

DENALI BOROUGH, ALASKA
RESOLUTION NO. 10-23

A RESOLUTION BY THE DENALI BOROUGH ASSEMBLY SUPPORTING FUNDING IN THE GOVERNOR'S BUDGET FOR CONTINUED CONSTRUCTION OF THE RAIL EXTENSION TO PORT MACKENZIE (SOUTH CENTRAL RAIL EXTENSION) FROM THE ALASKA RAILROAD MAINLINE

WHEREAS, connecting the Alaska Railroad mainline to Port MacKenzie (known as the South Central Rail Extension) will bring tremendous economical and employment benefit to Alaska by providing mining and natural resource development industries, creating jobs, and lowering transportation costs; and

WHEREAS, the aforementioned extension will support development of a new industrial and manufacturing area at Port MacKenzie; and

WHEREAS, the South Central Rail Extension will enable Port MacKenzie to be used for pipe import for a natural gas pipeline which will save over a million dollars over use of other existing ports; and

WHEREAS, the shorter mileage to tidewater may reduce the costs of transporting coal by up to six dollars (\$6) a ton, making low sulfur coal from Alaska's Interior more competitive on the world market and potentially providing for an increase in existing coal exports; and

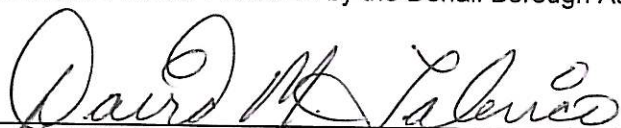
WHEREAS, new commerce, natural resource development, and export/import activity related to the rail extension is expected to result in an additional 4000 jobs statewide, and up to 1500 jobs during the construction period; and

WHEREAS, the project can be completed within the next 4 years with \$155 million being provided over the next 3 years in increments of \$55 million, \$60 million and \$40 million respectively; and

WHEREAS, this project is of statewide significance to create and build a stronger economy for Alaska's future.

NOW THEREFORE BE IT RESOLVED: that the Denali Borough Assembly strongly supports the inclusion of \$55 million dollars in the Governor's 2012 budget for the first of three phases of funding for the South Central Rail Extension.

PASSED AND APPROVED by the Denali Borough Assembly this 13th day of OCTOBER, 2010.


MAYOR DAVID M TALERICO

ATTEST: 
GAIL PIEKNIK, BOROUGH CLERK



PASSED UNANIMOUSLY
ABSENT: MUELLER and HOLMES