



# Port MacKenzie Rail Extension Project

A cooperative effort of the Matanuska-Susitna Borough and the Alaska Railroad Corporation



## STB Issues Port MacKenzie Record of Decision to Allow Construction and Operation

On November 22, 2011, the Federal Surface Transportation Board (STB) issued its decision to allow construction and operation of the Port MacKenzie Rail Extension. This Record of Decision (ROD) is an important step in clearing the way for construction to begin on a 32-mile link from the mainline of the Alaska Railroad near Houston to Port MacKenzie. The Record of Decision can be viewed on the STB website at [www.stbportmacraileis.com](http://www.stbportmacraileis.com).

Now that the STB has issued its decision and the Environmental Impact Statement (EIS) process is complete, future project updates can be found on the Port MacKenzie Rail Project website at [www.portmacrail.com](http://www.portmacrail.com).

The Matanuska-Susitna Borough (MSB) and the Alaska Railroad Corporation will continue to jointly work on

the project through completion. The first construction bid was opened in December 2011, and will construct five miles of rail embankment north of Port MacKenzie. A second construction bid package for six miles of rail embankment is planned to go out in late February. Hundreds of direct construction jobs will be created by these first two construction contracts.

To date, the State of Alaska has appropriated \$92.5 million in support of the project, including the EIS, design and work on the bulk commodities transportation loop at the port. Existing

state funding will be used to construct the first two embankment segments.

The MSB is requesting up to \$70 million in state appropriations for FY 2013. This new funding, combined with existing funding, would allow two-thirds of the entire rail embankment to be completed (see funding map below).

### What is a Record of Decision (ROD)?

The ROD is the final step for agencies in the EIS process. The ROD is a document that states what the decision is; identifies the alternatives considered, including the environmentally preferred alternative; and discusses mitigation plans, including any enforcement and monitoring commitments.

In the ROD, the agency discusses all the factors, including any considerations of national policy that were contemplated when it reached its decision on whether to, and if so how to, proceed with the proposed action.

- *Citizen's Guide To NEPA, CEQ*  
December 2007



ABOVE FIRST: Expanded barge dock. Photo by Alaska Aerial Technology. ABOVE SECOND: Public meeting at Houston High School, October 27, 2011. Photo by Rosetta Alcantra/HDR. ABOVE THIRD: Aerial view of scrapers. Photo by Alaska Aerial Technology. ABOVE FOURTH: Public meeting at Houston High School, October 27, 2011. Photo by Rosetta Alcantra/HDR.

## How Will the Right-of-Way Acquisitions Process Work?

With the Surface Transportation Board's Record of Decision in place, the project route is being finalized. Right-of-Way (ROW) acquisition will be conducted by the Matanuska-Susitna Borough (MSB). The ROW acquisition process will focus on:

- **Property appraisal:** The appraiser will contact property owners to make an appointment to evaluate their property. The MSB will use the appraiser's report to establish just compensation to be offered for the property. The amount offered to purchase property for the project will never be less than the fair market value established by the approved appraisal. If acquiring only a portion of a person's property, the MSB will include allowable damages or benefits to the remaining property in the offer amount. The MSB will prepare a written offer of just compensation.
- **Negotiations:** Negotiations will begin with the delivery of the written offer of just compensation. The offer will usually be delivered by mail and follow up with contact by telephone. The property owner will be given a reasonable amount of time to consider the written offer and to ask questions or to request clarification of anything that is not understood. If only a portion of the property is needed for the project and the remainder property has little or no value or use to the property owner, then the MSB will consider this remainder to be an uneconomic remnant and will offer to purchase it. The property owner has the option of accepting the offer for purchase of the uneconomic remnant or of keeping the property.
- **Payment:** Payment is made once all necessary paperwork has been completed to facilitate transfer of the property's title.

## ARRC Hires Wilson & Company to Manage Construction and Man New Project Office

The Alaska Railroad Corporation (ARRC) awarded the contract for construction management to Wilson & Company, Inc. Engineers & Architects. Wilson & Company is a multidiscipline engineering, architecture, surveying, mapping, planning, environmental, real estate, construction management, and program management firm. Services span 79 years to a diverse client base of federal and municipal governments, transportation agencies, railroads, private industry, education, healthcare and renewable energy companies.

The Port MacKenzie Rail Extension Project Office is anticipated to open in Big Lake in early February 2012 at:

**12900 West Creek Frontage Road  
Wasilla, Alaska 99623**

Dave Kabella of Wilson & Company is the Construction Manager and Community Liaison for ARRC on the Port MacKenzie Rail Extension Project. Mr. Kabella is an experienced construction manager who has a wealth of railroad experience gained through his work with the ARRC. He has completed many projects for ARRC and assisted ARRC project managers in managing ARRC construction crews. The project office will serve as the central location for contract management and it will also provide the public with a place to stop by and ask questions about the construction process.



Road scrapers, summer 2011; 3 million cubic yards of soil were moved at the project. Photo by Patty Sullivan/MSB



Scrapers lined up at close of season; since 2009 a road was punched through, a ridge was pushed back, and the future pad for the rail loop was raised. Photo by Patty Sullivan/MSB



Haul road to Lu Young Lane. Photo by Patty Sullivan/MSB

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The project is deliberately phased to maximize opportunities for Alaskan-based companies to bid on individual segments and put more Alaskans to work. Segment 1 of the project is located in and adjacent to Port MacKenzie, Alaska, approximately 30 miles south-southwest of Wasilla and is the first phase of a larger project to connect Port MacKenzie to the Alaska Railroad mainline near Houston, Alaska.

The Segment 1 portion of the Port MacKenzie Rail Extension Project includes:

- The construction of 4.75 miles of new track,
- Several culverts ranging in size from 24 to 72 inches in diameter,
- A precast bridge that will be a three-span approximately 84 feet in length crossing a small stream, and
- A 19-foot-diameter multi-plate culvert 146 feet in length to be used to access the Figure-8 Loop winter trail.



U.S. Senator Murkowski's staff visits the rail loop. Photo by Patty Sullivan/MSB

## Cultural Resources Near Completion for Port MacKenzie Rail Extension Project

The Port MacKenzie Rail Extension Project is making every effort to comply with Section 106 of the National Historic Preservation Act. Project-related Section 106 responsibilities and commitments are identified in the Section 106 Programmatic Agreement, which established a Working Group comprised of representatives of the Alaska Railroad Corporation (ARRC), Matanuska-Susitna Borough (MSB), and Knik Tribal Council (KTC). The purpose of the Working Group is to identify ways to avoid, minimize, or mitigate effects of the project on historic properties; facilitate and continue a positive working relationship between ARRC, MSB and KTC; and facilitate and promote consultation between Section 106 consulting parties.



Public meeting at Houston High School, October 27, 2011. Photo by Rosetta Alcantra/HDR

The Working Group has been meeting regularly since April 2011 to carry out tasks identified in the Agreement. Tasks conducted by the group to date include:

- Developing the Working Group Memorandum of Understanding;
- Developing a draft proposed Area of Potential Effect;
- Conducting Iditarod Dog Sledding Historic District (IDSHD) workshops and participating in the MSB trail user open house;
- Consulting with a cultural material repository, the University of Alaska Museum, to develop a curation policy/agreement for cultural materials identified during project-related activities;
- Conducting cultural resources surveys; and
- Developing materials for cultural resources training for project contractors.

### What is Section 106?

It is a process through which federal agencies take into account effects to cultural resources that may occur under a federal action. It is a process based on consultation and collaboration, to ensure that cultural resource concerns are considered and addressed during federal actions.

ARRC, in consultation with STB, the Alaska State Historic Preservation Office, and the Working Group, has conducted two of three planned IDSHD workshops: an initial workshop (6/28/11) and a focus group meeting (7/7/11). In addition, the MSB hosted an open house for all trail users in the project area (10/27/11).



Public meeting at Houston High School, October 27, 2011. Photo by Rosetta Alcantra/HDR

These meetings were well attended and resulted in feedback from a variety of trail users in the project area, which allowed the Project Team to identify design changes, modifications, and refinements that will facilitate continued connectivity and use of the trails during and after project construction. A third, and final, IDSHD workshop will present a draft Workshop Summary and Implementation Plan, which will provide a summary of comments provided by participants at previous IDSHD workshops and the trails open house and proposed resolutions to those comments.

# Alaska Railroad Project Open Houses to Feature Rail Extension

The Port MacKenzie Rail Extension will be prominently featured at two upcoming open house events hosted by the Alaska Railroad in January. At the beginning of each year, the railroad organizes several public meetings to allow citizens an opportunity to review and provide comment on capital improvement plans for the coming year. Project fact sheets, display boards and project managers will be on-hand to answer questions from the public.

Please join the project partners at one of these open house events:

## Anchorage

Tuesday, January 17, 2012  
4:00 - 6:30 p.m.  
Anchorage Historic Depot  
411 W. First Avenue

## Wasilla

Wednesday, January 18, 2012  
4:00 - 6:30 p.m.  
Evangelo's Restaurant  
Mile 40, Parks Highway

## NEW PROJECT OFFICE OPENING IN BIG LAKE!

Early February 2012  
12900 West Creek Frontage Road  
Wasilla, Alaska 99623

## Port MacKenzie Rail Extension on YouTube

Do you want to experience the Port MacKenzie Rail Extension in a new way? The Matanuska-Susitna Borough (MSB) has produced a series of videos on the project that are available for viewing on YouTube. Each video provides a snapshot of the project and the benefits to Alaskans. You can view the videos here:

<http://www.matsugov.us/>



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## Questions or Comments?

Please contact:

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