skiers on weekends for the overall season. The well-designed cross-country trails will provide an area for statewide high school and international competitions.

<u>Phase 1</u> to be completed fall 2011— \$6 million federal \$ Final Environmental Impact Statement Dec. 2010 1 mile access road transit facility 10K beginner & intermediate year-round trails

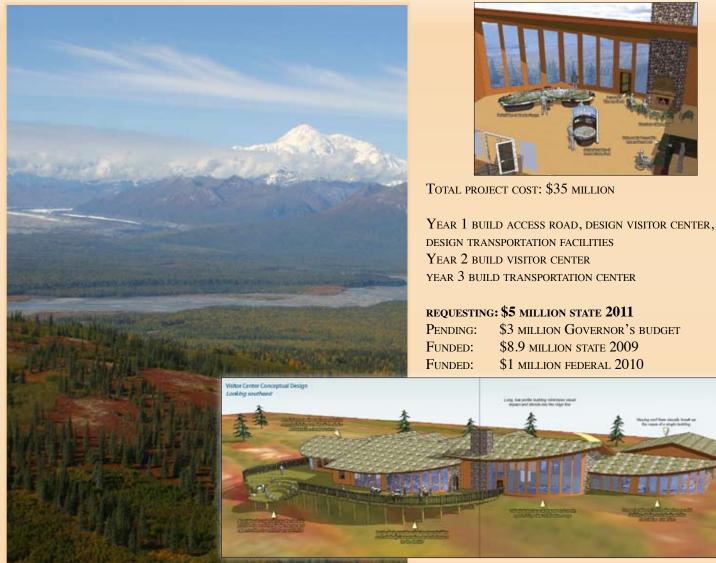
> <u>Phase 2</u> will provide an access road extension, parking lot, a chalet, stadium for competition, and 10 kilometers of lighted Olympic-class trails for \$4 million.

Designed by an Olympian—the Nordic trails will take all levels of skiers through spruce to towering mountain views, while also bringing economic benefits to the region as the first Alaska venue for biathlon competitions.

This project promotes economic diversification by creating new jobs and new recreational draw to the region. It supports school sports programs, ski clubs, and competitions, holding tremendous support from the community.

These infrastructure elements must be completed in order for the project to succeed.

South Denali Visitor Center



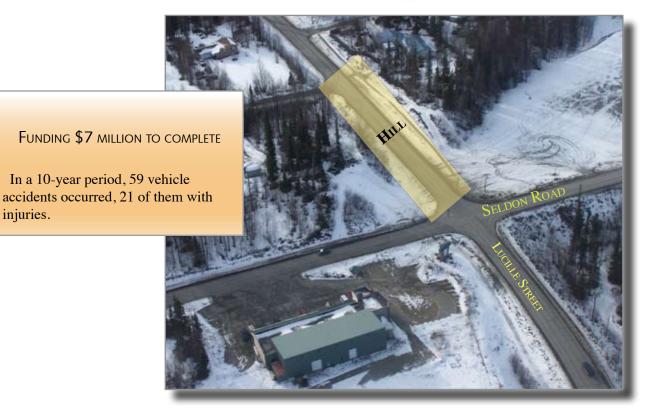
Denali as seen from Curry Ridge. Alaska State Parks photo

SOUTH DENALI VISITOR CENTER-\$5 MILLION

Creating access to the other face of Denali—the south side—this Visitor Center will support year-round recreation as a warming facility for snow machiners or information center for hikers. Just a short drive from Anchorage, adventure can take place in a day. That's not possible for the longer trip to the north side. The close proximity will draw up to 350,000 annual visitors who will take in the sheer scale of Denali and the Ruth Glacier through panoramic windows.

Also different, the access road remains open even when snow begins to fly. In a single year, visitors spend \$101 million in the Mat-Su. When the Center opens its doors, tourists are projected to spend an additional \$44 million in the Mat-Su each year, according to ISER, Institute of Social and Economic Research. Visitors will come for the trails, the wildlife, the view. The Visitor Center will be efficiently designed to reduce its annual operating and maintenance costs. The EIS was signed in 2006. Tremendous collaboration energizes the project. The State of Alaska, National Park Service, Matanuska-Susitna Borough, and private entities are partnering.

Lucille Street & Seldon Road Improvements



Improvements to Lucille street, intersection improvements at Seldon & Lucille, upgrading parts of seldon—\$7 million

• Widen, repave, and improve drainage along Lucille Street and Seldon Road.

• Improve safety on a key intersection in a densely populated area by increasing sight distance for northbound traffic, installing a four-way stop signal, providing advance signage and lighting, and upgrading the guardrails.

This improvement project is designed to increase the safety of two major Borough roads as well as their intersections.

Improvements to Lucille Street and Seldon Road will include widened traffic lanes, turn lanes for Tanaina Elementary, shoulders and improved drainage.

Improvements increase sight distance; provide a level approach for southbound and northbound traffic; install a four-way overhead traffic signal or round-about; provide advance signing; install improved intersection lighting; upgrade guardrails.

Due to the geometrics of the intersection, and the horizontal and vertical curve approaches, vehicle collisions will multiply dramatically as traffic increases. Lucille Street and Seldon Road are major school bus routes. Tanaina Elementary and a charter school are nearby. The safe transport of school children requires a safe intersection.

Reconnaissance work was completed by the Borough in 2009. Full design, right-of-way acquisition and construction will take place over a two-year period.

Palmer Hay Flats Natural Science Education & Community Center

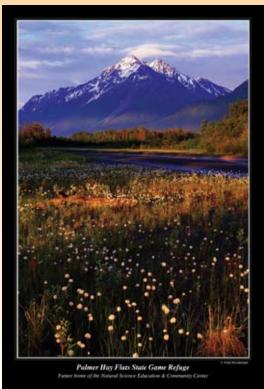


Design for the Palmer Hay Flats Natural Science Education and Community Center—**\$1 million** This \$6.3 million natural science, education and community center will be a lasting legacy, enhancing Mat-Su Borough tourism while providing scientific, historical and cultural education greatly lacking in our communities.

> FUNDING: \$1 million for design \$4.5 million construction \$500,000 environmental & permits

A main building will house a grand hall with gathering space before interpretive displays, views to the refuge, a reception counter, and access to a deck. A multipurpose area will hold classrooms, community meeting space and offices.

Located close to half of Alaska's residents, the Palmer Hay Flats Game Refuge is 45 square miles of wetlands, tidal sloughs, forest, and lakes, offering a living laboratory to students and tourists through this Center. Ducks, geese, sandhill cranes, moose, muskrats, salmon, and more live here. Two amphitheatres are planned for hands-on learning. Native culture, Colonist history, and the rich landscape add to the uniquely Alaskan experience. The tremendous collaboration by public and non-profit groups shows strong support.



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Mat-Su South Gateway Visitor Center





South Gateway Visitor Center-\$2.5 million funding needed

The Center will persuade the 780,000 annual visitors to the Matanuska-Susitna Borough to stay longer by providing a must-see center that points newcomers to enticing recreational, retail, and service based activities, while providing restrooms and a chance to take in the view.

The "gateway" visitor center will welcome travelers and serve as a jumping-off point for information on activities, events and amenities. The intent of the Mat-Su South Gateway Visitor Center is to create a notable entry point to the Mat-Su, and provide visitors and residents alike with an inspiring, beautiful facility that is emblematic of the Mat-Su. The center will be a destination in its own right, offering interesting activities and learning experiences.

Among the list of goals: create an "information bridge" between visitors and local organizations and businesses.

Two proposed sites are located on the Glenn Highway past the interchange and the third site is located off the Old Glenn Highway exit. All 12 proposed sites are still under consideration.

Visit www.matsuvalleyvisitorcenter.com

Statewide Transportation Improvement Program



Above: Knik Goose Bay Road connecting to the Parks Highway

Parks Highway, Lucus Road to Big Lake 1977-2007: 37 fatal accidents, 9.85 fatalities

1977-2007: 35 fatal accidents, 7.35 fatalities

1977-2007: 27 fatalities; 16.70 fatalities &

& major injuries per mile

& major injuries per mile

Palmer-Wasilla Highway

major injuries per mile

Knik-Goose Bay Road

Roads in the Mat-Su Borough are not keeping pace with its population growth



Above: Trunk Road Phase I connecting to Palmer-Wasilla Highway; Phase II funding needed.

Borough residents continue to suffer from injuries, fatalities, and traffic congestion on poor transportation infrastructure. The constant above-average population growth has swollen roadways with a traffic flow beyond their capacities. Three of Alaska's most dangerous roads: the Parks Highway (Wasilla to Big Lake), the Palmer-Wasilla Highway, and Knik-Goose Bay Road grow busier each year. These roads need immediate attention in order to save lives. The Borough requests funding for: Trunk Road reconstruction phase II, Seward Meridian phases I and II, Knik-Goose Bay Road reconstruction, Palmer-Wasilla Highway, Clapp Street-South Mack Drive extension, Lucille Street improvements, Main Street, Yenlo Couplet and transit. The projects will also divert "cut-through" traffic from existing neighborhoods. The projects will enhance longterm economic development by providing an efficient road system.

To see the full Mat-Su STIP project list visit the web site http://stip.dot.state.ak.us/index.shtml

<image>

Big Lake Road, at the Library entrance looking toward Tesoro. The Fire Station is on the right (just out of the photo). The red car on the left is pulling out of the Post Office next to the "Y". The Arctic Cat Building-Strip Mall includes the liquor store and Hair-Nails shop.

BIG LAKE COMMUNITY IMPACT ASSESSMENT - \$250,000

• An evaluation of the effects of State and Borough transportation projects on Big Lake and its quality of life, before significant transportation projects are built, such as the proposed Knik Arm Bridge, the Parks Highway Alternative Corridor, Burma Road reconstruction, South Big Lake Road re-alignment, Natural Gas Pipeline staging facilities and the Port MacKenzie Rail Extension.



Photo left: At the top, the commercial buildings and the docks are Burkshore Marina. Upper right corner is Big Lake North State Campground. The creek at the bottom is Fish Creek.

Alaska Aerial Technologies

Port MacKenzie Ferry Landing



PORT MACKENZIE FERRY LANDING-\$12 MILLION

The M/V Susitna ferry is successfully performing sea trials in Ketchikan. By enabling freight and passenger service, the ferry landing at Port MacKenzie will raise this port to the top of the list of Alaska ports for sizeable manufacturing projects. Beyond the Borough, the ferry connection will stimulate the regional economy of Cook Inlet. Anchorage, alone, stands to benefit \$50 million a year in annual income and 730 jobs with ferry and Port Mac Rail connection, according to ISER, the Institute of Social & Economic Research.

Oil service companies hope to win a bid to construct the massive sea lift modules. Several have expressed interest in the available space at Port MacKenzie, and needing a ferry ride across the 2 miles of water for their workers. The ferry will spur resource development, gas exploration, and geothermal power development in areas that today are only accessible by plane.

Resolutions asking for ferry service have been adopted by the Kenai Peninsula Borough, Kenai City, and Tyonek Native Corp. Private commercial business owners in Kenai are working on concept designs for their own landings.

The Ted Stevens Anchorage International Airport will be including the ferry in its emergency operations plan. The ferry will be the only large vessel capable of breaking ice and responding quickly to downed passenger aircraft in Upper Cook Inlet. During an earthquake, the ferry may be a main link between Mat-Su and Anchorage.

Environmental document, permits, and design are completed.



ELIZABETH GRAY, ACTING BOROUGH MANAGER

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