

Matanuska-Susitna Borough - Rail Extension to Port MacKenzie

FY2015 Request: \$5,000,000
Reference No: 57374

AP/AL: Appropriation
Category: Transportation
Location: Mat-Su Areawide
Impact House District: Matsu Areawide (HD 7-11)
Estimated Project Dates: 07/01/2014 - 06/30/2019

Project Type: Construction
Recipient: Matanuska-Susitna Borough
House District: Matsu Areawide (HD 7-11)
Contact: JoEllen Hanrahan
Contact Phone: (907)465-2506

Brief Summary and Statement of Need:

This project provides funding for construction of a rail extension from the Alaska Railroad mainline to Port MacKenzie, a deep water port capable of docking and loading the largest cargo vessels in the world. By providing a shorter rail route to tidewater, the rail extension will substantially boost the export of Alaska's minerals, and other natural resources helping to diversify the statewide economy.

Funding:	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>Total</u>
Gen Fund	\$5,000,000						\$5,000,000
Total:	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$5,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch16 SLA2013 P21 L10 SB18 \$25,000,000
 Sec10 Ch43 SLA2010 P99 L27 SB230 \$57,000,000
 Sec4 Ch30 SLA2007 P88 L8 SB53 \$12,000,000

Project Description/Justification:

This request is for continued development and construction of the Matanuska-Susitna Borough Port MacKenzie Rail Extension Project. The rail extension will promote the diversification of Alaska's economy. Savings will be provided by the rail extension for transporting bulk materials like coal from the Usibelli coal mines to tidewater from Interior Alaska. The rail extension is expected to stimulate development of new mineral mines, development of limestone deposits and related cement industry, and new opportunities for timber exports. An expected 4,000 jobs will be created along the rail line and in Interior Alaska due to new mining ventures and development efforts. Southcentral Alaska is expected to gain 2,000 permanent jobs over the first 10 years following rail construction, and up to 3,500 jobs over the longer term.

The Port MacKenzie Rail Extension will bring economic and employment benefits to Alaska. It will create jobs, lower transport costs, increase economic development and connect the Alaska Railroad Mainline to Port MacKenzie.