

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 21-124**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH (MSB) ASSEMBLY  
APPROVING STATE LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2023.

**Borough Action Priorities:**

**A. SUPPORT FOR DEPARTMENT OF TRANSPORTATION AND PUBLIC  
FACILITIES ROAD PROJECTS -**

- **Knik-Goose Bay Road Reconstruction (Centaur Avenue to Vine Road - \$50 Million, and Vine Road to Settlers Bay Drive - \$25 Million**

Construction of the Centaur Avenue to Fairview Loop segment (Phase 1) is anticipated to start in 2022. Construction on the Fairview Loop to Settlers Bay Drive segment (Phase 2) is anticipated to start in 2024. This effort will expand the corridor to a four-lane, divided roadway with a separated multi-use pathway on the north side.

- **Bogard Road and Engstrom Road/Green Forest Drive Intersection Upgrade - \$10 Million**

This intersection has a number of issues including inadequate size, very limited traffic control (through signage), only one turn lane, extremely poor sight distance, and an offset with the Green Forest intersection. Project design is underway and construction is expected to start in summer 2023.

- **Seward Meridian Parkway Extension North, Phase 2 (Palmer-Wasilla Highway to Seldon Road) - \$49 Million**

The project will upgrade the current two-lane road with no shoulder to a four-lane road with shoulders, a separated path, a bridge over Cottonwood Creek, and safety improvements at intersections. Phase 1, Parks Highway to Palmer-Wasilla Highway is complete. Phase 2 will extend from the Palmer-Wasilla Highway to Seldon Road. Construction is expected to commence in 2022.

- **KNIK ARM CROSSING - Funds to be determined by Alaska Department of Transportation and Public Facilities**

The Knik Arm Crossing (KAC) will provide connectivity between the State's two largest population centers and their road networks, ports, airports, and rail corridors. The KAC will provide a more direct, alternate route from the Borough (Point MacKenzie and beyond) to Anchorage and stimulate growth in the southern portion

of the Matanuska-Susitna Borough (MSB). Socioeconomic studies performed for the MSB indicate that this area will experience significant growth, and investment in infrastructure to support that growth should begin now in order to avoid costly highway expansion as is currently being experienced on Knik-Goose Bay Road, Parks Highway, and Glenn Highway corridors.

- B. FULL COMPLEMENT OF TROOPER STAFFING AND PRESENCE IN THE MAT-SU VALLEY EQUALING 71 SWORN OFFICERS** - UAA Justice Center report of February 22, 2018 recommends an increase of 26 sworn staff, for a total of 71 sworn staff. We support this goal and request it be achieved within three years.
- C. CONTINUED SUPPORT FOR WEST SUSITNA ACCESS ROAD** - Design and construct an access road to open up vast acreage in the west side of the MSB to agriculture, commercial use, forestry, materials extraction, public recreation, resource management, and settlement. The road will help develop the area between the Little Susitna (Little Su) and Susitna (Big Su) Rivers, opening approximately 200,000 acres. The project also puts the State near the doorstep of 6 million acres of land on the other side of the Big Su with oil and gas, mineral, agricultural, timber, and many other resources.
- D. SUPPORT FOR STATE FORESTRY TO IMPLEMENT A PROGRAM TO HARVEST/REMOVE BEETLE KILLED SPRUCE TO REDUCE FIRE HAZARD** - The spruce bark beetle has killed thousands of acres of spruce trees within the MSB, causing residents to experience great economic, physical and emotional loss due to a number of devastating wildfires over the last several years. The MSB fully supports the State in seeking State and Federal funding for the harvesting/removing these trees as quickly as possible to reduce the danger of fire to MSB residents and businesses.
- E. SUPPORT FOR USER-FRIENDLY TRANSPARENT HEALTHCARE PRICING INCLUDING ADOPTION OF A STATE ALL-PAYER CLAIMS DATABASE** - An All-Payer Claims Database (APCD) in Alaska, was introduced in the state legislature in 2021. The Alaska Health Transformation Project identified the establishment of an APCD in Alaska as a critical step in helping understand health spending trends, utilization and pricing variation, and would require insurers and providers to submit non-identifying health data to be aggregated for policy analysis and cost trends. There have been attempts at the national level to make healthcare pricing more transparent, including the

recently adopted Hospital Price Transparency Rule which took effect in January of 2021 and requires medical providers to make pricing information available publicly. However, to date, many providers are not disclosing information, or have done it in formats on their website that are time consuming and difficult to use and not easily comparable to other providers.

- F. **SUPPORT CHANGES TO STATE LAW TO ALLOW FOR MORE LOCAL CONTROL OVER ALCOHOL BEVERAGE LICENSING** - The MSB Assembly adopted Resolution Serial No. 21-017 on February 16, 2021 supporting changes to State law. Under Alaska Statute Title 4, the number and types of alcohol beverage licenses and permits allowed within a municipality is largely based upon population. The current structure does not provide any mechanism to allow municipalities to participate in determining the appropriate number and types of licenses and permits within their community. Delegating the power or providing municipalities a mechanism to determine the appropriate number and types of alcoholic beverage licenses and permits within their community, will provide more effective regulation of licenses and permits across the State.
  
- G. **SUPPORT FOR THE ALASKA LONG TRAIL** - The MSB Assembly adopted Resolution Serial No. 21-045 on May 18, 2021 supporting the proposed Fairbanks to Seward multi-use trail also known as the Alaska Long Trail. The Alaska Long Trail is an initiative sponsored by a coalition of partners and led by Alaska Trails that seeks to establish a 500-mile trail from Seward to Fairbanks.
  
- H. **JONESVILLE PUBLIC USE AREA** - Support for Jonesville Public Use Area. The Alaska State Legislature established the Jonesville Public Use Area as an unfunded mandate. Funds should be appropriated to allow the Alaska State Department of Natural Resources to draft and implement a management plan.

**Borough Funding Priorities:**

- 1. **2021 MSB TRANSPORTATION INFRASTRUCTURE PACKAGE - \$61,135,000**  
The Matanuska-Susitna Borough (MSB) has realized a dramatic population increase in the past two decades. In the year 2000, there were approximately 60,000 residents in the Borough. Since then, approximately 48,000 additional people have come to call the MSB home. This population increase has resulted in an ever-increasing demand for new public infrastructure as

traffic congestion increases and serious accidents and fatalities rise. It is recognized that the overall network of transportation systems are vital to the well-being of the MSB to allow for efficient movement of people and goods. Over a six-month time span, MSB staff compiled a list of projects that were needed to increase highway traffic and pedestrian safety, decrease traffic congestion, and provide for more efficient traffic flow for freight and goods on the Borough's road network. The MSB Assembly then reviewed and prioritized those needed projects and on August 17, 2021, approved a package of 20 transportation infrastructure projects for voter consideration. MSB voters then approved these projects in a ballot proposition on November 2, 2021 by a nearly 2 to 1 margin.

The project list includes new roads, road upgrades and extensions, pedestrian/bicycle pathways, and transit facility development. Funding this MSB transportation infrastructure package will cover necessary planning, design, right-of-way acquisition, utility relocations, engineering, inspections and testing, administrative expenses, and construction for the following projects:

Trunk Road Connector/Katherine Drive; Smith Road Extension Upgrade and Pathway; Old Glenn Pathway Phase 2; 49th State Street Pathway; Hemmer Road Extension South; Lakes Boulevard Upgrade; Point MacKenzie Road Reconstruction MP 0-7; Lucille Street and Pathway Upgrade; Tex-Al Drive Extension Upgrade and Pathway; MSB School District Shaw Elementary Turn-Lane; Engstrom Road to Trunk Road Corridor; Edgerton Parks Road-Mtn. Trails Drive Upgrade and Pathway; Caswell Lakes Road/Bendapole Road/Passthebaite Avenue Paving; Cheri Lake Drive/Karen Avenue/King Arthur Drive; Hidden Hills and Passthebaite Avenue Reconstruction; Palmer-Fishhook Separated Pathway; Fern Street Upgrade and Pathway; Seward Meridian Parkway-Tambert Traffic Signal; MSB School District Pedestrian Projects, and the Multi-Modal Wasilla Depot.

**2. FULL FUNDING FOR SCHOOL BOND DEBT REIMBURSEMENT - \$17,257,374**

The school bond ballot passed in 2011 permitted the Matanuska-Susitna Borough to construct a new secondary school in the Knik community; a new alternative high school in Palmer; a new school in the Wasilla area to meet the needs of Special Education students; an addition to the Career and Technical High School; two new elementary schools in Wasilla and the Knik community; and address many deferred maintenance items. New school construction was necessary to address significant

population growth. Due to this ballot measure, the Borough's debt service payments continue through 2035.

The single greatest challenge to developing an economical budget that delivers the services our citizens' demand is the unpredictability of school bond debt reimbursement. State revenue for school bond debt reimbursement continues to be an annual uncertainty. It is unclear what the Borough must budget for until late in the fiscal year which affects the preparation of the budget, tax bills for our residents, and makes for a tenuous budget process.

School bond debt reimbursement was unfunded in FY2021, contributing to a steep decline from full funding of \$19 million in FY2019 and partial funding of \$8 million in FY2020. Please consider a sustainable strategy to address these large swings in revenue and the challenges this unpredictability places on the local government and our ability to provide essential services to our citizens.

The Borough requests full reimbursement of \$17,257,374.

**3. COMPLETION OF PORT MACKENZIE RAIL EXTENSION (PMRE) - \$190 Million**

Project scope would include final design and construction of Segment 2 including the Rail Reserve, and for Segments 1-5 final design, survey and construction of sub-ballast, rail, ties, ballast, and signal/communications installation. Port MacKenzie is a deep-water port where one of the largest cargo vessels in the world has docked and been loaded. This rail extension from the Alaska Railroad mainline to Port MacKenzie will provide a shorter rail route from Interior Alaska to tidewater, which in turn will substantially boost the export of Alaska's minerals and natural resources helping diversify the statewide economy.

The completed PMRE will bring \$184 million in State investment into production, creating jobs, reducing energy and transportation costs while also improving air quality. It is also expected to increase the efficiency of shipping bulk commodities and materials to and from Interior Alaska, and to provide direct rail access for Liquefied Natural Gas (LNG) shipments from Cook Inlet to Fairbanks and North Pole.

A number of private companies have leased land at Port MacKenzie and will take advantage of the rail extension's quicker transport time to the Interior, including Central

Alaska Energy, who plans to import low sulfur fuel, store it, and transport it around the State.

4. **METROPOLITAN TRANSPORTATION PLAN - \$650,000**

Based on Census data released in August 2021, it is anticipated that some portion of the MSB core area will be designated as Urbanized by the U.S. Census Bureau in April 2022. Once designation occurs, the region will have one year to develop its Metropolitan Planning Area Boundary and form a Metropolitan Planning Organization (MPO). The MSB, the Alaska Department of Transportation and Public Facilities Central Region, and our regional partners intend to submit the MPO Operating Agreement to the Governor's office by September 1, 2022.

Assuming this timeline is achievable, the MSB MPO will be designated in March of 2023 and need to complete its four essential plans to be ready to operate the MPO in good standing with the Federal government and receive planning and operations funding on October 1, 2023.

The four plans the MPO must have to operate include:

Unified Planning Work Program (UPWP)- a planning document that identifies and describes the MPO's budget, planning activities, studies, and technical support expected to be undertaken in a one- or two-year period (23 CFR 450.104).

Public Participation Plan (PPP) - a guiding document that outlines the goals, strategies, and implementation plan for involvement of the public in the development of MPO plans, programs, and policies, including the MTP and TIP.

Metropolitan Transportation Plan (MTP) - a multimodal transportation plan that addresses a 20-year planning horizon that the MPO develops, adopts, and updates every four years.

Transportation Improvement Program (TIP) - a prioritized listing/program of transportation projects covering a period of four years that is developed, adopted, and implemented by the MPO in coordination with the MTP.

The MSB has made significant progress on completing the UPWP and the PPP, but we do not have the funding necessary to initiate and complete the MTP. Based on MTP and TIP development costs from Anchorage Metropolitan Area Transportation Solutions (AMATS) and Fairbanks Area Surface

Transportation (FAST), we anticipate needing \$650,000 and 1.5 years to complete the plan because it is the first time developing these documents.

This funding would allow us to complete the four required MPO planning documents, be eligible for project funding, and operate our MPO in good standing with the Federal government in Fiscal Year (FY) 2024. Without this funding, we will not meet the Federal government's formation timeline, and the MSB MPO will not begin operations until FY 2025.

**5. ALASKA RAILBELT CLEAN ENERGY TRANSPORTATION INFRASTRUCTURE PROJECT - \$203,900,000**

The MSB, Fairbanks North Star Borough (FNSB), Interior Gas Utility (IGU), and the Alaska Rail Road Corporation (ARRC) have partnered to extend the existing rail line from the Parks Highway to the Interior Gas Utility (IGU) Titan liquefaction plant (Titan plant) owned by FNSB. This project would complete the northern segments of the MSB Port MacKenzie Rail Extension (PMRE) project allowing for the transportation of LNG via rail versus via the road system from the Titan plant to Fairbanks and North Pole storage facilities.

The Alaska Railbelt Clean Energy Transportation Infrastructure Project consists of three component projects that have been designed to enable lasting economic development opportunities and benefits throughout the region. This concept includes:

1. Expanding Liquefied Natural Gas (LNG) capacity at the publicly owned Interior Gas Utility (IGU) Titan plant in Point MacKenzie from 50,000 gallons per day to 150,000 gallons per day. This segment of the project is estimated to cost \$75.9 million and has advanced to 65% design.

2. Completing 18 miles (of 33 total) of the PMRE, which will allow LNG to be shipped 346 miles by rail to Fairbanks and North Pole, Alaska versus 358 miles by truck, increasing fuel efficiency and reducing greenhouse gas emissions by up to 75-percent. This segment of the project is estimated to cost \$96.1 million and all State and Federal permits have been acquired, engineering design for the remaining rail work is nearly finished, and right-of-way acquisition is substantially complete.

3. Completing rail spur connections to the Titan plant and to

IGU storage and vaporization facilities in Fairbanks (Peger Road) and North Pole (Laurance Road). This segment of the project is estimated to cost \$31.9 million.

The completed PMRE will bring \$184 million in State investment into production, creating jobs, reducing energy and transportation costs while also improving air quality. It is also expected to increase the efficiency of shipping bulk commodities and materials to and from Interior Alaska, and to provide direct rail access for LNG shipments from Cook Inlet to Fairbanks and North Pole. Combined, the component projects will allow for natural gas to be transported more than 346 miles by rail versus (currently) 358 miles by truck to Fairbanks, North Pole and other communities across the rail belt. This project will increase the available supply of natural gas and will reduce energy costs for industry and residential customers in Interior Alaska communities. With increased natural gas supply, the region will realize additional opportunities for natural gas conversion, which will aid in achieving air quality attainment.

The three component projects are in varying stages of design, environmental studies, and permitting however, all State and Federal permits for the PMRE have been acquired, engineering design for the remaining rail work is nearly finished, and right-of-way acquisition is substantially complete.

**6. ARCTIC WINTER GAMES 2024 - \$500,000**

The 2024 Games will be hosted in the MSB, a place that is quickly becoming Southcentral's destination of choice for outdoor winter recreation and competition. As the host community, we will provide all the food, lodging, local transportation, equipment, and facilities required by the athletes, their coaches, trainers, and managers.

The MSB has already appropriated \$250,000 along with \$50,000 in legacy funds being held by the Arctic Winter Games International Committee. The balance will come from private and corporate donations, merchandise sales, as well as in-kind contributions. With the initial \$1 million State appropriation in FY 2022, an additional \$500,000 will be requested from the State in FY 2023 and FY 2024.

**7. FISHERY PROTECTION - \$2.5 MILLION**

A Strategic Research, Monitoring and Evaluation Plan for the Upper Cook Inlet (completed in 2015) identified several



informational gaps in local fisheries management. Many of identified gaps resulted in funded projects. This work illustrated the need for additional funding of genetic stock analysis, economic impact studies of sport fishing, fishery management weirs, and control of aquatic invasive species.

A segment of these monies will also help continue the MSB fish passage culvert replacement program that over the last 20 years has opened up significant habitat to anadromous fish.

ADOPTED by the Matanuska-Susitna Borough Assembly this 7 day of December, 2021.

  
EDNA DEVRIES, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)



PASSED UNANIMOUSLY: Hale, Nowers, McKee, Yundt, Tew, Sumner, and Bernier