

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672  
11388 SENATE TRANSPORTATION

# Alaska State Legislature



*Chair*  
Military and Veterans Affairs Committee

*Vice-Chair*  
Labor and Commerce Committee

*Member*  
Resources Committee  
State Affairs Committee  
Joint Armed Services Committee

*Finance Subcommittees*  
House Environmental Conservation  
House Military & Veterans' Affairs  
House Court System

*A Communication From*  
**REPRESENTATIVE BOB LYNN**  
District 31 Anchorage

*Session:*  
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Representative\_Bob\_Lynn@legis.state.ak.us

## SPONSOR STATEMENT

### HCR 2

HCR 2 supports extension of the Alaska Railroad from the vicinity of Eielson AFB near North Pole. This is approximately 70 miles to the Fort Greely anti-ballistic missile launch facility near Delta Junction.

This extension supports: a) expansion of Alaska's transportation corridors; b) the critical national defense mission of the missile launch facility; c) improved homeland security and d) being consistent with the long-term goal of linking the Alaska Railroad with the Canadian rail system and the "Lower 48" states.

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HCR2  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Alaska Railroad Corp.  
Title Extend the Railroad to Fort Greely BRU \_\_\_\_\_  
Component \_\_\_\_\_  
Sponsor Representative Lynn  
Requester House Military & Veterans' Affairs Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The Alaska Railroad Corporation (ARRC) is a public corporation supported by revenues generated through freight, passenger and real estate services. ARRC does not receive state subsidies for operations or capital improvements but does receive federal grants used for capital projects. At this point, ARRC matches all federal grant appropriations with its internal funds. Should this be the case regarding federal funding appropriated for construction of a rail extension to Fort Greely, there will not be a fiscal impact to the State's general fund. There would be a fiscal impact if the State helps ARRC match federal dollars. ARRC estimates that new rail construction could cost between \$3 and \$8 million per mile, depending upon terrain, environment, and social impact, etc.

Prepared by: Wendy Lindscoog, Director of External Affairs Phone 907-265-2498  
Division Alaska Railroad Corporation Date/Time 1/28/03 8:02 AM  
Approved by: Edgar Blatford, Commissioner Date 1/28/2003  
Agency Department of Community & Economic Development

FRANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF MILITARY & VETERANS AFFAIRS  
OFFICE OF THE COMMISSIONER

P.O. BOX 5800

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PH: (907) 428-6003

January 28, 2003

The Honorable Bob Lynn  
State House  
Alaska State Capital, Room 415  
Juneau, Alaska 99801-1182

Dear Representative Lynn:

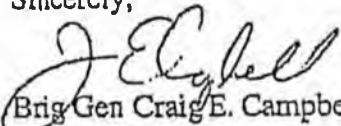
The Department of Military and Veterans Affairs (DMVA) supports House Concurrent Resolution No. 2 pertaining to the extension of the Alaska Railroad from Fairbanks to Fort Greely.

Fort Greely is currently being converted into the primary anti-ballistic missile launch facility as part of our nations decision to employ a national missile defense system. Missile defense of the United States is a national priority. The DMVA has been assigned the responsibility to provide both operational and security personnel for the facility.

This Administration is interested in expanding the Alaska's transportation infrastructure to provide greater access and cost effective alternatives to areas of the state with limited access. The extended operation of Fort Greely will require substantial quantities of supplies and materials. To meet this projected demand, we support the extension of rail service from Fairbanks to Fort Greely. This would provide a significant ability to support the long-term operations at Fort Greely.

We appreciate the opportunity to submit our position on this important transportation issue and would be available to participate in a committee meeting, if so requested.

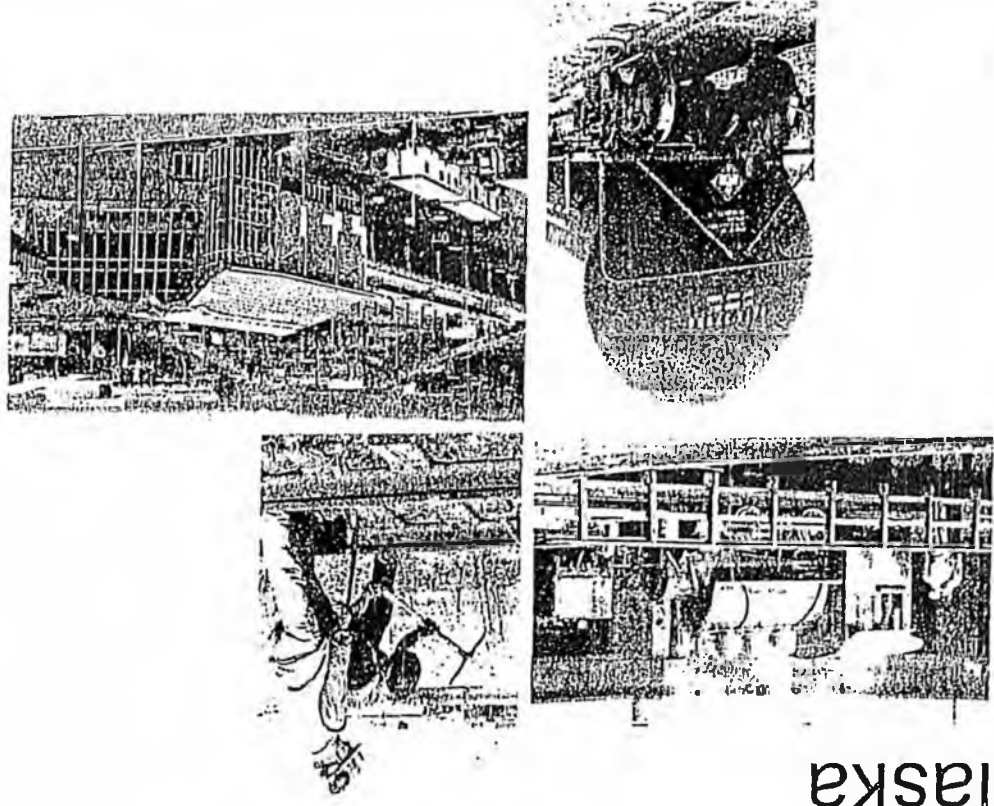
Sincerely,

  
Brig Gen Craig E. Campbell  
Commissioner

# Alaska Railroad Corporation



## Special Report to the Legislature and Administration State of Alaska



January 2003

JAN 29 2003

## Regional Transportation Planning

- **Position:** ARRC fully supports local regional transportation planning and serves on a number of planning groups including AMATS, FMATS, the Regional Transportation Planning Organization (Mat-Su and MOA), and the Fairbanks-North Star Borough Rail Task Force. The Railroad believes that local officials need to have a broader perspective on state transportation – one that extends beyond just their local region. ARRC believes projects sell better when they are discussed in the context of a regional plan. Accordingly, we advocate transportation analysis focused on transportation node linkages, and the intermodal transition points between them. ARRC methodology promotes more rigorous examination of the effect and unintended consequences of state transportation projects.

## Rail Extensions

- **Position:** ARRC will take its lead from state and federal policy makers regarding rail extension initiatives. ARRC supports extending or building new railroad lines and believes this falls under its mission to foster state and community economic development. ARRC does not generate the capital funding necessary to proceed with some of the proposed rail extension projects (\$3-\$8 million/mile), but stands ready to provide technical, engineering and operational expertise should funding be identified. Once constructed, the ARRC must generate sufficient revenues to pay the operating expenses.
  - Canadian Rail Extension: To reach the Alaska/Canadian border, approximately 270 miles of track would need to be constructed. ARRC has been supportive of recent legislative and congressional efforts to study such an initiative and will continue to lend its planning expertise to the process.
  - Rail Extension to Fort Greely: We believe it is appropriate to extend the railroad to Fort Greely to support national defense objectives. This extension conveniently aligns with proposed legislation to extend the rail to Canada.
  - Northwest Arctic Rail: Hugely expensive, this initiative nonetheless opens up previously inaccessible resources to developers. Should such an initiative take root, ARRC would be pleased to be a member of the planning group.

## Rail Realignments

- **Position:** ARRC supports realigning its main track around Alaska communities that have developed closely along the rail line. The issue is one of enhancing both safety and efficiency. Fairbanks and Wasilla realignments would each eliminate numerous dangerous at-grade crossings and reduce the running time of our trains. Both realignments are significant undertakings, and the Railroad does not yet have internal or federal funding to proceed with these projects on its own. We will continue working to integrate with community planning efforts, the Alaska Department of Transportation and Public Facilities (ADOT/PF) and be ready with plans when federal funding becomes available.
  - Fairbanks Realignment: Eliminates 48 crossings
  - Wasilla Realignment: Eliminates 11 crossings
  - Nenana Realignment: Reduces potential for crossing accidents at six grade crossings when the main line becomes a spur.