

# The Seward Phoenix Log

## Business

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## ARRC and DOT on same track

By Heidi Zemach  
*For The LOG*

The Alaska Department of Transportation and Public Facilities is developing a statewide rail plan to provide direction for future freight and passenger rail transportation policy in the state, as DOT representative Bruce Murray explained at a late-afternoon meeting on the Alaska State Rail Plan on Friday in the Seward Community Library Museum. A handful of local residents were present and watched a short video and oral presentation about the rail plan, afterward sharing thoughts about the direction that rail systems and service should go in Alaska.

"Most Americans have some romance and some fondness for railroads, and the plan is an opportunity to express that fondness and share your ideas, and help us come up with the most detailed and interesting and exciting rail plan we can devise," said Murray. "The more participation we get from the public, the richer the plan will be." The Seward gathering was one of a number of public meetings scheduled for rail communities including Skagway, Haines, Anchorage, Fairbanks, Wasilla and Nome in May and June 2013.

The state rail plan will define Alaska's interest in, and policy about, the future of railroads in the state. The plans are required by the Passenger Rail Investment and Improvement Act of 2008. Plans generally look 20 years into the future and must be updated every five years. Alaska's first rail plan was developed in 1985 and revised in 1990, but has not been addressed since. The update must be made in order for federal rail funding. It must be formally approved by the Federal Railroad Administration.

As could be expected, Alaska Railroad Corporation officials were well represented at the Seward public hearing. They're hoping to have ARRC's own five-year plan and its capital projects adopted as part of the plan. Included would be the corporation's new Seward Master Plan, with its major harbor dock expansion to accommodate additional freight traffic and connect more ships to the rail lines, and also its connecting road to Port Avenue, inland expansion, and land development that would provide more industrial space to accommodate the added railroad uses.

"Under the state rail plan rules mandated by the federal government, they have to look at all of these plans, and rate and rank them, and look and see how it fits into their bigger picture, but we're fairly confident that the Seward Master Plan will be one of the projects that is included in the plan," said Bruce Carr, director of strategic planning for ARRC.

Even today, rail remains a key piece of Alaska's transportation system, with more than 65 percent of the state's population living within rail service areas, he said. Railroads can help further determine regional economic activity through resource development. The priorities adopted by the plan will be based on the common interests of stakeholders statewide. When completed, it will also serve as the foundation for federal funding requests to help maintain and improve Alaska's railroads.

Another major ARRC project they anticipate to be adopted is the Port Mackenzie rail expansion project. "I don't see Seward and Port Mackenzie competing against each other," said Carr. They serve different purposes although they might have some types of freight that overlap one another, he said.

"Seward is certainly a cruise ship dock as well as a freight dock, and there's a lot of different freight that comes into Seward. I think most people look at the coal dock as one they look at first, but I think we need to take a step back and realize that Seward's coal facility has a much greater capacity than it's currently being operated at," he said.

Although the complete Port Mackenzie rail extension has not been funded, a ground breaking ceremony including Matanuska Susitna Borough officials, ARRC's Chief Operations Manager William O'Leary and Gov. Sean Parnell was held June 4 at the port. The total project is currently budgeted at an estimated \$272.5 million with over \$157 million unfunded.

"Port Mackenzie is still very much in its infancy, it doesn't even have rail to it yet. Although we're building that rail under contract. But there's two different uses for those ports. Cruise ships are not going to go into Port Mackenzie. During the wintertime, Port Mackenzie still has the issue of getting into and out of their port for coal ships, for example, that hasn't been solved. But that's not to minimize that there are various major ports in Southcentral, and Port Mackenzie will become one."

Also, Port Mackenzie has 8,000 acres that the railroad would like to utilize. "We don't have that acreage by any means down here in Seward, so between the community and the railroad and export markets we're limited in what we can do here in Seward," said Carr. "There's greater potential up in Port Mackenzie to develop the interior mines as part of their economic model. They're looking at those interior mines to bring out the resources: copper mines, gold mines, lime and more. They have a very broad plan. It's meant to be a different kind of port than we have down here in Seward."

Additional public meetings on the plan will be held in an "on-line open house format." The on-line meetings will be available for a month at a time, allowing more individuals in more communities an opportunity to participate in a time and manner convenient to them.

A draft plan will be available for public review in fall 2013. A final draft plan will be submitted to the Federal Railroad Administration for review and approval by December 2013. To learn about the planning process, sign up for e-mail notifications, or send us your comments, visit [www. dot.alaska.gov/railplan](http://www.dot.alaska.gov/railplan).

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