



Port MacKenzie Rail Extension



PROJECT FACTS

Project Scope

The Matanuska-Susitna Borough (MSB) and the Alaska Railroad Corporation (ARRC) jointly propose construction and operation of a new rail line to connect the Borough's Port MacKenzie to ARRC's rail system. The port lies about 30 miles southwest of Wasilla and about 5 miles due north of Anchorage, across Cook Inlet. The selected route involves 32 miles of new rail line extending from Port MacKenzie to the Alaska Railroad's mainline just south of Houston.

Port MacKenzie has a deep draft dock (60 feet at low tide) that requires no dredging and can serve the world's largest ships (Panamax and Cape Class vessels). The port's 8,940 upland acres and 1,300 tide-land acres provide ample room to accommodate bulk resource storage, transport and processing facilities, as well as rail and terminal facilities for efficient train loading and unloading.

The project includes an Environmental Impact Statement (EIS) as required by the National Environmental Policy Act (NEPA). The EIS and associated studies identified and analyzed feasible alignment alternatives, completed preliminary engineering design on alternatives, estimated construction costs, and determined the project's economic, financial and engineering feasibility.

When complete, the new rail line would operate as part of the Alaska Railroad system.

Project Benefits

- With the longest rail car loop in Alaska, the extension offers highly-efficient offloading of bulk resources from train to ship.
- For Interior shippers, the new rail link shortens the distance to tidewater.
- Increased rail freight activity, and development stimulated by the rail link, would benefit rail-belt communities through increased employment, contributions to the state and community tax base, and overall economic health.

- With ample room for staging and assembling, Port MacKenzie is an ideal site for large construction projects, such as oilfield modules or pipeline assembly.

Project Status & Timeline

- In June 2007, MSB and ARRC signed a Memorandum of Agreement to pursue environmental work, engineering and alternative analysis in support of the Surface Transportation Board (STB)-led environmental document for a Port MacKenzie rail line extension.
- Ideally, the project will follow a tight schedule, depending upon funding availability:
 - NEPA Environmental Study Completion / Identify Funding: 2007-2011
 - Project Final Design: 2009-2012
 - Construction: 2012 - 2016/2017, depending on funding
- In Summer 2007, the MSB and ARRC pursued an Alternatives Analysis (AA) that reviewed prior Port MacKenzie-related studies as well as new preliminary engineering and environmental field work to support the NEPA process. Extensive public involvement activity in 2007 included five public meetings (Wasilla, Knik, Big Lake, Houston and Willow), and dozens of briefings and meetings with community and special interest groups, as well as with municipal, borough, state and federal regulatory agencies. A project web site was also developed, going live in September 2007 — www.portmacrail.com.
- The railroad submitted the completed AA as part of an application to the STB in January 2008. From 2008 through 2010, the STB pursued the EIS process.
- From fall 2009 through summer 2013, the Mat-Su Borough is constructing a bulk commodities road loop at the port to facilitate the



trans-shipment of natural resources by truck, in advance of rail construction.

- The STB released the final EIS on March 25, 2011, recommending the Mac East Variant (Mac Central) and Houston South route.
- The STB issued a Record of Decision (ROD) on November 17, 2011, authorizing the Alaska Railroad to build and operate the new rail extension. ROD effective December 23, 2011.
- Dec. 2011 – Segment 1 construction awarded to Bristol Construction. Construction began spring 2012; scheduled completion fall 2014.
- Feb. 2013 – Segment 6 construction awarded to Granite Construction. Construction began spring 2013; scheduled completion spring 2014.
- March 2013 – Segment 3 construction awarded to Quality Asphalt Paving. Construction began spring 2013; scheduled completion spring 2014.
- Aug. 2013 – Segment 4 construction contract out to bid and will be awarded spring 2013. Construction to begin late summer/early fall 2013; scheduled completion fall 2015.
- Fall 2013 – Segment 5 is funded (2014 grant) and construction contract will be out to bid late fall 2013. Construction to begin spring 2014.
- During 2013, continue efforts to acquire right-of-way for remaining segments 2 and 5.

Project Participants

- **Matanuska-Susitna Borough (MSB)** – The local government that owns the Port MacKenzie land and facility. The MSB is the project's *Sponsor*, and has acquired \$141 million in state legislative appropriations, to date. The MSB co-manages the project and is responsible for public and government relations, and land use planning for the project.
- **Alaska Railroad Corporation (ARRC)** – A self-sustaining corporation owned by the State of Alaska, ARRC is the project's *Applicant*, responsible for rail-related technical expertise, and for support of the EIS effort. ARRC co-manages the project.

- **Surface Transportation Board (STB)** – STB is the lead federal agency on the project with the authority to approve construction of new rail lines (including extensions) in the United States. Because the project requires federal approval, an environmental document was prepared to meet NEPA requirements. The STB, through its Section of Environmental Analysis (SEA) was responsible for preparing the EIS. The STB hired third-party contractor ICF International to assist.

Cost and Funding

- 2007/2008: State grant of \$10 million to support alternative analysis, preliminary engineering, NEPA environmental documentation and a financial feasibility study.
- 2008/2009: State grant of \$17.5 million to support the project with construction of the bulk commodities road loop.
- 2010/2011: State grant of \$35 million
- 2011/2012: State grant of \$30 million
- 2012/2013: State grant of \$23.5 million and voter approve State bond for \$30 million
- 2013/2014: State grant of \$25 million
- Total to Date: State funding to Mat-Su Borough in support of project totals \$171 million.
- An estimated \$101.5 million in additional funding is needed to complete design and construction of the project. The total project budget is \$272.5 million.

For More Information

Mat-Su Borough:

- Public Affairs Director Patty Sullivan at 907.745.9577

Alaska Railroad:

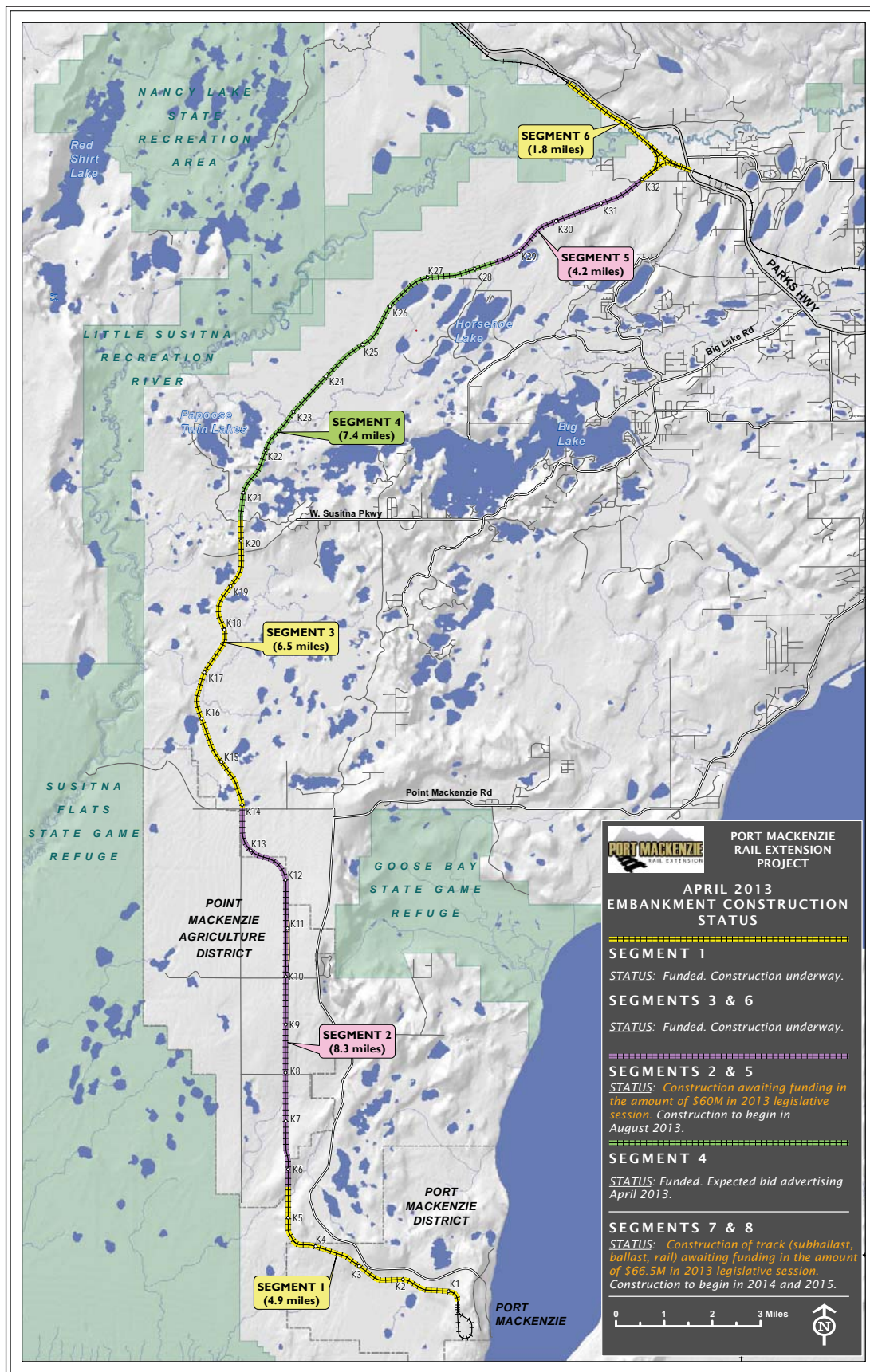
- Corporate Communications Officer Stephenie Wheeler at 907.265.2671

www.portmacrail.com

- Joint MSB-ARRC web site established to facilitate the public process prior to STB application submittal.

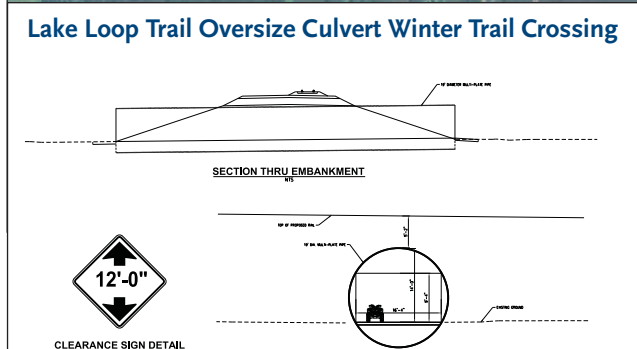
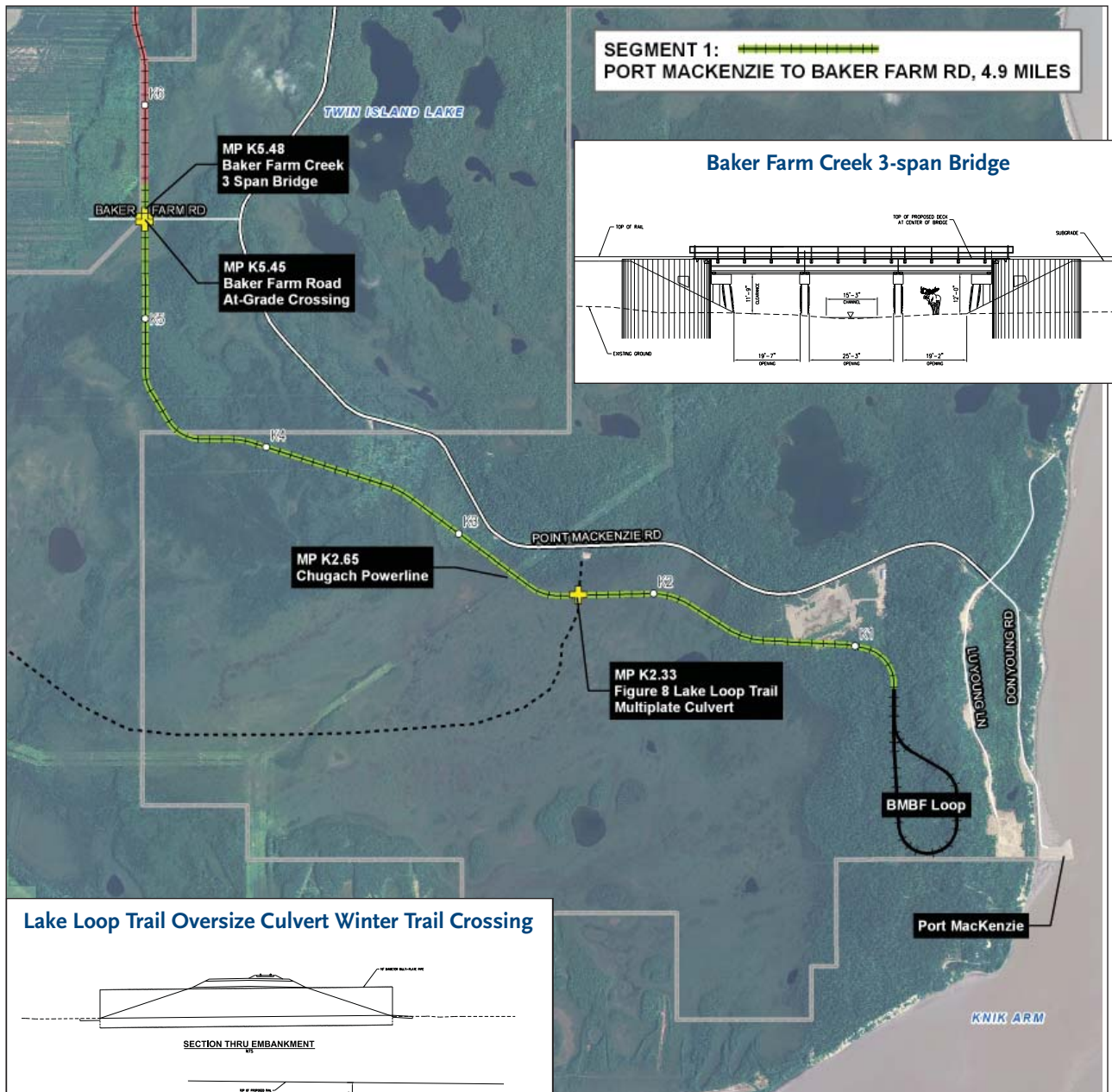


Project Milepost and Segment Summary





Segment One



Scope

- Length: 4.9 miles
- ~ 4 million cubic yards (CY) of earth to be moved; 2.1 million CY moved to date.
- Construct 3-span, 84-foot long bridge crossing over an unnamed stream at Baker Farm.
- Install 19-foot diameter 146-foot long steel multi-plate pipe to create winter crossing at Lake Loop Trail.

Logistics

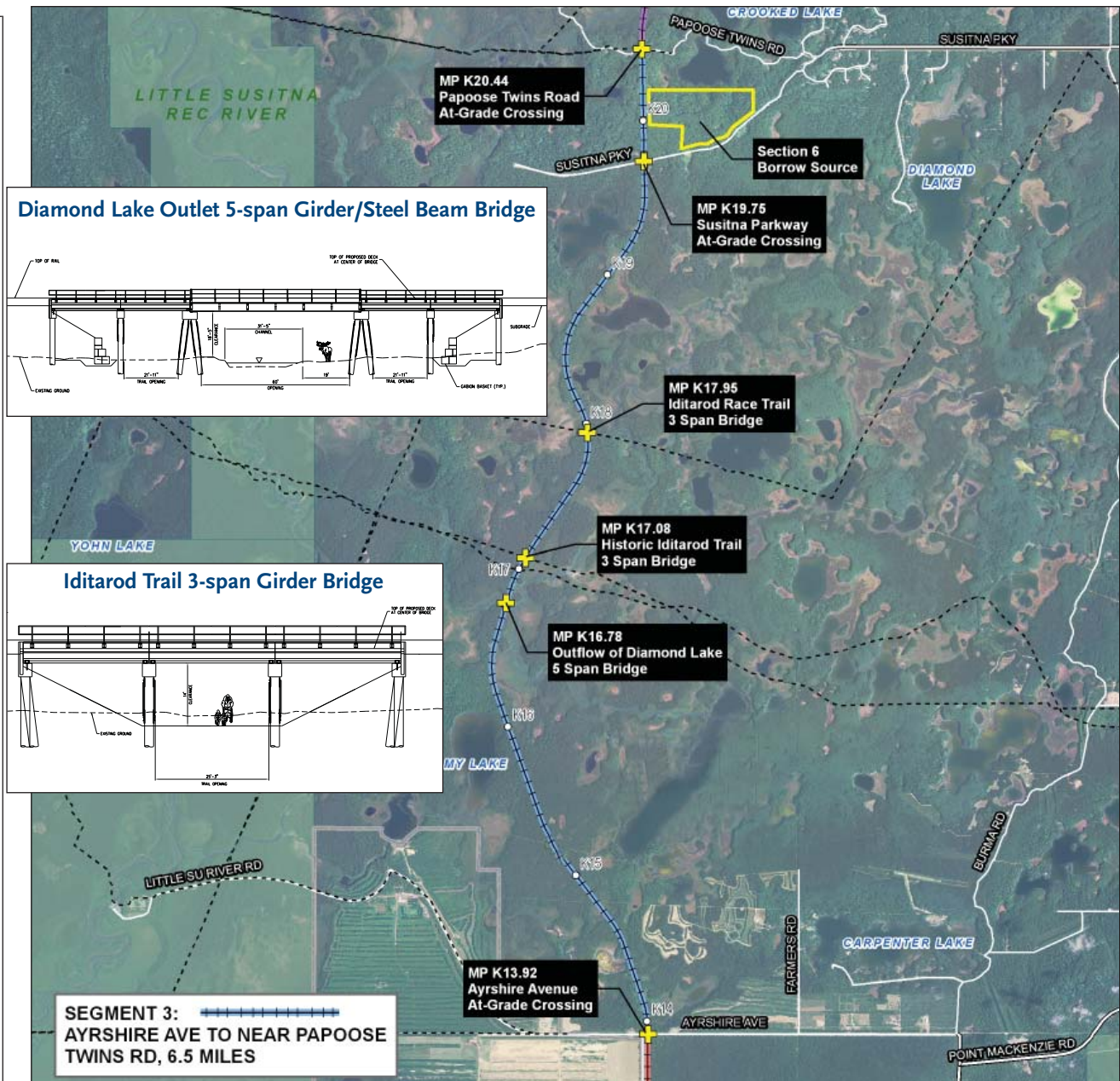
- Contractor: Bristol Construction Services
- Begin: Construction began in spring 2012
- Completion: scheduled for fall 2014.

Status

- Construction accomplished in 2012 included clearing and earthwork.
- Earthwork to resume spring 2013
- Segment work to be substantially complete by fall 2014.



Segment Three



Scope

- Length: 6.5 miles
- ~ 1.1 million CY of earth to be moved
- Construct three bridges:
 - 5-span, pre-cast girder and steel beam bridge over Diamond Lake Outlet/Outfall.
 - 3-span, pre-cast girder bridge over Historic Iditarod Trail.
 - 3-span, pre-cast girder bridge over Iditarod Race Trail.
- Install 18-foot diameter 128-foot long steel multi-plate pipe to cross unnamed trail.

Logistics

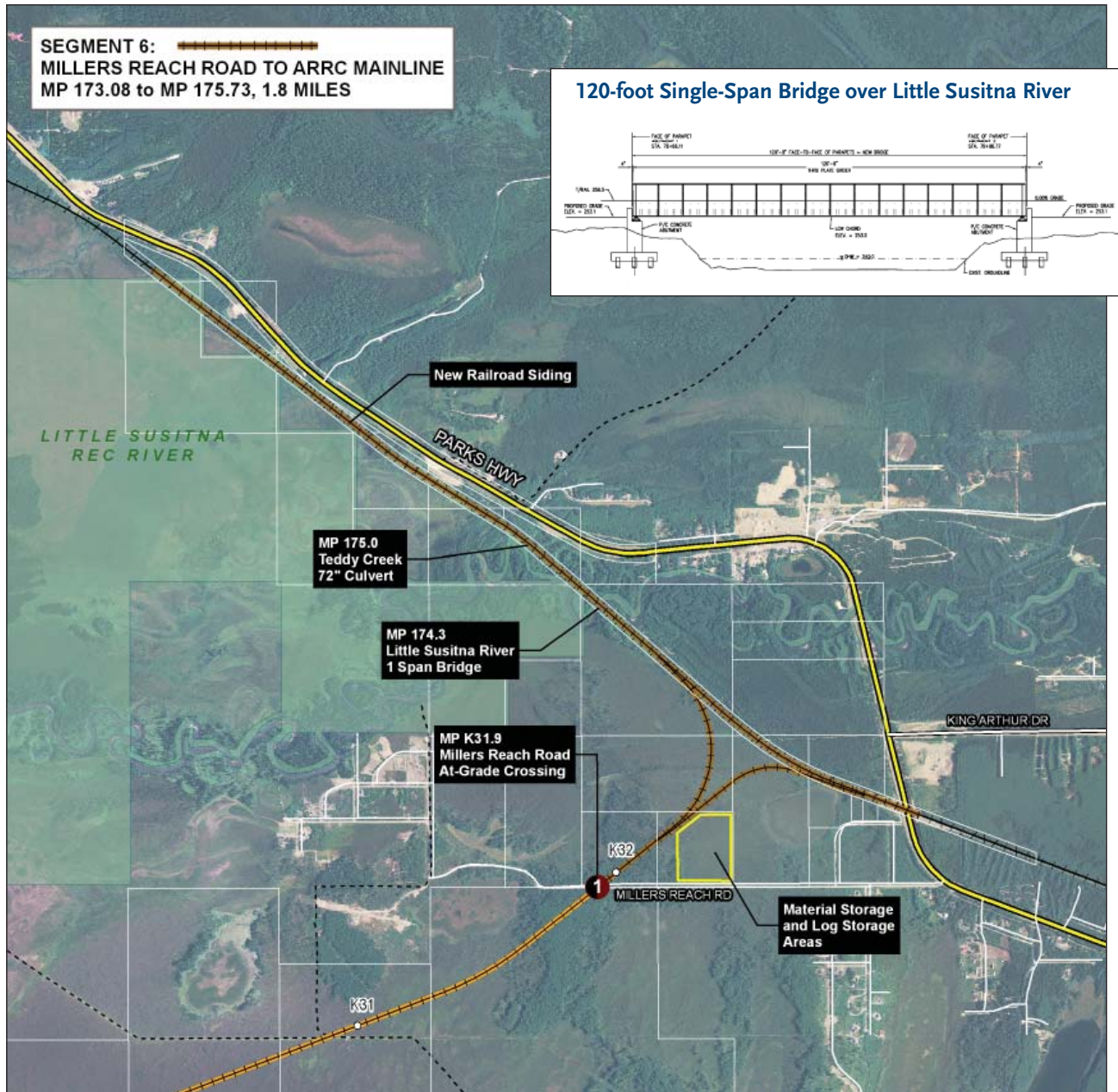
- Contractor: Quality Asphalt Paving (QAP)
- Begin: construction begins spring 2013.
- Completion: scheduled for spring 2014.


Status

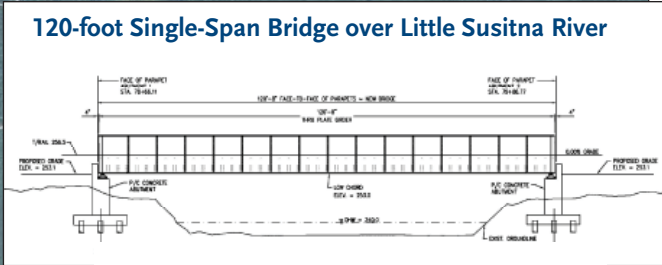
- Clearing underway.
- Segment work to be substantially complete by end of 2013.
- Anticipate winter shut-down November 2013 - February 2014.
- Seeding scheduled for spring 2014, concluding segment work.



Segment Six



SEGMENT 6: 
MILLERS REACH ROAD TO ARRC MAINLINE
MP 173.08 to MP 175.73, 1.8 MILES



Scope

- Length: 5.1 miles
- ~ 630,000 CY of earth to be moved
- Construct single-span 120-foot long steel girder bridge over the Little Susitna River.
- Construct a “Y” rail connection and a new siding adjacent to the Alaska Railroad main line.
- Install a 6-foot diameter 92-foot long steel pipe to provide fish passage at Teddy Creek.

Logistics

- Contractor: Granite Construction
- Begin: construction begins spring 2013.
- Completion: scheduled for spring 2014.

Status

- Clearing underway.
- Segment work to be substantially complete by end of 2013.