



NEWS RELEASE

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Surface Transportation Board recommends Mac East Variant (Mac Central) and Houston South as rail route

April 7 Open House to highlight EIS findings and project status

MAT-SU BOROUGH, Alaska – The Office of Environmental Analysis (OEA) of the Surface Transportation Board (STB) released the final Environmental Impact Statement (EIS) today for the Port MacKenzie Rail Extension, recommending Mac East Variant (Mac Central) and Houston South as the rail route for STB approval.

The federal board approves all new rail line construction in the nation. The 32-mile rail extension will link the deepwater Port MacKenzie to the mainline of the Alaska Railroad. The STB finding finalizes a rigorous environmental impact study, field work and public involvement process that began in 2007.

Construction is scheduled for completion in 2014. The project is estimated to cost \$218 million.

Not since the construction of the 323-mile George Parks Highway in 1971 and the 170-mile Anchorage/Fairbanks Electrical Intertie in the mid-1980s has such a large infrastructure project been approved in the Matanuska-Susitna Borough.

We appreciate the support for the project from U.S. Sen. Mark Begich and U.S. Rep. Don Young.

The selected route: Mac Central and Houston South alignment, has been described as one of the most progressive alignments designed in Alaska, because of the project team's efforts to reduce impacts and to integrate public comment into route refinements. The STB's Office of Environmental Analysis has determined that this corridor holds the least amount of environmental impacts when compared with

the other proposed corridors. The project team worked to reduce or avoid impacts throughout the project.

- Along the entire 32 mile corridor, only one house will need to be relocated.
- Trail access will remain intact where the new rail line will cross officially-recognized recreational trails for snow machines/ATVs and dog mushers. Crossings will be built to accommodate these trails.
- Six bridges and several fish passage culverts will be built along the route to minimize impacts on fish
- The project design team will continue to avoid and reduce impacts further through final design.

Learn more about the Port MacKenzie Rail Extension project at an Open House:

6:00 - 8:00 pm on April 7, 2011
Evangelo's Restaurant
2530 E. Parks Highway in Wasilla

Project team members will answer questions concerning the final Environmental Impact Study, the project schedule, and right-of-way requirements.

The new rail link is expected to bring significant economic benefit to Alaska through new jobs, economic diversification and state revenues. The rail project is expected to create some 3,000 construction and construction-related jobs, according to a study by the Institute of Social and Economic Research. The shorter rail distance to tidewater provided by the project could stimulate valuable new development in the Interior due to lower transportation costs. For example, if the Alaska Gas Pipeline project gets underway, shipping the pipe and heavy materials through Port MacKenzie could save \$100 million. The new rail link could also supply most of the heavy materials for the construction of the proposed Susitna Dam.

The completion of the EIS will allow a construction contract for the first five miles of rail embankment to be advertised for bid in early April, funded with a legislative appropriation last year. The Matanuska-Susitna Borough and the Alaska Railroad have requested that the Alaska Legislature appropriate \$55 million this year to construct an additional 12.8 miles of rail embankment next summer.

For more information:

- Visit the project web site at www.portmacrail.com;
- Visit the STB website www.stbportmacraileis.com
- Contact MSB Public Affairs Director, Patty Sullivan at 745-9577; or psullivan@matsugov.us;
- Contact ARRC Corporate Communications Officer Stephenie Wheeler at 265-2671; or wheelers@akrr.com -end-