APPENDIX C: PRELIMINARY LETTERS RECEIVED FROM REGULATORY AGENCIES

C.1 Agencies Involved

A wide variety of regulatory agencies will have responsibility for environmental review, permitting, and approval of the Port MacKenzie Rail Extension Project. The primary purpose for agency involvement during this initial stage was to provide information about the purpose and need of the project and to work with agencies early in the process to determine areas of concern or potential conflicts with the proposed corridors. Meeting with the agencies also provided notice that the project partners will be submitting an application for a rail extension project to the STB. Between September and November 2007, MSB and the ARRC hosted one large group meeting where all agencies were invited to attend, as well as ten smaller, one-on-one agency meetings.

Agencies contacted included:

- Alaska Department of Natural Resources
  - Office of Project Management & Permitting
  - Office of Habitat Management & Permitting
  - Division of Mining Land & Water
  - Division of Parks & Outdoor Recreation
- Alaska Department of Fish and Game
- National Oceanic & Atmospheric Administration, National Marine Fisheries Service
- US Bureau of Land Management
- US Environmental Protection Agency
- US Army Corps of Engineers
- US Fish and Wildlife Service

C.2 Agency Involvement Activity

C.2.1 Large Meeting

One large group agency meeting was held to introduce the project and to discuss concerns relating to the agencies.

**September 18, 2007, Large Project Meeting:** The purpose of this meeting was to provide agencies with an introduction to the proposed project and to introduce the Port MacKenzie Rail Extension Project Team. This meeting was coordinated with the assistance of the Alaska Department of Natural Resources, Office of Project Management & Permitting, Large Project Permitting group. The project team provided an overview of the project history, area, purpose, and potential benefits. Topics discussed included agency participation and comments, the STB process and the environmental constraints analysis used to develop corridors, refine alignments and the alignments under consideration.
C.2.2 One-on-one and Small Group Meetings

The project team held ten one-on-one and small group meetings with specific agencies in October and November 2007 (Table 2.1). These meetings were held to obtain comments on items of particular interest to individual agencies or discuss resources in common among several agencies.

### Table C-1 One-on-One Agency Meetings

<table>
<thead>
<tr>
<th>Agency</th>
<th>Date (2007)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Army Corps of Engineers</td>
<td>October 2</td>
<td>Discuss potential wetlands impacts and mitigation strategies</td>
</tr>
<tr>
<td>Alaska Department of Fish and Game</td>
<td>October 3</td>
<td>Discuss potential impacts to parks and refuges, fish, fish habitat, and mitigation strategies</td>
</tr>
<tr>
<td>Alaska Department of Natural Resources, Division of Parks and Recreation</td>
<td>October 5</td>
<td>Discuss potential impacts to state parks and mitigation strategies</td>
</tr>
<tr>
<td>Alaska Department of Natural Resources, Division of Mining, Land, and Water</td>
<td>October 10</td>
<td>Begin a preliminary discussion on potential impacts to State lands, ROW acquisition procedures, and identify additional information needed</td>
</tr>
<tr>
<td>Alaska Department of Natural Resources, Office of Habitat Management and Permitting</td>
<td>October 10</td>
<td>Begin a preliminary discussion on potential impacts to fish populations and stream crossings, habitat, and mitigation strategies</td>
</tr>
<tr>
<td>Bureau of Land Management and Alaska Department of Natural Resources (Trails Meeting)</td>
<td>October 17</td>
<td>Identify and locate existing trails and their legal status. The latter half of the meeting focused specifically on the Iditarod National Historic Trail</td>
</tr>
<tr>
<td>Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation, Office of History and Archaeology</td>
<td>October 23</td>
<td>Follow up on letter from SHPO, dated September 26, 2007. The main comments to discuss included the Iditarod National Historic Trail; the Port MacKenzie Agricultural Area; location of the 1915 Matanuska Farm Station; and potential indirect effects</td>
</tr>
<tr>
<td>Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation, OMHP, Division of Mining, Land &amp; Water</td>
<td>November 9</td>
<td>Follow up with DNR agencies related to public use of undesignated state lands, trails, fisheries impacts, and park and recreation area impacts</td>
</tr>
<tr>
<td>US Army Corps Of Engineers</td>
<td>November 21</td>
<td></td>
</tr>
</tbody>
</table>

C.2.3. Agency Comments

Ten comment letters were received from agencies (list). In addition, an R.S. 2477 Rights-of-Way Fact Sheet (September 2001) was included with the Alaska Department of Natural Resources Division of Mining, Land & Water letter. The letters are located in Appendix A: Agency Comments. Following is a brief summary of the letters.

**September 26, 2007 Alaska Department of Natural Resources/Division of Parks and Outdoor Recreation/ Office of History and Archaeology**

The Office of History and Archaeology provided recommendation for additional archaeological surveys on selected alternatives and expressed concern regarding alternatives intersecting with the Iditarod National Historic Trail. There was also a recommendation to evaluate possible National
Register eligibility of the Port MacKenzie Agricultural Area, and to consider both potential direct and indirect effects to historic properties.

**October 17, 2007 US Bureau of Land Management Anchorage Field Office Iditarod National Historic Trail**
The BLM expressed the desire to work with other agencies in the development of a Memorandum of Agreement to deal with the Iditarod National Historic Trail. The Memorandum of Agreement that was developed for the Takotna, Alaska Airport project was sited as an example.

**October 19, 2007 US Department of Interior Fish and Wildlife Service**
Comments from the USFWS included concerns related to habitat fragmentation, cumulative impacts, and compensatory mitigation. Comments also referenced the wintering, denning, breeding, feeding, and migration corridors for both fish and wildlife. Other comments included recommendations to fully assess the potential for fuel and hazardous material spills and avoidance measures as part of the alternative design. The USFWS also identified the bald eagles as a species of concern. It was recommended that each alternative corridor be surveyed to identify nests and to work with the agency to develop buffer zones near active and inactive nests.

**October 23, 2007 US Environmental Protection Agency**
Comments from the USEPA focused on two recommendations: 1) establish a detailed project baseline and 2) design a project that avoids impact to the maximum extent possible. The baseline information should be sufficient in scope and analysis to be included into the NEPA document and be used to support the Clean Water Act section 404 permitting review. According to USEPA, there is a need for ground-truthing, detailed mapping, and preliminary analysis of the environment. Cumulative impacts should also be included.

**October 31, 2007 Department of Fish and Game, Division of Sport Fish**
Comments provided included recommendations for minimizing the impacts to coastal resources including wetlands, rivers, streams, lakes, and State Game Refuges, and suggestions for mitigation. For example, the Division suggested using railway bridges rather than culverts, especially for streams containing anadromous fishes. Other mitigation measures included using native plant species to revegetate areas disturbed with construction. This would protect habitat from invasive species. In addition, the Division also suggested the ARRC participate in regional planning efforts pertaining to green infrastructure and develop contingency plans to address potential spills for the selected corridor.

**November 14, 2007 Department of Natural Resources, Division of Parks and Outdoor Recreation**
The Division of Parks and Outdoor Recreation provided a letter outlining their preferred alternative and discussed their least favorable option. The division recommended the Houston South-Houston-Connector 3 – Mac East alternative be chosen as the preferred alternative, because from their perspective it minimizes impacts to the major recreational/public use areas, eliminates additional bridges over the Little Susitna River and Willow Creek, and would align the rail adjacent to the existing road corridors.

The Willow Corridor, from the standpoint of outdoor recreation is identified as the least favorable option to the Division for the following reasons:

- Willow Creek State Recreation Area would be significantly impacted
- Nancy Lake State Recreation Area would be affected through negative impacts on neighboring recreational lands
- Little Susitna State Recreational River would be significantly impacted
• Little Susitna Public Use Facility would be significantly impacted
• Regional Trail impacts
• State Trail Grooming Pool program
• Historical/Cultural impacts
• Barrier issue
• Contiguous Public Land Block
• Habitat protection

November 21, 2007 Department of the Army, US Army Engineer District, Alaska, Regulatory Division
The letter from the Regulatory Division outlined guidance relating to information and documentation that may be required to satisfy the regulatory requirements of the agency. Three areas were highlighted in the letter:
1. Consultation with the National Marine Fisheries Service to discuss and gather comments on impacts and recommendations regarding Essential Fish Habitat.
2. Consultation with the State Historic Preservation Officer to determine eligibility and/or determination of effect on historic properties.
3. NEPA requirements to review the project under the Environmental Protection Agency’s 404 (b) (1) Guidelines. The guidelines require the applicant to show that all the appropriate and practicable steps to minimize potential impacts of the discharge on the aquatic ecosystem have been considered, and that the proposed alternatives represents the least environmentally damaging alternative.

November 26, 2007 Department of Natural Resources, Office of Habitat Management and Permitting OHMP
DNR-OHMP provided the following preliminary scoping comment regarding information needs, routing and design considerations and route preferences. In terms of additional information needed, OHMP recommended comprehensive stream sampling to determine the presence or absence of fish, as well as hydrology studies to map the wetland areas. The design considerations focused on utilizing bridges to minimize impacts to the fish and fish passages, and designing culverts using stream simulation methodology. Routing considerations recommended avoiding wetlands, fish-bearing streams and anadromous water bodies.

November 28, 2007 Matanuska-Susitna Borough Cultural Resources Division Planning and Land Use Department
Comments from the MSB Cultural Resources Division included the preference for the Houston North, Houston South, Conn 1 and Mac West corridors. These corridors appeared to be the least likely to impact historic, proto-historic and prehistoric sites based on preliminary information. The Division also recommended archaeological surveys in consultation and participation with the Knik Tribal Council, and on-the-ground, walk-over surveys to be conducted by an archaeologist.

December 12, 2007 Department of Natural Resources, Division of Mining, Land, and Water
Comments from DNR-DMLW were general in nature describing project impacts on state lands and applicable statutes pertaining to acquiring ROW on state lands. The Southcentral Regional Office (SCRO) noted the requirement of using the public process to make the decision and give public notice to convey an interest in state land to ARRC. Any land approved for a railroad corridor will be subject to existing ADL authorizations for roads, trails, utility, or other access easement purposes. The SCRO will also reserve additional ADL authorizations along existing roads, trails, utility, or access routes if improvements are determined as representing a local, regional, or statewide significance. The SCRO
referenced several area plans in effect within the project area that required project consistency: the Susitna Area Plan, Willow Sub-Basin Area Plan, Fish Creek Management Plan, and Susitna Basin Recreational Rivers Management Plan. The letter also mentioned requirements for procuring materials in the construction phase, land use permits needed for man camps and staging areas, and coordination review by the Alaska Coastal Management Program.
September 26, 2007

File No.: 3130-2R ARRC

SUBJECT: Port Mackenzie Rail Extension, Matanuska-Susitna Borough

Brian Lindamood
Alaska Railroad Corporation
P. O. Box 107500
327 Ship Creek Avenue
Anchorage, AK 99501

Dear Mr. Lindamood,

The Alaska State Historic Preservation Office has reviewed the information on the Port Mackenzie Rail Extension Project that you presented during the agency scoping meeting on September 18, 2007. We have the following comments:

1. As mentioned in your presentation, the project area contains numerous cultural resources. Only a fraction of the project area has been archaeologically surveyed however and it is likely that there are many additional, currently unreported prehistoric and historic sites. Regardless of which alternative is selected, we will likely be recommending additional archaeological survey.

2. All of the alternatives intersect the Iditarod National Historic Trail. The trail was designated by Congress in 1978 for its significance as a historic transportation route. Effects to the trail resulting from the rail extension will need to be addressed.

3. The Matanuska Farm Station was established in 1915 in what is now the Port Mackenzie Agricultural Area. This agricultural landscape will need to be evaluated for eligibility for the National Register of Historic Places.

4. In defining the area of potential effect and identifying historic properties, be sure consider both potential direct and indirect effects to historic properties. Indirect effects may include increased development or changes in setting as a result of the project.

We look forward to continued consultation with you regarding this project. Please contact Stefanie Ludwig at 269-8720 if you have any questions or if we can be of further assistance.

Sincerely,

Judith E. Bittner
State Historic Preservation Officer

JEB:slf

Cc: Don Perrin, DNR/OPMP
IN REPLY REFER TO: AFWFO

Mr. Brian A. Lindamood
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, Alaska 99501-7500

Re: Scoping Comments on the Proposed Port Mackenzie Rail Extension

Dear Mr. Lindamood:

The U.S. Fish and Wildlife Service (Service) is providing early comments on issues and impacts associated with the proposed Port Mackenzie railroad extension project. We attended the interagency meeting on September 18, 2007, at which you described the status of the proposed project, and the process for submittal of an application to the Surface Transportation Board. Agency input was requested by mid-October, so that information can be considered in your evaluation of alternatives.

Our comments and recommendations emphasize three main areas of concern to the Service that need to be considered both in your decision making process and in the Surface Transportation Board’s preparation of environmental documents for the project: (1) habitat fragmentation, (2) cumulative impacts, and (3) compensatory mitigation. We are also providing some specific guidelines and legislative references that should be incorporated into the project proposal. Overall, the relative value of fish and wildlife resources in the project area will need to be identified, quantified, and compared for each viable alternative. The proposed railroad expansion’s potential impact on those resources and options to avoid, minimize, and compensate for those impacts will need to be analyzed for each alternative.

Minimize Habitat Fragmentation and Limit the Project’s Overall Footprint

One of the most significant impacts of the proposed project is the fragmentation of high value, previously undisturbed habitat that will result from development of the railroad extension. Additionally, alternatives that are farther from existing developments and bisect undeveloped areas will result in ancillary development into remote areas. This will cause larger impacts on fish and wildlife. All three alternatives under study will cut.
through and affect wintering, denning, breeding, feeding, and migration corridors for a wide variety of fish and wildlife species. Relocation or reduction of local populations of some species will result; wildlife/vehicle collisions will occur.

Choosing the shortest route for the railroad extension, with the smallest footprint of associated infrastructure, will minimize fragmentation of sensitive habitats and decrease the area of habitat adversely affected. The eastern alternative is the shortest route, is closest to existing developments, and would cross the fewest waterways, including anadromous streams, but could still affect several, high value wetland complexes. The western alternative would cross the largest number of anadromous streams, including key tributaries to the Little Susitna and Susitna Rivers, as well as some high value wetland complexes. Additionally, the western alternative is adjacent to the Susitna Flats State Game Refuge, a notable wildlife area.

Address Cumulative Impacts

Cumulative impacts associated with this project are the most significant and difficult issue that must be addressed. This project will result in increased industrial infrastructure and expanded industrial, commercial, and residential development throughout the Matanuska-Susitna Borough. The scope of cumulative impacts assessed will need to include: 1) current and future uses of the transportation corridor (e.g., number of trips per day and passengers and cargo served; number of railroad cars in each trip, length of time it will take for a given train to cross a specific area, etc.) 2) current and future use levels and locations of connector corridors (including associated roads, utilities, and secondary development within the corridors), 3) current and future activities for the community closest to the intersection of the rail spur with the existing rail line, and 4) where commercial and industrial activities can be expected to develop as a result of creation of the rail spur. Additional extractive projects in interior Alaska can also be expected as this project will bring transportation to shipping much closer to such projects. Expanding port facilities in Knik Arm are other cumulative impacts that need to be factored into the analysis. All of these impacts can be addressed through comprehensive land use planning, including consideration of Green Infrastructure (http://www.greeninfrastructure.net/), as described below.

Needed: Process for Compensatory Mitigation and Watershed Planning

Project impacts to Service trust resources, including anadromous fish, migratory birds, and wetlands, should be avoided or minimized to the greatest extent possible, primarily through consideration and selection of alternative route corridors and specific design features (e.g., bridges rather than culverts for major stream crossings). An analysis and detailed measures for avoiding/minimizing impacts will need to be included in the project’s environmental documents. Where impacts cannot be avoided or minimized, compensatory mitigation options will need to be addressed. The cost of compensatory mitigation associated with rail development in relatively pristine areas compared to rail development in previously disturbed areas will likely be much greater. Compensation for
unavoidable habitat losses could require use of a process similar to the Anchorage Debit/Credit Methodology, or mitigation banking.

We recommend that the environmental documents include discussion of mitigating cumulative impacts through some type of interagency, cooperative land-use or watershed planning effort in the Matanuska-Susitna Borough. Borough planners, federal and state agency representatives, and several special interest groups attended a Green Infrastructure course in the Mat-Su Borough last spring and the Borough is requiring a Green Infrastructure component in all future community comprehensive plans. Green Infrastructure involves planning to identify and maintain an interconnected network of lands and waters that supports native species, maintains natural ecological processes, sustains air and water resources, and contributes to the health and quality of life for communities, people and wildlife, while at the same time providing access and services also essential to a vital economy.

**Other Resource Issues and Avoidance/Minimization Procedures to Consider**

**Project Effects on Freshwater Aquatic Habitats** – The project’s environmental analysis should identify and quantify potential direct and indirect impacts on all freshwater aquatic habitats, including wetland complexes, rivers, streams, and lakes. Many of the aquatic resources (anadromous and freshwater resident fish) in the proposed corridors have not been thoroughly surveyed and quantified; baseline maps of all streams and anadromous systems will need to be produced and aquatic population data will be needed. Field studies for areas where aquatic resources have not been quantified will be needed.

In addition to identifying all anadromous and resident fish streams, routing to avoid or minimize crossings of streams, river mouths, lakes, ponds, and wetlands will decrease adverse impacts on fish and other aquatic organisms. By properly siting and designing bridges and large arch culverts for unavoidable stream crossings, fish passage problems can generally be avoided. Wetland fills should be minimized where possible. Upland routes should be maximized to avoid unnecessary impacts on water bodies and their fish and wildlife uses. At the same time, analyses of habitat values will show where consideration should be given to those uplands with more valuable wildlife habitats than some wetlands.

**Potential for Spills of Fuels and Hazardous Materials** – The environmental documents should fully assess the potential for fuel and hazardous material spills along each alternative corridor, and within the connector and port areas. Because of the many important wetland complexes and freshwater and adjacent marine water bodies along each of the proposed routes and at the port, identifying the effects of small and large spills throughout each study area will be necessary. Essential spill avoidance measures will need to be part of the project design for all alternatives. Additionally, possible impacts on fish and wildlife resources, cleanup methodologies, and mitigation measures for spills will need to be fully addressed for each alternative.
Project Effects on Migratory Birds and Upland and Wetland Bird Habitats – Loss of nesting habitats and “take” of migratory birds must both be considered in project planning. Habitat studies will need to address how to minimize loss of high value nesting habitat, particularly for species of concern. Preventing impacts is much less expensive than reacting to them once they occur. Migratory birds, including songbirds, waterfowl, shorebirds, and raptors, are protected under the Migratory Bird Treaty Act (16 U.S.C. 703-712). Federal regulations prohibit unauthorized “take” of migratory birds. “Take” includes by any means or in any manner, any attempt at hunting, pursuing, wounding, killing, possessing or transporting any migratory bird, nest, egg, or part thereof. The MBTA does not distinguish between intentional or unintentional take. Destruction of active bird nests, eggs, or nestlings that can result from spring and summer vegetation clearing, grubbing, and other site preparation/construction activities can violate the MBTA.

Each of the corridors will affect high value upland and wetland habitats used by migrating, nesting, and feeding migratory birds. Regardless of which alternative is proposed, construction activities and clearing associated with the rail spur, ancillary roads, and other infrastructure will need to avoid sensitive nesting areas from May 1 until July 15 to prevent disturbing nesting migratory birds. See the attached guidelines for clearing activities in southcentral Alaska for compliance with the MBTA.

Bald Eagles – Bald eagles are protected under the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668c) (BGEPA) and the Migratory Bird Treaty Act of 1918 (MBTA). The Alaska Railroad and their contractors are responsible for ensuring that construction does not disturb bald eagles. During the nesting period (March 1 through August 31), bald eagles are sensitive to noise and obtrusive human activities in the vicinity of nest sites. Prolonged activities can result in disturbance, forcing eagle pairs to abandon nests, eggs, and young, or may cause eaglets to prematurely leave the nest before they are capable of sustained flight. Nest trees must be protected by vegetative buffers and preserved throughout the year, but particularly during the nesting season.

Numerous bald eagles nest along the fish-bearing waters throughout the proposed corridors. We recommend that each alternative corridor be surveyed to determine the presence of nests and eagles, so that these can be avoided. If nests are located, the Service should be notified to discuss buffer zones and other measures to protect nesting eagles. Guidelines are in place regarding recommended buffer zones and allowable activities near active and inactive nests.
We look forward to working with you as planning for this project moves forward. Thank you for the opportunity to provide comments and recommendations. If you have any questions regarding these recommendations, please contact project biologist Phil Brna at 271-2440 or by email at phil_brna@fws.gov.

Sincerely,

Ann G. Rappoport
Field Supervisor

Attachment

Attachment and Letter Cc’d to Recipients

Cc: M. Fink, ADF&G
    M. Bethe, ADNR
    D. Perrin, ADNR
    D. Limpinsel, NMFS
    M. Lacroix, EPA
    S. Joy, CE
    J. Duffy, MSB
ADVISORY: Recommended Time Periods for Avoiding Vegetation Clearing in Alaska in order to Protect Migratory Birds

General Information:
Under the Migratory Bird Treaty Act (MBTA) (16 U.S.C. 703), it is illegal for anyone to "take" migratory birds, their eggs, feathers or nests. "Take" includes by any means or in any manner, any attempt at hunting, pursuing, wounding, killing, possessing or transporting any migratory bird, nest, egg, or part thereof. Take and possession under MBTA can be authorized through regulations, such as hunting regulations, or permits, e.g., salvage, research, depredation, or falconry. The MBTA does not distinguish between intentional and unintentional take. In Alaska, all native birds except grouse and ptarmigan (protected by the State of Alaska) are protected under the MBTA.

Destruction of active bird nests, eggs, or nestlings that can result from spring and summer vegetation clearing, grubbing, and other site preparation and construction activities would violate the MBTA. The following timing guidelines are not regulations, but are intended as recommendations to help you comply with the MBTA. Some species and their nests have additional protections under other federal laws, including those listed under the Threatened and Endangered Species Act (ESA), and bald and golden eagles (protected under the Bald and Golden Eagle Protection Act or BGEPA). Please contact the U.S. Fish and Wildlife Service to ensure compliance with ESA and BGEPA if these species may be present in your project area.

These Timing Guidelines are current for 2007.

Directions:
1. Apply timing window guidelines to your project planning, unless project-specific review results in unique guidelines from the USFWS for your project.

2. If you encounter an active nest at any time, including before or after the local timing window, leave it in place and protected until young hatch and depart. "Active" is indicated by intact eggs, live chicks, or presence of adult on nest. Timing guidelines should considerably reduce the risk of inadvertent nest destruction, but final compliance with the law is your responsibility: do not destroy eggs, chicks, or adults of wild bird species.

3. If you have any questions regarding the MBTA and the timing guidelines, including projects that may occur in "boundary areas" between regions described on the matrix, contact your local Fish and Wildlife Field Office for assistance:

Anchorage (907) 271-2888  Kenai (907) 262-9863
Fairbanks (907) 456-0203  Juneau (907) 780-1160
### Recommended Time Periods for Avoiding Vegetation Clearing

<table>
<thead>
<tr>
<th>HABITAT TYPE</th>
<th>Forest or woodland (i.e., trees present)</th>
<th>Shrub or Open (i.e., shrub cover or marsh, pond, tundra, gravel, or other treeless/shrubless ground habitat)</th>
<th>Seabird colonies (including cliff and burrow colonies)</th>
<th>Raptor and raven cliffs</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGION</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Southeast</td>
<td>April 15 – July 15</td>
<td>May 1 – July 15</td>
<td>May 1 – September 15</td>
<td>April 10 – August 10</td>
</tr>
<tr>
<td>Kodiak</td>
<td></td>
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<tr>
<td>Archipelago</td>
<td></td>
<td>May 1 – July 15</td>
<td>April 15 – September 7</td>
<td></td>
</tr>
<tr>
<td>Southcentral (Lake Iliamna to Copper River Delta; north to Teller)</td>
<td>May 1 – July 15</td>
<td></td>
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<tr>
<td>Bristol Bay/AK Peninsula (north to Lake Iliamna)</td>
<td>April 10 – July 15</td>
<td>May 1 – July 15</td>
<td>May 10 – September 15</td>
<td></td>
</tr>
<tr>
<td>Interior</td>
<td>(north of Teller to south slope Brooks Range; west to treetline)</td>
<td>May 1 – July 15</td>
<td>May 1 – July 20</td>
<td>April 15 – August 1</td>
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<tr>
<td>Aleutian Islands</td>
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<tr>
<td>Yukon-Kuskokwim Delta (east to treetline)</td>
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<td>Seward Peninsula</td>
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<tr>
<td>Northern (includes northern foothills of Brooks Range)</td>
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<tr>
<td>Pribilof and Bering Sea Islands</td>
<td></td>
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</tr>
</tbody>
</table>

1 Owl species may begin to nest two or more months earlier than other forest birds, and are fairly common breeders in forested areas of Alaska. You may wish to survey for nesting owls (or other early spring tree-cavity nesters) prior to tree-cutting. It is your responsibility to protect active nests from destruction.

2 Canada geese and swan habitat: begin April 20

3 Storm petrel burrow habitat: April 1 – October 15

4 Black scoter habitat: through August 10

5 Seabird colonies in Interior refer to terns and gulls
---Original Message-----
From: <Kevin_Keeler@ak.blm.gov> [mailto:Kevin_Keeler@ak.blm.gov]
Sent: Wednesday, October 17, 2007 5:25 PM
To: <lindamoodb@akrr.com>
Cc: <donna.robertson@hdrinc.com>, <fseagerboss@matsugov.us>, <judy.bittner@alaska.gov>,
    <benjamin.hagedorn@alaska.gov>, <Bruce.Paulsen@matsugov.us>
Subject: Developing a Mitigation Agreement on Iditarod Nat. Historic Trail Xing for Pt. MacK Spur

Brian:

I've had some more thoughts on BLM's involvement in review of the Pt. MacK project.

I've attached a MOA between the major players for a DOTPF project to build a new Takotna Airport (DOTPF, BLM, SHPO, HDR I believe, and FAA). I understand the SHPO has used similar MOA's to document mitigation agreements and consensus between involved parties (and may routinely require such agreements). In the case of the Takotna Airport, the MOA was completed in advance of NEPA work, and then was rolled into and referenced in the NEPA document.

Therefore, I would like to see, and recommend the use of a similar process, with the outcome of an Mitigation Agreement between all affected agencies, including BLM, for the AK RR Pt. MacKenzie project. Such an agreement...
would help ensure that the trail resources in question are adequately protected, and enhance the understanding of all involved parties. kk

(See attached file: Takotna MOA 6-5-06-1-3b.doc)

Kevin Keeler  
Iditarod National Historic Trail Administrator  
BLM Anchorage Field Office  
6881 Abbott Loop Rd.  
Anchorage, AK 99507

Phone: (907) 267-1207  
Fax: (907) 267-1267  
Email: kevin_keeler@ak.blm.gov

http://www.blm.gov/ak/iditarod

"This is a dream I've been dreaming since I was a little boy."

Lance Mackey, March 13, 2007

On becoming the first person ever to win the 1,100 mile Iditarod Trail Sled Dog Race and the 1,000 mile Yukon Quest Sled Dog Race in the same year.
Mr. Brian Lindamood  
Alaska Railroad Corporation  
P.O. Box 107500  
Anchorage, AK 99510-7500

RE: Port MacKenzie Rail Extension Pre-Application Comments

Dear Mr. Lindamood,

The U.S. Environmental Protection Agency (EPA) has reviewed the materials distributed by the Alaska Railroad Corporation (ARRC) and the Matanuska-Susitna Borough (MSB) regarding your joint effort to plan, engineer, design, and construct a new rail line to connect Port MacKenzie to the existing rail system. The new line would be thirty to forty-five miles in length, and would tie into the existing rail system somewhere between the communities of Meadow Lakes and Willow.

We understand that the ARRC and MSB are currently preparing an application to the federal Surface Transportation Board (STB) for a license to construct and operate the new rail line. The STB, in turn, will initiate and conduct an environmental review of the proposed project in accordance with the requirements of the National Environmental Policy Act (NEPA). Materials submitted by the ARRC and MSB will help to inform the NEPA review. Preparatory activities include the solicitation of public and agency comment, environmental baseline work, preliminary engineering, and an alternatives analysis.

Three principal corridors are being evaluated for this new rail line. They are referred to in project documents as Mac West, Central, and Mac East. Each of the corridors contains sections where alternative alignments are possible. In general, the following comments are not corridor-specific and are relevant for the project regardless of which corridor might ultimately be selected.

At this early stage our feedback consists of two primary messages for the ARRC and MSB. These are recommendations to: 1.) establish a detailed project baseline, and 2.) design a project that truly avoids impacts to the maximum extent practicable. Each of these issues is addressed in more detail below.

**Baseline Assessments**

To allow for the full disclosure and assessment of project impacts for each of the corridors and alignments, it is important that environmental baseline information be sufficient in scope and analysis for incorporation into the NEPA document. In this context, the studies should allow for a functional assessment of the affected environment.

As the NEPA document will also be used to support the Clean Water Act section 404 permitting review, the baseline information need to be sufficiently detailed to establish compliance with EPA’s 404(b)(1) guidelines (40 CFR Part 230). These guidelines allow only the least environmentally damaging practicable alternative to be permitted.
The section 404 permitting review is a discrete and yet expansive evaluation of potential impacts to waters of the U.S., including wetlands. There are four major categories of impacts to the aquatic ecosystem that are evaluated. These include impacts to: 1.) the physical and chemical characteristics of the system, such as to substrate, water quality, flow patterns and normal fluctuations; 2.) the biological characteristics of the system, including to fish, aquatic organisms in the food web, and other wildlife associated with the ecosystem; 3.) special aquatic sites, including refuges, wetlands, and riffle and pool complexes; and lastly, 4.) human use characteristics, including water supplies, fisheries, water-related recreation, aesthetics and parks.

The 2003 Rail Corridor Study prepared for the MSB contains valuable information, but as a reconnaissance evaluation does not in itself contain sufficient detail to quantify and evaluate the project impacts. The materials prepared to date, including the recent constraint mapping, do not contain enough detail for project permitting. There is a definite need for ground-truthing, detailed mapping, and preliminary analysis of the environment. Much of this information is, of course, also necessary to support the design and engineering of the project.

The 2003 study focused to a large degree on the potential impacts of construction of a rail corridor. In addition to the direct impacts from construction and operation of the line, the NEPA document should also fully analyze all indirect and cumulative impacts from the proposed project, as well as from connected projects. The connected actions/direct, indirect and cumulative impacts analysis should give full consideration of all public and private projects that are connected or related to the proposed project.

This analysis should include projects that are connected to the rail line extension because the rail line would make them economic or allow them to expand operations. Indirect effects include induced growth and reasonably foreseeable future development within the corridor. In addition, the analysis of cumulative impacts needs to include past, present, and reasonably foreseeable future independent projects that are effecting the same environment.

The sophistication of induced growth analysis has increased in recent years. As a large project in the fastest growing area of the state, this rail line has tremendous potential to affect the patterns of regional development. The MSB has stated that economic analysis has already been conducted which shows this project would be an economic driver and make a number of other projects feasible. If this is indeed the case, the analysis of induced growth will be an important component of the NEPA documentation.

Some of the information necessary to establish the project baseline already exists. Much of the physical data, however, such as information on hydrology, water quality, soils, and vegetation within each corridor, will have to be collected. Information such as hydrographs for unaged streams and wildlife movement corridors will have to be calculated or generated. Assessments about future development will have to be made, such as potential impacts to marine fish and intertidal habitats from expansion of the port itself.

Impact Avoidance

In addition to informing the NEPA process and the permitting review, a detailed project baseline will allow the rail line to be designed and engineered so as to avoid impacts to sensitive resources. In this context, we wish to emphasize that the project sponsors have a very real obligation to avoid impacts to aquatic resources to the maximum extent practicable.
To again reference the 404(b) (1) guidelines, it is clear that a project does not comply with the guidelines if: 1.) there is a practicable alternative to the proposed discharge; 2.) the proposed discharge will result in significant degradation of the aquatic ecosystem; or 3.) the proposed discharge does not include all appropriate and practicable measures to minimize potential harm to the aquatic ecosystem. In addition, a project will be considered non-compliant with the guidelines if there is not sufficient information to make a reasonable judgment as to whether the proposed discharge will comply.

The guidelines establish a high bar for the avoidance and minimization of project impacts, and require the evaluation of alternatives as well as the incorporation of measures to minimize harm.

There are two important points to be made concerning this project and evaluations that will be made about whether alternatives and measures are “practicable.” As defined in 40 CFR 230.3, the term “practicable” means available and capable of being done after taking into consideration cost, existing technology, and logistics in light of overall project purposes. The first is the obvious fact that this is a new rail line, as opposed to a repair or realignment of an existing line. As such, there are none of the operational constraints on design and construction which exist when working on existing lines.

This new line will be extensive in length and will tie into the existing rail system at a single point. This means that issues such as curve radii and track grade may be addressed over a larger area of the alignment than is possible when working with an existing line. Perhaps most importantly, there is a lack of existing infrastructure along substantial portions of each of the prospective alignments. This is particularly true for the western alignment, where land ownership is also less complex.

All of these facts create a situation where the ARRC has flexibility in how the rail line is designed and constructed. Given this flexibility, the expectation is that many of the project impacts will be avoidable.

The second point relates to project cost. It is not uncommon for feasible engineering solutions to be rendered less than practicable on the basis of cost. The rejection of alternatives or measures solely on the basis of increased cost always requires justification, however, and in this case such justification will be closely evaluated. As presented by the project sponsors, this new rail line will be a “legacy” project, an economic driver that will make many other projects possible. Economic analysis has already been done to demonstrate this fact. If correct, this project will have tremendous economic value not only for the MSB, but also for the state.

Given the potential economic return on this capital investment, construction costs will be less of an issue than they are for many projects. The expectation is that most alternatives and measures that are feasible from an engineering standpoint will be considered practicable and that the rail line will be designed and constructed so as to avoid many of the project impacts.

From the standpoint of aquatic resources, this means that steam crossings should not impede fish passage or impair the hydrologic functioning of the water body and its floodplain or riparian habitat. Road crossings should also maintain the connectivity of wetlands adjacent to stream channels and accommodate sheet flow within such wetlands. Bridges and elevated portions of the line are best able to achieve this.

According to the 2003 Corridor Study, construction within the western corridor would involve crossing approximately one thousand feet (1,000') of the Little Susitna River’s floodplain, and three thousand eight hundred feet (3,800') of Willow Creek’s floodplain. The study states: “The engineering of the floodplain crossing would need to take the 100-year flood events into consideration so that the rail bed
would not adversely alter flood flows and impact adjacent properties and public safety." We concur with this statement, and would add the issue of impact to public trust resources.

Stream channels and their floodplains are not the only aquatic resources within the potential corridors. Wetlands also represent a valuable resource. The Corridor Study indicated that development of the western corridor could result in the loss of up to two hundred and ninety-four (294) acres of wetlands. That study was evaluating a wider right-of-way, but the potential for loss remains substantial.

For the reasons presented above, the EPA believes that many of the potential project impacts to aquatic resources are avoidable. The rail alignment can be altered to avoid wetlands and the line elevated where it passes through them. Bridges can span streams and floodplains, allowing for navigation and the transport of flood debris. Existing drainage patterns and water quality can be protected. Economic development can occur in a responsible manner that is protective of the rich natural heritage enjoyed by residents of the Matanuska-Susitna Borough.

We appreciate the opportunity to provide comments at this stage in the project and look forward to working with you and the MSB as the project moves forward. If you have questions regarding this document, please do not hesitate to contact Matthew LaCroix at 907-271-1480, or by email at lacroix.matthew@epa.gov.

Sincerely,

Michael Szerlog, Manager
Aquatic Resources Unit

cc: D. Perrin, DNR/OPMP
    M. Bethe, DNR/OHMP
    P. Brna, USFWS
    N. Brudie, DNR/OPMP
    K. Klein, ADF&G
    D. Limpinsel, NMFS
    J. Bittner, DNR/OHA
    L. Phillips, COE
    B. Sworts, MSB
October 31, 2007

Brian Lindamood
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

Re: Port MacKenzie Rail Extension Pre-Application Comments

The Alaska Department of Fish and Game (ADF&G) has reviewed the preliminary information regarding the proposed Port MacKenzie Rail Extension project pursuant to the Alaska Coastal Management Program (ACMP) (AS 46.40), Special Areas Permitting (5 AAC 95), and the Fish and Wildlife Coordination Act (16 U.S.C. 662).

The Alaska Railroad Corporation (ARRC) and the Matanuska-Susitna Borough (MSB) have jointly proposed to design and construct a 30- to 45-mile rail line from Port Mackenzie to the existing rail system at a point between Meadow Lakes and north of Willow. The anticipated timeline is as follows: 2007-2009, completion of the requirements of the National Environmental Protection Act (NEPA); 2008-2009, final project design; 2009-2011, construction; and 2011-2012, operation. Three major routes have been proposed, but none has thus far been selected. The proposed routes are identified in Attachment 1: Project Area Alternatives. Factors influencing the final route selection include presence of water bodies and anadromous fish streams, wildlife habitat, cultural sites, native allotments, parks and refuges, wetlands, soils, land use and ownership, and feasibility of acquisition of Rights of Way (ROW) by ARRC.

After review of the project alternatives, ADF&G has identified several important considerations. Per 11 AAC 112.300, the selected route should avoid adverse impacts to coastal resources, including wetlands, rivers, streams, lakes, and State Game Refuges. Additionally, facilities and improvements associated with ARRC should avoid impacts to offshore areas, estuaries, and tideflats where such impacts could negatively affect water flow and natural drainage patterns or competing uses such as commercial, recreational, or subsistence uses. Where adverse impacts cannot be avoided, measures must be taken to minimize and mitigate all adverse impacts. The ADF&G is mandated to, “manage, protect, maintain, improve, and extend the fish, game, and aquatic plant resources of the state….” In order to avoid impacts and promote healthy fish and wildlife populations, ADF&G offers the following comments for consideration during project development:

"...shall manage, protect, maintain, improve, and extend the fish, game and aquatic plant resources of the state in the interest of the economy and general well-being of the state"
• The selected route should avoid crossing into or through Susitna Flats and Goose Bay State Game Refuges.
• The selected route should minimize the number of stream and wetland crossings.
• Avoid crossing large streams such as Willow Creek, the Little Susitna River, and Fish Creek whenever possible.
• Impacts to rivers and streams should be minimized through use of railway bridges rather than culverts, particularly for streams containing anadromous fishes.
• Bridges should span 100-year floodplains in order to maintain natural water flow and drainage patterns of streams, rivers, and wetlands. All abutments and other infrastructure should be built outside of the floodplain whenever possible. Bridges spanning floodplains will help to maintain riparian vegetation, streambank integrity, and wildlife corridors.
• Public access should be maintained to, from, and along coastal waters, traditional access routes, National Historic Trails, and existing easements (including those along section lines).
• To reduce the likelihood of invasive weed expansion, all soil disturbance due to construction in areas of previously-undisturbed vegetation adjacent to or associated with the rail line should be revegetated with native species within one growing season of the disturbance activity, except where doing so would increase risk of wildfire.
• The construction of a rail line in previously undisturbed areas will result in increased habitat fragmentation. Habitat connectivity should be maintained to the greatest extent possible. The Mac West route and the Willow connection have the greatest potential for fragmenting previously undisturbed habitat. The Mac East route and Big Lake connection is the shortest route, crosses the fewest waterways, and will result in the least fragmentation of previously-undisturbed habitat.
• All three proposed routes will cross areas frequently used by moose, potentially reducing travel between habitat patches, and increasing moose-railcar collisions. A baseline field study should be conducted to identify important seasonal moose concentration areas, movement corridors and habitat resources. Once identified, the impacts of the railroad on these areas must be avoided and minimized. Effective wildlife crossings and conventional road crossings should be optimized to facilitate wildlife movement across the track and to reduce wildlife-railcar collisions. Moose overpasses, elevated sections of track, and extended lengths of bridges across rivers should all be considered and constructed where appropriate.
• Important moose habitat, movement corridors, and effective buffer zones around corridors should be integrated along with green infrastructure, rivers and floodplains, wetlands, recreation areas, and other natural resources into a region-wide land-use plan in order to identify, prioritize, and limit human activities that negatively impact the ecological functionality of the landscape. ARRC should participate in regional planning efforts in coordination with borough planners, federal and state agency representatives, special interest groups, and the public. Regional land use planning should be addressed during assessment of the railway’s cumulative impacts.
• An analysis of impacts to fish, wildlife, habitat, and aquatic resources must be conducted and should include a detailed assessment of cumulative effects of rail construction as well as associated developments. The associated developments should include roads, utilities, material sources, secondary development, and industry that can be expected to develop as a
result of creation of the rail line. Where current accurate baseline data is lacking, studies to identify the existing resources and potential impacts are needed. In particular, wetlands need to be accurately mapped, hydrology, including flood data, in-stream flow data, and water quality information is needed for potentially affected streams and water bodies.

- Negative impacts to fish, wildlife, habitat, and aquatic resources should be avoided. Where impacts to public trust resources cannot be avoided, they should be minimized and mitigated. A comprehensive approach to identifying effective methods to minimize and mitigate for unavoidable impacts is needed. Mitigation plan development should be conducted in coordination with borough planners, federal and state agency representatives, special interest groups, and the public.

- Potential impacts of a spill of oil, gas, or other hazardous material should be identified along each alternate route. A plan for minimizing the possibility of spills as well as contingency plan to address spills is needed for the selected alternative.

This concludes our pre-application comments on the Port MacKenzie Rail Extension project. These comments represent our review at the pre-application stage; more specific information and recommendations will be forthcoming. We look forward to working with you and other project collaborators on this project. If you or your staff has any questions about the department’s comments, or need additional information, please give me a call at 267-2812.

Thank you for the opportunity to comment on this project.

[Signature]
Kimberly Klein
Habitat Biologist

cc via email.
Dave Rutz, ADF&G
Tony Kavalok, ADF&G
John Hechtel, ADF&G
Jim Fall, ADF&G
Tom Rothe, ADF&G
Jeff Fox, ADF&G
Cecil Rich, ADF&G
Tom Brookover, ADF&G
Tom Cappiello, ADF&G
Jason Mouw, ADF&G
Mike Bethe, DNR
Phil Brna, FWS
Doug Limpinsel, NOAA
Matthew LaCroix, EPA
November 14, 2007

Brian Lindamood  
Alaska Railroad Corporation  
PO Box 10700  
Anchorage, AK 99510-7500  

Re: Port MacKenzie Railroad Corridor Alternative Comments  

Dear Mr. Lindamood,  

I have reviewed the Port MacKenzie Railroad Corridor proposal and the various alternatives that are being considered. The Alaska Division of Parks and Outdoor Recreation is responsible for more than just managing the Alaska State Park system, as we are also charged with promoting and enhancing outdoor recreation outside state parks. One example of this is through our promotion of trails for motorized and non-motorized users with funding grants or expertise in designing or managing trails, or by establishing easements. As such, we offer the following comments regarding the proposed rail extension from both a State Park as well as a general outdoor recreation perspective.  

We recommend that the Houston South – Houston – Connector 3 – Mac East alternative be chosen as the preferred alternative.  

This route minimizes impacts to the major recreational/public use areas, eliminates additional bridges over the Little Susitna River and Willow Creek, and focuses the rail line adjacent to existing road corridors.  

Although we understand that the Willow Corridor is favored as a route from a design perspective, and because it may have better soils and fewer crossings of private lands, we object to this alternative as this area provides outstanding outdoor recreational opportunities that would be significantly impacted with a railroad bisecting the area. The limited private property is what makes this area so valuable in terms of recreation -- and one of the reasons that many residents live along this corridor.  

From an outdoor recreation perspective, a rail line through the Willow Corridor is the least favorable option presented.
The following provides additional detail to illustrate our significant concerns with the Willow Corridor:

1 Willow Creek State Recreation Area would be significantly impacted. (DNR: Division of Parks and Outdoor Recreation)

The park encompasses almost all of Willow Creek from the Parks Highway to its confluence with the Susitna River. The Willow Corridor would pass through the heart of the undeveloped portion of the park, requiring either a major (one mile long) cut and fill across the river valley or an extensive overhead trestle. Either method would constitute a major feature that would ultimately change and dominate the ambiance of the park. Willow Creek is used predominately by fishers, with peak use occurring during the king salmon season, although it hosts all five salmon species. Silver salmon is the second biggest fishing attraction through late summer, with rainbow trout fishing third. Use is concentrated along the lower creek section between the Parks Highway and the confluence with the Susitna River. “Fishing tubes” are very popular on the creek. The park receives less use in the winter, with almost 100% being winter trail use.

The historic Lucky Shot Trail was a major transportation corridor from the Susitna River to the Lucky Shot Mine near Hatcher Pass, and passes through the park. This trail is still heavily used during the winter months as a major groomed winter trail. A historic trappers cabin remains at one of the proposed rail alignments across Willow Creek.

There is also a high potential for impacting prehistoric cultural resources within the Willow Creek SRA. The following reported archaeological sites are located within the park south of Willow Creek. All sites contain cache and house pits (cultural depressions) likely associated with late prehistoric Dena'ina culture:

- TYO-014: between 10 and 15 cultural depressions;
- TYO-041: at least 10 cultural depressions (two of them double celled);
- TYO-060: at least 12 cultural depressions;
- TYO-061: over 100 cultural depressions.

Based on the maps provided, two of these sites (TYO-014 and TYO-060) will be directly affected by the Willow Corridor. While the other reported sites are outside of the railroad footprint, they may be indirectly affected by staging activities associated with this project or by resulting increased development or other activity within the Willow Creek SRA. In addition, there could be other archaeological sites in the area that are currently unreported.

Additional information:

- Method Established: Legislatively Designated
- Date of Establishment: 1987
- Acreage: 3,000 acres
- Visitation:

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Willow Ck Floats (estimated)  | 8,550 | 9,000 | 9,000 | 8,000  
TOTAL                       | 42,000| 42,832| 40,840| 28,986

*Approx 20-50 rafts per day, except 200+/day during king salmon season, 2 ave/raft

*NOTE: This visitor data is not statistically valid, numbers are approximate and should only be used to identify trends over time, and not taken literally.

e. Primary Recreation Types (by order of use, highest first): fishing, camping, floating/boating, winter trails, wildlife viewing, hunting

f. Commercial Use: Guided and unguided float trips and fishing along Willow Creek and the Susitna River

g. Historical Significance: Historic Lucky Shot Trail, trappers cabin, numerous cultural sites

2

**Nancy Lake State Recreation Area would be affected through negative impacts on neighboring recreational lands.** (DNR: Division of Parks and Outdoor Recreation)

The park was legislatively established in 1966 as one of the first state parks in the system due to its close proximity to both Anchorage and the growing Mat-Su Valley areas. The area still possessed its natural qualities, unlike the more heavily developed Big Lake area to the south. The 1983 Nancy Lake State Recreation Area Master Plan identifies the purpose of the park to “...provide a diversity of outdoor recreation activities appropriate to the area’s resource character and regional setting”. The same year, the Mat-Su Borough also created a Special Land Use District along the park boundaries to further protect the area’s recreational values through its zoning laws. The park contains over 130 lakes, with about 25 miles of terrestrial trails, and 15 miles of canoe trails through its maze of lakes. Although the Willow Corridor will not directly pass through any portion of the park, it does skirt along the southwest corner within one mile of Red Shirt Lake, a heavily used lake for recreational fishing, boating, and winter trail use. Direct impacts to the park will be increased noise from nearby trains, and restricted winter trail access to the west and south.

Additional information:

a. Method Established: Legislatively Designated
b. Date of Establishment: 1966
c. Acreage: 22,615 acres
d. Visitation:

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*NOTE: This visitor data is not statistically valid, numbers are approximate and should only be used to identify trends over time, and not taken literally.*

e. Primary Recreation Types (by order of use, highest first): fishing, camping, canoeing, trails (canoe, hiking, winter trails), wildlife viewing

f. Commercial Use: Canoe rental concession

g. Historical Significance: Fishing camp established along the outlet stream of Red Shirt Lake and historic trail to Susitna Landing

h. Special Concerns: Over 30 private inholding parcels exist within the park, with 88 parcels bordering on Red Shirt Lake alone. Most inholders enjoy living in/by the park
for its natural, quiet qualities. Residents along Red Shirt and Nancy Lake have organized homeowners associations.

3 **Little Susitna State Recreational River would be significantly impacted.** (DNR: Division of Mining, Land and Water)
Although the Little Susitna River is not managed by the Division of Parks, it is a high-use river corridor managed for the primary purpose of recreational float trips. Fishing, hunting, camping, boating and paddling are the primary uses. The river hosts all five species of salmon, and receives the heaviest sportfish use of all the Mat-Su Valley rivers. It provides a very popular float from the Parks Highway Bridge (River Mile 69.8) since there are two takeouts: Skeetna Lake at River Mile 54.6 (ties into the Nancy Lake Canoe Trail system); and Little Susitna Public Use Facility at River Mile 28.5 on the river. Additional bridge crossings along this corridor will detract from the wild qualities of this popular multi-day float trip. We strongly discourage any routes that will cross the river to maintain the current recreational integrity of this important river corridor.

Additional information:
- **Acreage:** 18,218 acres
- **Visitation:** Estimated annual use is 2000-3000 floats per year.
- **Primary Recreation Types** (by order of use, highest first): floating, fishing, camping, wildlife viewing, hunting
- **Commercial Use:** Guided and unguided float trips and fishing along the Little Susitna River

4 **Little Susitna Public Use Facility (LSPUF) would be significantly impacted.** (ADF&G: Division of Sportfish)
Owned by ADF&G, this facility is operated by the Division of Parks and Outdoor Recreation through a cooperative agreement. For this reason we feel qualified to comment on impacts to this facility. The LSPUF lies within the Susitna Flats State Game Refuge. It provides the only developed public access to the Little Susitna River south of the Parks Highway (approximately 70 river miles). It is a very popular destination for fishers, hunters, and other recreationists. Connector 1 will flank the LSPUF’s east boundary which will affect users arriving at the “front door” of the facility, and displace a north-south trail that is used by the public to access hunting areas in the refuge. The Willow Corridor would cross the river at approximately River Mile 33, only one-quarter mile from seven developed riverside campsites maintained as part of the LSPUF. This will have an impact on the recreational experience that these remote sites offer.

Additional information:
- **Date of Establishment:** 1989
- **Acreage:** 720 acres
- **Visitation:**

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*NOTE: This visitor data is not statistically valid, numbers are approximate and should only be used to identify trends over time, and not taken literally.*
d. Primary Recreation Types (by order of use, highest first): fishing, camping, boating, hunting access, winter trail use, hunting, general
e. Commercial Use: Guided and unguided fishing along the Little Susitna River

Regional Trail Impacts
Both Nancy Lake and Willow Creek State Recreation Areas are linked by a myriad of winter trails (West Gateway trail system) that are an extremely important part of the region’s attractiveness as a hub for winter recreation.

Between Red Shirt Lake and the Susitna Flats State Game Refuge are critical trail corridors, including the historic Iditarod Trail. These trails are used for routine recreation, competitive training and actual races. There are many sanctioned races on these trails, including dog mushing, snowmachining, and ski-joring. Additionally, these trails are critical winter transportation corridors to cabins, camps and lodges throughout the Susitna River Valley. Many of these corridor origination points are located in state park units.

No route completely eliminates trail impacts, but our preferred option keeps these impacts to a minimum. Since the area trail clubs will be providing specific comments regarding regional trail impacts, we will not elaborate further here other than impacts to Division of Parks programs.

State Trail Grooming Pool Program
Trails throughout the proposed rail corridor are also part of the Mat-Su trails SnowTRAC Grooming Pool, and receives state funding from snowmachine registration fees to maintain and groom snowmachine trails in the winter. This program has been very successful, and the Division of Parks now administers grooming grants for well over 100 miles of trails between Big Lake and Denali State Park far to the north. The program has grown every year, with an objective to develop winter trail corridors throughout Southcentral Alaska, possibly connecting to the Denali and the Fairbanks North Star Boroughs. Such a network has great potential to create new economic opportunities for small businesses during a traditionally quiet part of the year. Part of the mission for the Division of Parks is to promote recreation in Alaska, and support the tourism industry. Winter recreation tourism has become an important part of the greater Willow area economy and steps should be taken to foster this endeavor, not weaken it.

Historical/Cultural Impacts
Regional comments regarding cultural impacts were covered under a separate letter by the Division of Park’s Office of History and Archaeology.

Barrier Issue
The Willow Rail Corridor would effectively create 15 miles of a fence-like barrier between Willow Creek and Nancy Lake that will make cross-country travel east and west far more restrictive. A few strategically placed trail crossings are not sufficient to adequately resolve the barrier issue – even if they were at-grade crossings with elevated rail. Sub-grade (culvert) crossings are problematic due to pooling water, lack of snow, and the innate reluctance of animals (dog teams, wildlife) to enter such structures. Note that there are likely many more minor, non-dedicated trails, that traverse this country than what is indicated on most maps.
Contiguous Public Land Block
The area comprised by the combination of Nancy Lake State Recreation Area, the Little Susitna Recreational River, and the Susitna Flats State Game Refuge comprises a total of over 342,000 acres of lands reserved for public use. The South Houston – Houston – Connector 3 – Mac East route will completely avoid significant impacts to this block.

Habitat Protection
The Willow Corridor poses inherent risks to sensitive habitat that is very important for Alaskans in terms of recreational pursuit and for subsistence purposes (hunting, fishing, etc.). Each anadromous stream crossing is a new point source of contamination in the event of accidental discharges of hazardous materials. Eliminating the additional crossings of Willow Creek and the Little Susitna Rivers should be a high priority for this project.

Conclusion
Rail development through the Willow Corridor would be a major detriment to recreational values in that area, and will adversely affect the quality of life for many area residents. During the 2004 Statewide Comprehensive Outdoor Recreation Plan public survey, 98% of the respondents indicated that parks and outdoor recreation are important or very important to them. Once lost, these values will never be replaced — no matter what kind of mitigation ensues.

Respectfully,

Wayne Biessel, Mat-Su Area Park Superintendent

Cc: James King, DNR/DPOR Director
    Michael Bethe, DNR - Habitat
    Sam Means, DNR - Mining, Land and Water
    Don Perrin, DNR – Permitting
    Judy Bittner, DNR/SHPO
    Dave Rutz, ADF&G
    Mary Anderson, Mat-Su Area State Parks Citizens Advisory Board
    Willow Area Community Organization
    Dave Hanson, Mat-Su Borough
November 20, 2007

Mr. Brian A. Lindamood, P.E.
Alaska Railroad Corporation
P. O. Box 107500
Anchorage, AK 99510-7500

Dear Mr. Lindamood:

The purpose of this letter is to respond to your presentation and request at a meeting of the Knik Tribal Council Cultural and Historical Preservation Committee. The presentation you provided to the committee regarding the impact of the extension of the Alaska Railroad Corporation (ARRC) from Cantwell to Port MacKenzie was very informative, especially from the Knik Tribal Council’s desire to protect the cultural integrity of our Dena’ina heritage. The map provided by Fran Seager Boss noted areas of actual and possible culturally significant sites along the three corridor options proposed by the Railroad and the Matanuska-Susitna Borough where additional survey would be recommended.

As Chair of the Cultural and Historic Preservation Committee and Vice President of the Council, I reviewed the map with members of the governing board of Knik Tribal Council. We appreciate the opportunity to provide the following comments.

The Knik Tribal Council and the Cultural and Historic Preservation Committee support the Houston North route as noted by a red line that becomes purple past Big Lake, then the Conn 1 (green line) to the Mac West (spruce green line) and concluding at Point MacKenzie. The rationale for supporting this proposed corridor is that there are fewer documented sites. Likewise, we do not support the Willow Route as the preliminary information indicates that there is a high probability of cultural and historic sites in this area. The Willow area is also documented in Shem Pete’s writing as a very important subsistence resource area to the Dena’ina Athabascan, especially around the Red Shirt Lake area.

The preservation of areas and sites of cultural significance to federally recognized Knik Tribe is of paramount concern, especially as the MSB continues to grow and expand into undeveloped areas. Within the past five years, the Knik Tribal Council has made significant strides to establish itself and to be recognized as an important sector of the community. The Cultural and Historic Preservation Committee has been directed to identify, document and preserve our cultural heritage. To meet our mission and our objectives it is imperative that we continue as a consulting party, during the rail development and to insist that if any cultural site is discovered during the course of this project (surveying and construction) that Knik Tribal Council be notified. In addition, we are very interested in accompanying the 3rd party contractor and/or their sub-contractor during the investigation and evaluation of cultural sites potentially affected by the proposed project. Towards that end, we request that in addition to funding for archaeological and historic surveys, that funds be allocated for field verification and documentation support by Knik Tribal Cultural and Historic Preservation Committee staff under the Section 106 process. Please contact the Knik Tribal Council office at 373-7991 or Debra Call at 330-8016.

Thank you for providing us the opportunity to respond and we look forward to working with you in the future.

Sincerely,

Debra Call, Vice President and
Chair of the Cultural and Historical Preservation Committee

P.O. Box 871565
Wasilla, Alaska 99687
(907) 373-7991
(907) 373-7993
Fax: (907) 373-2161
Email: kniktrib@mtaonline.net
Mr. Jon Schick  
HDR Alaska, Inc.  
2525 C Street, Suite 305  
Anchorage, Alaska 99503-2632

Dear Mr. Schick:

This letter is in response to the October 2, 2007, scoping meeting on the Port Mackenzie Rail Extension project. Thank you for providing the Corps of Engineers the opportunity to provide comments early in the process.

We have reviewed the information provided, including maps illustrating the alternative locations of the proposed rail extension. We realize that a project at the scoping level is less detailed than a project that is ready for permit evaluation. Our scoping comments at this time are limited and may not provide you with all of the information necessary. In order to expedite the process we have included some additional guidance concerning information and documentation that may be required for us to satisfy our regulatory responsibilities.

Section 404 of the Clean Water Act requires that a DA permit be obtained for the placement or discharge of dredged and/or fill material into waters of the U.S., including jurisdictional wetlands. The Corps defines wetlands as those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Several acres of wetlands habitat are present along and within the vicinity of the potential extension routes. In order to evaluate impacts of the project a delineation of the proposed routes is required. Note that prior to permitting, the results of your delineation must approved by the Corps. The delineation should include the following:

- Field data sheets
- Photographs of sample sites
- A map or drawing that shows locations and/or GPS coordinates of sample points within the project area in relation to jurisdictional areas
- Aerial photos of the area
- A written summary of the delineation, summarizing the data sheets, with information that describes existing conditions, the footprint of the project as proposed, and how the proposed project affects aquatic resources within the footprint corridor.

The proposed extension routes include several crossings of anadromous fish stream and rivers. The Magnuson-Stevens Fishery Conservation and Management Act requires consultation with the National Marine Fisheries Service (NMFS) on all actions that may adversely impact Essential Fish Habitat (EFH); therefore, consultation with the NMFS must be conducted to gather comments and recommendations concerning EFH.
The latest published version of the Alaska Heritage Resources Survey has been consulted for the presence or absence of historic properties and determined that several sites are located within the vicinity of the proposed routes. If any properties are determined to lie within the project area and/or would be impacted by the project, a determination of eligibility and, if needed, a determination of effect will be required in consultation with the State Historic Preservation Officer.

Our responsibilities under National Environmental Policy Act require us to review your project under the Environmental Protection Agency's 404 (b)(l) Guidelines. Under the Guidelines, the applicant must show that all appropriate and practicable steps to minimize potential impacts of the discharge on the aquatic ecosystem have been considered, and that the current proposal represents the least environmentally damaging practicable alternative. The applicant must summarize the steps that they have taken to avoid, minimize and/or mitigate the unavoidable impacts of their proposed project. The burden of proof to demonstrate compliance with the Guidelines rests with the applicant; where insufficient information is provided to determine compliance, the Guidelines require that no permit be issued.

You may contact me at (907) 753-2819, toll free from within Alaska at (800) 478-2712, by email at serena.e.sweet@usace.army.mil or by mail at the address above, ATTN: CEPOA-RD, if you have questions. For additional information about our Regulatory Program, visit our web site at www.poa.usace.army.mil/reg.

Sincerely,

Serena Sweet
Project Manager
Mr. Brian Lindamood  
Alaska Railroad Corporation  
P.O. Box 107500  
Anchorage AK 99510-7500  

Re: Port MacKenzie Rail Extension Pre-Application Scoping Comments  

Dear Mr. Lindamood;  

Pursuant to AS 41.14.870 and AS 41.14.840, the Department of Natural Resources, Office of Habitat Management and Permitting (OHMP) has reviewed the proposed routes presented by the Alaska Railroad Corporation (ARRC) and the Matanuska-Susitna Borough for the Port MacKenzie Rail Extension Project. The purpose of this project is to provide rail access from the main ARRC track to the marine port near Point MacKenzie. The ARRC has asked that OHMP review the alternative routes and submit scoping comments based on our statutory permitting authority.  

The three proposed routes divert south from the existing rail line near Willow, Houston (north and south alternatives) and Big Lake (see attached map). The rail line would then intersect, via three possible connector segments with two alternative routes (Mac-East and Mac-West) continuing southward to the Port Mackenzie area.  

All of the potential routes for this project traverse a large geographic area and have the potential for negatively impacting a wide range of sensitive habitat areas. All work associated with this project that could potentially impact anadromous streams (AS 41.14.870) or could potentially block the free passage of fish (AS 41.14.840) requires a Fish Habitat Permit from the OHMP prior to commencement of any construction.  

All comments contained herein are submitted as scoping comments and should be viewed as preliminary in nature. The OHMP offers the following comments:  

Information Needs  

- Comprehensive stream sampling to determine/confirm anadromy and the presence or absence of fish will be required. Fish usage patterns may have changed since the area was initially surveyed, and many smaller streams have yet to be sampled.  

- Fragmentation of aquatic habitat is a concern. Hydrologic studies will be required to map wetland areas associated with fish bearing drainage systems. This project has the potential to isolate the free flow of water through these wetland areas, thus impacting fish-bearing waters.

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Routing and Design Considerations

- To the maximum extent practicable, the route should be sited to avoid wetlands, fish-bearing streams and anadromous water bodies. Any preferred route should minimize the number of stream crossings, particularly over systems that produce significant numbers of salmon such as the Little Susitna River, Willow Creek, and streams in the Nancy Lake and Big Lake watersheds.

- The use of bridges to span floodplain areas is the preferred method of providing for the long-term free passage of fish on anadromous systems. Bridge abutments should be located outside the floodplain and above the ordinary high water mark (OHW) to minimize potential impacts to riparian vegetation and streambank integrity.

- Culverts should be designed using stream simulation methodology. The culvert design width at the OHW should be greater than or equal to 125-percent of the width of the stream at the OHW stage. The culvert grade should approximate the surrounding slope of the stream channel (± 1%). Culverts should be buried to approximately 40-percent of their diameter with substrate material that will remain dynamically stable at all expected flood discharge rates. Other design criteria will apply as well. We can meet later to flesh out the necessary design criteria for fish passage if you have any questions.

- It shall be the responsibility of the ARRC to ensure the free passage of fish throughout the lifetime of each stream crossing. Beavers are common along the various alternative routes. Culvert designs should account for long-term maintenance for fish passage and be of sufficient size (diameter) to discourage blockages associated with beaver dam construction.

Route Preferences

OHMP prefers a route that would minimize potential impacts to wetland areas associated with fish bearing waterways, minimizes the total number of actual stream crossings and avoids crossings of important salmon producing systems such as the Little Susitna River, Willow Creek, and streams in the Nancy Lake and Big Lake watersheds whenever possible. These criteria appear to be met best with the following route:

1. Houston South
2. Houston
3. Connector 3
4. Mac East

Route Discussion

This conclusion is based on our initial examination of existing data and aerial imagery and should be viewed as preliminary. Also note that we recognize that selection of final routing should be based on other considerations as well. Influencing factors should include fragmentation of wildlife habitat, the presence of cultural sites, native allotments, parks and refuges and historic land use patterns. Land ownership and the successful acquisition of Rights-of-Way will also significantly affect the final route selection.

Based on our analysis of existing materials, we believe that the Willow route will result in more fragmentation of fish and wildlife habitat, particularly in undeveloped areas, than the other alternatives. Crossings over Willow Creek and the Little Susitna River would be necessary.
Because of the extended length of this route, the potential impacts to wetland areas associated with these drainages could be significant. It is the view of OHMP that this route (Willow) is the least preferable of all of the alternatives.

Thank you for the opportunity to comment on your project. If you have any questions, please feel free to contact me at the above address and telephone number or by e-mail at mike_bethe@dnr.state.ak.us.

Sincerely,

Michael L. Bethe
Habitat Biologist
Area Manager
Palmer Mat-Su Area

Attachment: ARRC Alternative Routes Map

-kab/mlb

Distribution:  S. Joy, COE
              D. Rutz, ADF&G
              J. Hewitt, COE
              M. Fink, ADF&G
              K. Klein, ADF&G
              D. Perrin, OPMP
November 28, 2007

Mr. Brian A. Lindamood P. E.
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, Alaska 99510-7500

Subject: Preferred Railroad Alternates

Dear Mr. Lindmood:

We appreciate the opportunity to comment on the proposed alternate railroad lines that connect Port MacKenzie with the existing railroad that traverses from Anchorage north through the Susitna Valley to Fairbanks. The Cultural Resources Division of the Matanuska-Susitna Borough has had a chance to review the various proposed railroad lines. A map was prepared and submitted to HDR indicating current sites and areas where cultural resources may be most likely found. The lower Little Susitna Valley was a region traditionally frequented by the Dena’ina people. It was part of an area where the greatest density of Dena’ina population lived during the historic and proto-historic periods. It is therefore an area likely to encompass numerous sites in the form of native villages; hunting camps; traditional locations where raw materials were collected for practical and artistic items; traditional fishing locations; and areas likely to have been significant for religious purposes.

This letter supports the railroad transportation corridors selected by the Knik Tribal Council’s Historic Preservation Cultural Committee (HPCC). Our recommendation is derived from a joint meeting with members of the Knik Tribal Council’s HPCC, from known sites plotted on the map submitted by our offices; and from topographic maps examined by our staff.

The preferred lines include the:

- Houston North Line (indicated in red) that connects with
- Houston South Line (indicated in Blue west of Big Lake) connecting with
- Conn 1 Line (indicated in green) and the
- Mac West Line (spruce green) that connects with the port.

The above lines appear to be the routes least likely to impact
historic, proto-historic and prehistoric sites. It is strongly urged however, that whichever transportation corridors are selected (including the ones indicated above), that an archaeologist, carry out archaeological surveys in consultation and participation with the Tribal Council’s HPCC. It is further recommended that archaeologist(s) conduct on-the-ground, walk-over surveys with shovel testing. Coverage should include areas indicated on the map submitted by this office as sensitive to archaeological sites; and areas not covered on our map that the HPCC deem important. It is our understanding that HDR’s Geographic Information Systems (GIS) is creating a final map of areas sensitive to cultural resources based on the draft map submitted by this office. We hope the map will be available soon and that we may have an opportunity to review it prior its final distribution.

Thank you again for the opportunity to comment on the proposed railroad routes connecting the port to the main north-south line from Fairbanks to Anchorage. If you have any further questions please do not hesitate to contact our offices at (907) 745-9859. Thank you.

Sincerely,

[Signature]

Fran Seager-Boss
Cultural Resources Specialist
December 11, 2007

Brian Lindamood, P.E.
P.O. Box 107500
Alaska Railroad Corporation
Anchorage, AK 99510

Dear Mr. Lindamood:

Subject: Port Mackenzie Rail Extension

The Southcentral Regional Office of the Division of Mining, Land and Water offers the following comments on your study of several possible routes for a railroad from Port Mackenzie to either Willow, Houston or Big Lake. These comments are of a general nature involving impacts to state land managed by this office. Should a specific alignment be chosen, we will modify our comments to address specific land management issues in more detail.

- **The land title interest needed by ARRC.** ARRC requests a fee simple interest in a 200 foot wide corridor to build and operate a railroad. SCRO authority to grant the appropriate interest in state land resides in AS 42.40.360 and .370. SCRO will also use the public process required by AS 38.05.035 and .945 to make the decision and give public notice to convey an interest in land to ARRC.

- **Roads, Trails and Utilities.** Pursuant to 11 AAC 51.015, the Southcentral Regional Office will ensure that any area of DMLW managed land approved for railroad corridor uses will be subject to existing ADL authorizations for roads, trails, utility, or other access easement purposes. The Southcentral Regional Office will also reserve additional ADL authorizations along existing roads, trails, utility, or access routes if the Southcentral Regional Office determines that these improvements represent interests of local, regional, or statewide significance. Any rail corridor area conveyance or authorization granted by the Division will stipulate the preservation of legislatively imposed public access routes described in AS 19.10.010 (section line easements), AS 19.30.400 (RS 2477 routes) and AS 38.05.127 (navigable or public waterways.)

If considered necessary for project development, railroad corridor officials may petition the Division and/or the local Platting Authority for formal vacation of existing easements or rights of way on a case-by-case basis in accordance with

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established regulations and procedures. Any such petition will be subject to
review and comment by the Southcentral Regional Office in addition to other
agencies, interested entities, and members of the public.

- **Susitna Area Plan**  This plan provides general land management guidelines that
must be followed when considering major transportation projects.
  http://www.dnr.state.ak.us/mlw/planning/areaplans/susitna/index.cfm

- **Willow Sub-Basin Area Plan.**  Susitna Area Plan Revisions Affecting Willow
  Sub-Basin and Susitna Plans. For the past 25 years the use of state land in the
  area from Wasilla to the Talkeetna Y has been guided by the Willow Sub-Basin
  Area Plan (WSAP) and the South Parks Highway portion of the Susitna Area Plan
  (SAP), which the State Department of Natural Resources (DNR) adopted in 1982
  and 1985 respectively. The amount of land owned by the state has decreased
  markedly during that period and the state is no longer the principal land owner in
  this area. Instead, the Borough, Mental Health Trust, University of Alaska, and
  CIRI are principal owners. Very little state land remains in areas near major
  population areas and that which remains consists of remnant parcels of generally
  small size. Our area plans have a design life of about 15-20 years and the WSAP
  and SAP need updating so that DNR decision making is based on more current
  information and therefore more pertinent.

  In general, this plan provides the basis for state management of surface resources
  and land use, with decisions by the various DNR divisions (principally
  Agriculture, Forestry, Mining/Land/Water) to be based on the plan designations
  and management intent requirements identified in the area plan.
  http://www.dnr.state.ak.us/mlw/planning/areaplans/willow/index.cfm

- **Fish Creek Management Plan.**  Same comments as above.
  http://www.dnr.state.ak.us/mlw/planning/mgtplans/fish_ck/index.htm

- **Susitna Basin Recreational Rivers Management Plan**  In general, this
  management plan provides more specific guidelines for minimizing impacts to the
  Little Susitna River related to major transportation projects. Options to mitigate
  impacts to recreational use of the Little Susitna River corridor can be developed
  when a specific route is known. Maintaining access along the banks of the Little
  Susitna River will be a major consideration.
  http://www.dnr.state.ak.us/mlw/planning/mgtplans/susitna/index.htm

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Material Sales. Material resources (sand, gravel, rock, peat) located outside of an approved conveyance or easement would be sold to ARRC. Under AS 38.05.110-38.05.120 and the regulations implementing these statutes allow these materials to be made available. Public Notice will be required consistent with AS 38.05.945.

Land Use Permits. Man Camps, Staging Areas – Often large projects require areas adjacent to the project site to stage man, equipment and machines. Temporary locations used to facilitate the development of the ARRC project may be permitted under AS 38.05.850. Land Use Permits are the most commonly used tool for this activity. Review will be conducted for any request to use state land.

Alaska Coastal Management Program. Any authorization requested to take place within the Coastal Zone may be subject to additional coordination and review by the Alaska Coastal Management Program.

Close cooperation between the ARRC and the Southcentral Regional Office is recommended as the rail route is more narrowly defined in order to facilitate the identification and protection of third party interests over the life of the project.

Sincerely,

[Signature]

Robert S. Means
Natural Resource Manager

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