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Mr. David C. Miller, Division Administrator
Federal Highway Administration
Alaska Division
709 West 9th Street, Room 851
P.O. Box 21648
Juneau, Alaska 99802

Subject: Comments on the Knik Arm Crossing Final Environmental Impact Statement and Final Section 4(f) Evaluation

Dear Mr. Miller:

The Alaska Railroad Corporation (ARRC) has reviewed the **Knik Arm Crossing Final Environmental Impact Statement and Final Section 4(f) Evaluation (FEIS)**. We appreciate the opportunity to provide written comments again on this important infrastructure project for Southcentral Alaska as well as the State of Alaska.

While we are pleased to see that the FEIS adopted some of the changes we recommended in response to the DEIS, we still find other responses unsatisfactory. Our major concerns are discussed below along with our recommendations.

ARRC Comment 271-11

With regard to a spur line to Port MacKenzie, although ARRC and the Mat-Su Borough indicated it is not likely to be operating by 2030, construction of a gas pipeline may accelerate that project dramatically.

KABATA Response

Should construction of a gas pipeline change the rail spur conditions prior the KAC construction, additional consideration would be required"

ARRC Response to FEIS

The Mat-Su Borough and the ARRC have accelerated the Port MacKenzie Rail Spur project and in fact, the Surface Transportation Board (STB) is in the middle of the NEPA process with public hearings scheduled in March 2008. **In accordance with KABATA's comment above, the FEIS must reconsider the impact the two projects have on each other.**

EPA Comment 313-16

While a rail bridge is more expensive to construct, future plans are to include this service, which would result in having to build an additional bridge for rail use. Emergency evacuation and commuter transport, as well as longer-range freight and passenger transport could be provided by rail. Rail may also be more compatible with the Mat-Su Borough's comprehensive plan, which includes future rail from Port MacKenzie to the Parks Highway. We recommend further study, coordination, and collaboration with the Alaska Railroad Corporation (ARRC) and other entities, which could potentially result in better transportation solutions.

KABATA Response

Rail serves a different market and meets different needs than a vehicle bridge. Rail is most efficient serving longer trips carrying heavier loads than are intended to use the KAC. Rail is not, however, efficient at hauling smaller loads shorter distances, like between the two ports or between warehouses at Port MacKenzie with locations in Anchorage etc. ... the kinds of trips that would be served by a vehicle

bridge. A rail connection across Knik Arm in the KAC corridor is a worthy project but would not meet projected population growth and economic development needs forecast with a vehicle bridge. While a rail only bridge would cut miles off of the ARRC's trips north it would do little for trips to and from Port MacKenzie from Anchorage and would provide little to no benefit for future housing growth south and west of Wasilla because it is not anticipated to generate ridership. There are various reasons, well-documented in professional literature, about why mass-transit modes like commuter rail do not serve low density small population bases very well. Even in the Wasilla-Palmer to Anchorage corridor, which has an established population base, ARRC cannot make commuter rail feasible and estimates high subsidies would be required. For these reasons and the high cost, a rail crossing was not deemed reasonable. The future rail corridor from Port MacKenzie to the Parks Highway identified by the commenter as being in the Borough's comprehensive Plan, includes a highway corridor in the same reserve. In other words, rail is no more consistent than roadway connections. Moreover, roadway connections are already built to Port MacKenzie and roadway improvements to those routes are also in the Borough's and State's plans and programs and are therefore considered consistent.

Finally, extensive coordination with the ARRC and Mat-Su Borough was done regarding road and rail connections down to Port MacKenzie and the KAC through the Economic Working Group. At that time, rail and highway connections in the reserve corridor and a rail crossing of Knik Arm were discussed. Despite having reserved a corridor, neither ARRC nor Mat-Su officials felt a rail corridor/crossing was reasonably foreseeable before 2030. Similarly, the separate highway connection from Willow to Point MacKenzie was not deemed reasonably foreseeable by DOT&PF or Mat-Su Borough officials.

ARRC Response to FEIS

The situation surrounding the Port MacKenzie Rail Spur has clearly changed over the past year. The Mat-Su Borough received a \$10 million dollar appropriation during the 2007 legislative session to perform conceptual engineering and environmental documentation for the Port MacKenzie rail extension, and ARRC has been working with the Mat-Su Borough to develop this documentation. The Surface Transportation Board has begun the NEPA process for this project, with scoping meetings planned for March 2008. **Therefore, it is necessary for the Knik Arm Crossing FEIS to consider this project in evaluating cumulative impacts.**

Further, KABATA states "Even in the Wasilla-Palmer to Anchorage corridor, which has an established population base, ARRC cannot make commuter rail feasible and estimates high subsidies would be required." Commuter rail in this corridor is feasible and ARRC continues to move forward along with the Mat-Su Borough, the City of Wasilla, and community interests to make this a reality. The comment about subsidies is inappropriate since KABATA is well-aware that all public transit requires subsidies, including highways. That is why KABATA has an MOU with the Alaska Department of Transportation making the KAC part of the National Highway System, which makes it eligible for federal highway subsidies. **We recommend any comment relating to commuter rail in the Wasilla/Palmer to Anchorage corridor be deleted since it is irrelevant to the KAC.**

Thank you again for the opportunity to comment on the FEIS. Please contact me at 265-2468 if you have questions or require additional information.

Sincerely,



Bruce Carr
Director, Strategic Planning

CC: Barbara Hotchkin, ARRC