

Sponsored by: Borough Manager  
Amended: 09/19/17  
Postponed to 10/17/17: 09/19/17  
Postponed to 11/07/17: 10/17/17  
Amended: 11/07/17  
Adopted: 11/07/17

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 17-070**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING  
STATE LEGISLATIVE PRIORITIES FOR FY2019.

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**PORT MACKENZIE RAIL EXTENSION - \$130 million**

Port MacKenzie is a deep water port capable of docking and loading the largest cargo vessels in the world. This shorter rail route from Interior Alaska to tidewater will substantially boost the export of Alaska's minerals and natural resources helping diversify the statewide economy. The project will create jobs, lower transportation costs, and increase economic development. Fuel imports transported north on Port MacKenzie Rail to the Interior would help lower high energy costs. The Alaska Railroad is the first in the nation to receive approval by the Federal Railroad Administration to transport LNG by ISO container. AIDEA is working to expand an LNG facility near Port MacKenzie to develop a fuel supply chain to Interior communities. The rail extension could also save more than \$100 million in construction costs for the State's proposed natural gas pipeline over other ports as Port MacKenzie is 140 miles closer than Seward and 32 miles closer than Anchorage to the Interior. Less expensive bulk transport costs will also help stimulate the development of natural resources and mines such as the one-billion-ton limestone deposit near Livengood. Two sizable mining projects have designated Port MacKenzie as their marine terminal for exports: A Canada to Alaska railway plan projected to export \$100s of billions in commodities including bitumen; and Trilogy Metals, Inc. in the Ambler Mining District projected to hold 8 billion pounds of copper, 3 billion pounds of zinc and more than 1 million ounces of gold-equivalent precious metals.

The shorter mileage to tidewater will also reduce the cost of transporting coal when coal prices recover, helping coal from Alaska's Interior be competitive on the world market. 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, which plans to import low sulfur fuel, store it in million gallon tanks, and transport

it around the state.

**MUSEUM DRIVE EXTENSION (PARKS HIGHWAY CONNECTOR) - \$4 million**

The Parks Highway from Wasilla to Big Lake is being upgraded to a four-lane highway by the Alaska Department of Transportation and Public Facilities due to high fatality and serious accident rates and traffic congestion. A frontage road network is required to carry local traffic to residential subdivision roads and businesses adjacent to the Parks Highway. The Matanuska-Susitna Borough owns collector roads that run parallel with the Parks Highway corridor and could be used as frontage roads, if connected, to relieve the Parks of a significant amount of local and business traffic. Museum Drive extension is one of four roads that have been identified as collector roads that could serve this purpose. This project will also provide a detour route for Parks Highway traffic if the new four-lane is ever blocked by an accident or natural disaster.

This project is one of two that were packaged as the "Parks Highway Connectors" which received past legislative grants totaling \$8M. The Borough designed and constructed Machen Road Extension, the first project in 2014 for approximately \$7M. With the remaining \$1M the Borough has completed the design and permitting of Museum Drive Extension to the 100% level. Additional funding is needed for right-of-way acquisition and construction to complete this project.

**WILLOW LIBRARY REPLACEMENT AND COMMUNITY CENTER UPGRADES - \$3 million**

The existing Willow Library has outgrown its current space to meet the community needs and will be expanded. The existing library will be removed and a new 6,600 sq. ft. library will be constructed on the site. A Pre-Development Project Plan was completed in April of 2016. The Plan shows a significant deficit in the existing space to meet the needs of the community during the next 20 years. Further, the remainder of the building is in need of upgrades that include exterior siding, fire suppression and other minor upgrades throughout the structure. Total project cost is \$5,943,000, of which \$400,000 is currently pending legislative reappropriation approval remaining from Talkeetna Library Project funds. Per the Pre-Development Plan, the remaining funds will be from several sources including the Mat-Su Borough \$1,970,000; Individual and Business Fundraising (\$65,000 has currently been raised by the Willow Library Association); and Foundations and Grants \$508,000.

**WEST SUSITNA ROADS TO RESOURCES (FISH CREEK ACCESS) - \$4 million**

Construct two bridges, improve 6.7 miles of winter ice road and

add 12 miles of all season road to open up vast acreage in the west side of the Borough to agriculture, commercial use, forestry, materials extraction, public recreation, resource management, and settlement. The two bridges and forest road will help develop the area between the Little Susitna (Little Su) and Susitna (Big Su) Rivers, opening approximately 200,000 acres. Perhaps as important, the project also puts the State at 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. The challenge is and always has been, ACCESS to these resources.

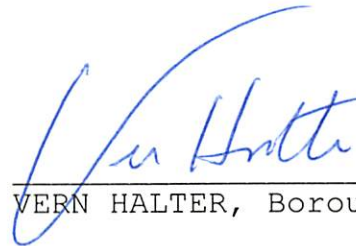
The proposed project is the critical first step to opening up this region for economic development. A winter ice road to the area and two ice bridges across the Little Su were constructed in 2014. The project begins at the end of West Susitna Parkway southwest of Big Lake. Upgrade of the winter ice road to a two-way single lane all season resource recovery road (including two all-season bridges) is proposed. The project includes one bridge constructed across the Little Su as well as one small bridge placed across a nearby stream. In addition, extending the existing winter ice road approximately 12 miles across Borough and State land will connect it near the preferred crossing point for the future bridge across the Big Su. Upgrading this proposed 12-mile ice road to a two-way single lane all season resource recovery road will require additional study and funding. State of Alaska has already expended \$400,000 on 6.7 miles of road. Project costs include three components: bridge construction (\$2 million), all season road construction (\$2 million) and new winter ice road construction (\$1 million). The Borough has \$1 million in the Land Management permanent fund that can be allocated for this project. The project will take at least three years to complete from the time funding is secured.

#### **FISHERY PROTECTION - \$4 million**

This project will protect Mat-Su's declining salmon populations by restoring fish habitat and passage and providing critical economic and in-season fishery data collection necessary for making sound scientific policy recommendations for improved Upper Cook Inlet Fishery Management. Salmon populations are declining in the Mat-Su as evidenced by the state designated stocks of concern, frequent sport fishing closures, and associated business losses. A Strategic Research, Monitoring and Evaluation Plan for the Upper Cook Inlet (completed in 2015) identified significant gaps in data as a barrier to understanding the salmon population declines and the complex economic consequences. Priority action proposed includes: continuing successful initiatives aimed at quantifying the economic significance of Upper Cook Inlet sport fisheries,

fish habitat restoration including Mat-Su's strategic evaluation and replacement of fish passage barriers, and installing fish counting tools on critical drainages to provide in-season fishery data. These efforts will apply more stock specific management strategies to ensure more consistent and abundant returns of salmon to the northern waters of the Mat-Su. Total project cost is \$6.5 million; \$2.5 million was awarded from Alaska Department of Commerce, Community, and Economic Development in 2013.

ADOPTED by the Matanuska-Susitna Borough Assembly this 7 day of November, 2017.

  
VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk  
(SEAL)

YES: Sykes, Beck, Leonard, Mayfield, Doty, and Kowalke

NO: McKee