


**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING THE SUBMITTAL OF AN ECONOMIC DEVELOPMENT ADMINISTRATION BUILD BACK BETTER REGIONAL CHALLENGE GRANT APPLICATION WITH THE FAIRBANKS NORTH STAR BOROUGH FOR THE DEVELOPMENT OF RAIL AND NATURAL GAS INFRASTRUCTURE PROVIDING ECONOMIC DEVELOPMENT OPPORTUNITY AND IMPROVING RESILIENCY.

**AGENDA OF:** October 19, 2021







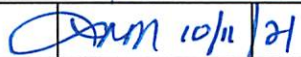

**Assembly Action:**

Approved under the consent  
Agenda 10-19-21 

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:**



Route To:	Department/Individual	Initials	Remarks
	Originator - P. Graham		
	Purchasing Officer		For Rustin Kraft
	Public Works Director		10/6/2021
	Community Development Director		10/6/2021
	Finance Director		10.7.21
	Borough Attorney		
	Borough Clerk		

**ATTACHMENT (S):** Fiscal Note: YES \_\_\_\_\_ NO X  
PMRE Map - September 2021 Status (1 pp)  
Resolution Serial No. 21-111 (3 pp)

**SUMMARY STATEMENT:**

The U.S. Economic Development Administration (EDA) has announced the availability of funding from the American Rescue Plan Act (ARPA) for the Build Back Better (BBB) Regional Challenge grant program. This grant program allows for regional coalitions to submit a concept paper with three to eight potential projects that will help develop a regional growth cluster and stimulate the regional economy.

The BBB Regional Challenge is a two phase application process. The Phase 1 application deadline is October 19, 2021, and includes submittal of a concept detailing the creation of a regional growth cluster. If chosen as a Phase 1 recipient, grant funding will be provided to develop and refine the project applications for Phase 2 funding, with a deadline in March 2022.

The Matanuska-Susitna Borough (MSB), Fairbanks North Star Borough (FNSB), and the Alaska Rail Road Corporation (ARRC) have partnered to develop a concept for the creation of a regional growth cluster that will extend the existing rail line from the Parks Highway down to Ayrshire Road to the Interior Gas Utility (IGU) Titan liquefaction plant (Titan plant) owned by FNSB. This would complete segments 3, 4, and 5 of the MSB Port MacKenzie Rail Extension Project (PMRE) allowing for the transportation of Liquefied Natural Gas (LNG) via rail versus via the road system from the Titan plant to Fairbanks and North Pole storage facilities.

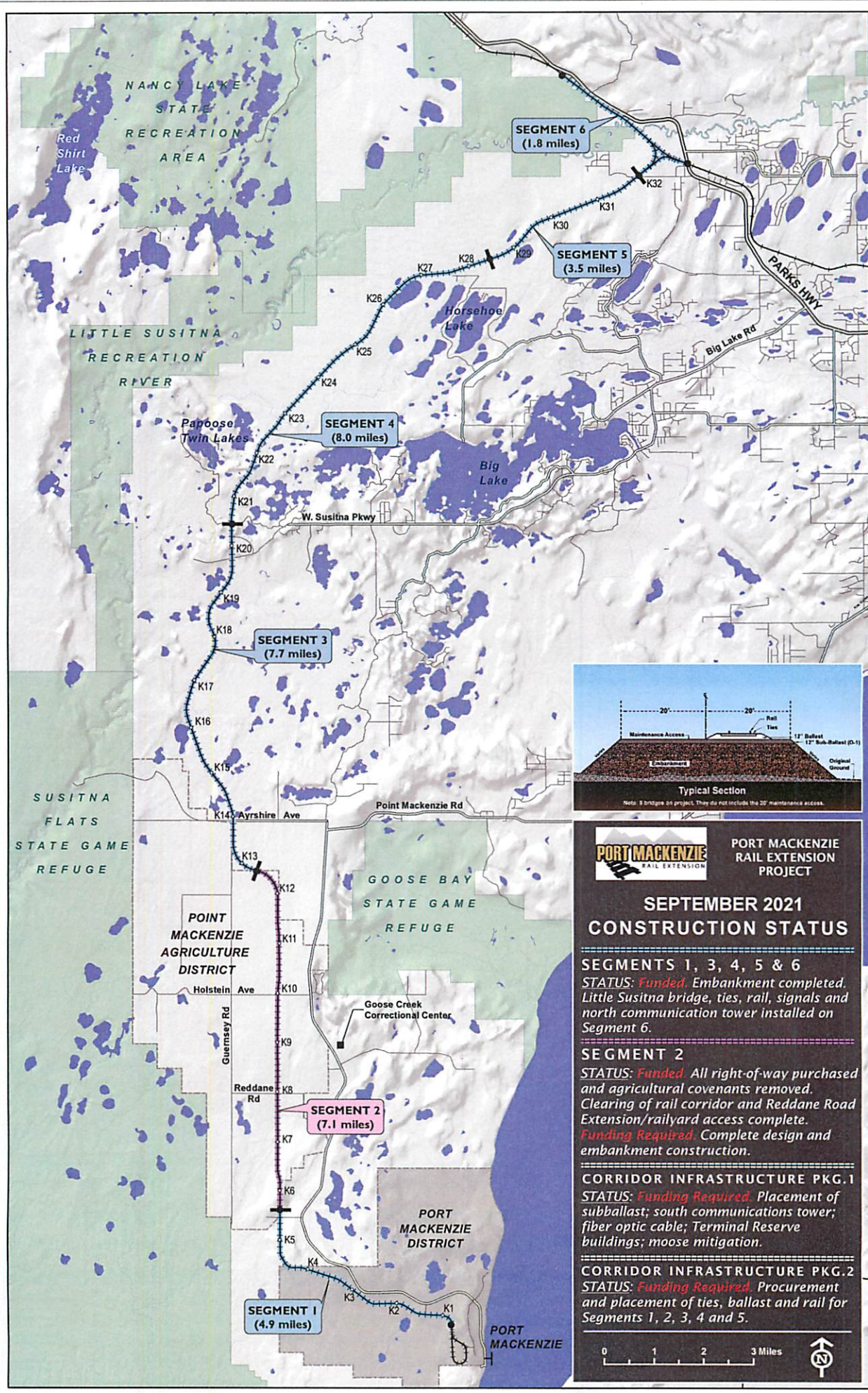
This concept will describe the regional growth cluster and detail the economic benefits to each of the partners and the State of Alaska. The major components of this proposal include:

- Rail completion of segments 3, 4, and 5 of the PMRE in MSB to include a rail connection to the Titan plant;
- Expansion of LNG capacity at the Titan plant from 50,000 gallons per day to 150,000 gallons per day;
- Develop connections to support rail transportation of LNG to IGU storage and vaporization facilities in Fairbanks and North Pole.

This effort supports completion of the PMRE project, a long-term MSB Assembly priority most recently outlined in Resolution 20-095, and FNSB priorities for natural gas expansion. The MSB Assembly previously supported Titan plant expansion via Resolution 20-009. The total request for this project is anticipated to be between \$150 million and \$175 million.

**RECOMMENDATION OF ADMINISTRATION:** Approve support for a Phase 1 submission to the EDA BBB Regional Challenge grant program.





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