

Action:

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 25-073**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING
2026 FEDERAL LEGISLATIVE PRIORITIES.

1. PORT MACKENZIE RAIL EXTENSION (PMRE) PROJECT - \$275,000,000

The Borough requests funding to complete the PMRE construction. A new railroad approximately 32 miles long will be constructed, extending from the railroad mainline near Houston, Alaska, to Port MacKenzie (Port), a deep draft seaport. Port MacKenzie is strategically located on the opposite side of the Upper Cook Inlet from Anchorage and has ample landside space for bulk commodity storage, multimodal transfers, and unit train capabilities. The State of Alaska has already invested \$184,000,000 in funding for this project.

The requested funding would complete the construction of the rail extension to the Port, resuming work that halted in 2017 owing to a depletion of available funds. The PMRE would establish rail service at Port MacKenzie, the closest deepwater port to Interior Alaska, a region experiencing significant economic growth. This would enable exports of raw materials from Alaska to global markets.

2. TALKEETNA DIKE/REKETMENT - \$20,000,000

The Talkeetna revetment and dike protect the townsite of Talkeetna from floods and erosion from three major rivers. Talkeetna residents voted to create a flood service area, which partially funds periodic maintenance and repairs. While this service area encompasses the majority of Talkeetna, the tax base is insufficient for the complete replacement or major repair of the revetment and dike. In 2023, the Borough partnered with the United States Army Corps of Engineers (USACE) for an erosion study in anticipation of needing a major repair or replacement of the existing infrastructure under the Planning Assistance to States (PAS) program. This study evaluated erosion from the channel migration of the Susitna River. The course change moved the main river channel from a glancing sweep in front of Talkeetna, to a full-frontal assault on the dike and revetment. Erosion repairs were made to the dike and revetment in 2017, 2020, 2023, and 2024. The study's findings are provided in the December 2023 USACE

report. This study provides only planning-level detail and does not include a design or cost estimate for project construction or additional funding.

The Borough submitted a request to USACE for assistance via Section 14 of the Continuing Authorities Program (CAP) to develop and approve a construction project. USACE informed MSB that the Section 14 program funding was not able to cover the MSB's request.

Emergency protective measures completed by the Borough are not a permanent solution. Riverbank erosion continues to occur and threatens vital infrastructure and properties within the community of Talkeetna. The Borough is maintaining the dike and revetment as funding allows.

In late summer 2025, the Borough requested Federal assistance through the Section 8315 program, which requires a 10 percent local match if the Talkeetna area is considered disadvantaged; if not, then the match would be 35 percent. Current funding via Section 14 for small flood control projects has a cap of \$20,000,000 with a 35 percent local match requirement. The funding requested would design and construct the needed infrastructure to protect Talkeetna.

3. WILLOW PUBLIC SAFETY FACILITY - \$5,000,000

Willow urgently needs a modern joint public safety facility in its core area along the Parks Highway. The current Fire Station 12-1 is outdated and lacks essential infrastructure to support fire, EMS, and law enforcement services. The proposed facility would house the Willow Fire Department, a full-time ambulance and rescue unit, and provide space for law enforcement operations.

The Borough Assembly has appropriated \$3.5 million for the project, with an additional \$700,000 secured for design through a State Legislative appropriation. Additional funding is needed to complete the facility. Without it, only EMS needs can be addressed, limiting the project's scope and impact.

The new facility will utilize a Borough-owned 16-acre lot with completed site work and utilities, reducing overall costs. It will include training areas, living quarters, and decontamination facilities, critical for responder health and emergency response. Currently, EMS units must respond from Big Lake, increasing response times.

A single, integrated facility will reduce costs and meet the growing public safety needs of Willow and the surrounding Parks Highway corridor.

4. NATURAL GAS TRANSMISSION LINE TO PORT MACKENZIE - \$57,000,000

This project proposes the construction of a 15-mile natural gas transmission line extending from the Beluga Natural Gas Transmission Line at Ayrshire Road to Port MacKenzie, following the Point MacKenzie Road right-of-way. The line will deliver natural gas to the Port, surrounding district lands, and other users along the corridor.

The project will support a wide range of industrial and commercial activities by providing access to natural gas. At the Port, natural gas will be used for heating, powering equipment for mineral processing, and enabling the production of hydrogen-derived fuels such as synthetic aviation fuel (SAF). The availability of natural gas also opens the door to power generation for emerging industries like data centers and other technology-driven operations.

With over 8,000 acres of land zoned for industrial and commercial use within the Port district, this infrastructure investment lays the foundation for transforming the area into a thriving industrial hub for Alaska. Access to natural gas is essential for attracting and sustaining business growth, making this project a catalyst for long-term economic growth.

5. SUBSTANDARD ROAD AND BRIDGE IMPROVEMENTS - \$15,000,000

As Alaska's fastest-growing region, the Borough faces increasing pressure on aging infrastructure. Many roads were built decades ago to substandard specifications and now require upgrades to meet current safety standards.

Several bridges have exceeded their design life, with recent inspections revealing structural deficiencies and reduced load capacities. These limitations restrict access for residents and businesses. Planned upgrades, including riprap replacement and full bridge reconstruction, will extend the life of key structures by at least 30 years.

Priority bridges include Yoder Road over Montana Creek, Oilwell Road over Moose Creek, Moose Meadows over the Little Susitna River, and the King Salmon Drive Bridge.

6. FLOOD AND EROSION MITIGATION FOR SUSCEPTIBLE ROADS - \$2,000,000

There are roads within the Borough that are susceptible to annual flooding and erosion. They have been identified, but are too large to be improved using road service area funds. These range from subdivision roads to large collector roads, which provide vital transportation links to residents' homes and businesses. Funding for this project would allow for the flooding and erosion to be mitigated through road realignment, raising the road embankment, installing armoring, installing larger culverts, and providing adequate ditches and drainage easements. These roads include Mariah Drive, Curtis Drive, Burma Road, Hart Lake Loop, Rutan Avenue, and Skyvan Circle.

7. JONESVILLE PUBLIC SHOOTING PARK - \$3,000,000

This is a new project for the Alaska State Moose Range Jonesville Public Use Area. This high-priority recreation facility will provide safety for recreational shooters, other users, and community members.

The Jonesville Public Use Area is a highly visited, multi-use area used year-round. Currently, shooting occurs in and around undesignated campsites, through main access trails and tracks, and along the Slipper Lake water body. The design and development of a designated shooting area and ranges with restrooms would provide critical health and safety facilities to this recreation area. The Borough Assembly has already appropriated over \$1 million to support this project.

8. MATANUSKA RIVER PARK AND CAMPGROUND UTILITY UPGRADES: PHASE 1 - \$2,000,000

The Matanuska River Park and Campground, located at Mile 17 Old Glenn Highway, is a popular destination offering eighty-six (86) spaces for tents or recreational vehicles (RV), a central comfort station, an RV dump station, picnic tables, grills, four pavilions, playground equipment, sand volleyball court, trails, 'pump park' for bike riding, river access, an observation deck, parking areas, a campfire area, and a group camping area.

Proposed upgrades include:

- Replacement of the electrical system, which has reached the end of its service life and is now characterized by frequent failures and increasing maintenance challenges.

- Address the failing water facilities, including a thorough assessment of the current systems.
- Develop a forest management plan and provide sustained forestry services to support a Federal Aviation Administration approved safe glide path for the City of Palmer Airport operations.
- Expand and reconfigure the 'back-in' RV campsites to provide more space for campers.
- Install an Americans with Disabilities Act compliant bathroom upgrade to support visitor use.
- Connect to the City of Palmer's water and sewer systems to ensure more reliable utility services to the park.

These improvements are essential for modernizing the park's infrastructure, ensuring reliable utility services, and enhancing the overall experience for all visitors.

9. NATURAL GAS TRANSMISSION LINE TO WILLOW - \$61,500,000

Currently, ENSTAR Natural Gas Company provides gas service to customers across southcentral Alaska, with their northernmost customers near the southern edge of Houston, off Cheri Lake Road. To serve the remaining customers in the Houston area, ENSTAR could continue to extend its distribution mains to the north far enough to serve the remaining Houston customers that are not currently served. However, extending the distribution system farther north of Houston to serve additional customers in that direction is not feasible, as the system would have difficulty meeting demand during winter heating. The ENSTAR distribution system, as it exists today in the Houston area, is near its full capacity. Growth to the north that would complete service to all the Houston area, would require additional reinforcement of large diameter mains to help ensure that system pressures can be maintained during peak heating loads.

To extend gas service farther north to Willow, a transmission pipeline would be required to bring gas from ENSTAR's Beluga Pipeline north to the Willow area.

Phase 1 - Gas to Houston:

- Construct an 8-inch diameter transmission line from Beluga Pipeline (near ENSTAR's Mile Post 39 facility on Ayrshire Road) to near the Parks Highway just south of the Little Susitna River (via railroad corridor; approximately 18.8 miles).

- Install a large reg station in Houston near the intersection of the Parks Highway and the railroad alignment.
- Construct a distribution pipeline system in the Houston area.

Phase 2 - Gas to Willow (contingent on completion of Phase 1):

- Construct an 8-inch diameter transmission line from Houston to Willow following the Parks Highway corridor (approximately 13.7 miles). The pipeline would be installed within the Parks Highway right-of-way via a utility permit.
- Install a large reg station in Willow near the intersection of the Parks Highway and Willow Fishhook Road.
- Construct a distribution pipeline system in the Willow area.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day
of -, 2025.

EDNA DeVRIES, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)