

# ALASKA

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## RAILROAD

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DATE: February 26, 2025  
TO: Members of the Senate Transportation Committee  
FROM: Bill O'Leary, President & CEO, Alaska Railroad Corporation (ARRC)  
SUBJECT: Responses to Committee Questions from ARRC Overview Presentation

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**Sen. Stedman asked that the Alaska Railroad provide an overview of the work left to do on each segment of the Port McKenzie Rail Extension.**

The 32-mile rail extension project from Houston to Port MacKenzie has been divided into six segments for construction purposes. With prior state funding awarded to the Mat-Su Borough, much of the embankment construction has been completed in the majority of these segments, although significant work remains. A 2023 estimate prepared by HDR determined an additional \$250-\$300 million in funding is needed to complete design and construction of the project.

Remaining work by segment:

**Segment 1:** Grade repairs, subballast, track work, communication lines, communication tower

**Segment 2:** Civil work (embankment and bridge construction), subballast, track work, communication lines, operational support facilities, utilities

**Segment 3:** Grade repairs, subballast, track work, communication lines, grade crossing approaches

**Segment 4:** Grade repairs, subballast, track work, communication lines, grade crossing approaches

**Segment 5:** Approach signal, grade repairs, subballast, track work, communication lines, grade crossing approaches

**Segment 6:** Complete