



MATANUSKA-SUSITNA BOROUGH

Planning and Land Use Department
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READING FILE

April 19, 2006

Ms. Edrie Vinson,
Environmental Project Manager
Alaska Division of the FHWA
P.O. Box 21648
Juneau, Alaska 99802-1648

Mr. Henry Springer, Executive Director
KABATA
550 West 7th Avenue, Suite 1850
Anchorage, Alaska 99501

SUBJECT: MSB's Direct, Indirect and Cumulative and Secondary Impact Mitigation Requirements of the Knik Arm Crossing Project.

Dear Ms. Vinson and Mr. Springer:

The MSB has been working with the various resource agencies and initially with Mr. Al Ewing, formerly of the KAC project team, to determine appropriate mitigation measures to occur in the area of impact within the Matanuska-Susitna Borough. We appreciate the opportunity to provide this information to KABATA and the FHWA for consideration. A key element to the success of this project is to ensure that this largely undeveloped area of impact is well inventoried and planned for in the near term to ensure that the major transportation infrastructure improvements are not impacted by uncontrolled growth and development. To this end, the following discussion leads to what the MSB believes is an appropriate level of mitigation as a result of the Knik Arm Crossing Project. I look forward to discussing this proposal with you further.

Introduction

The proposed Knik Arm Crossing is the most significant and far reaching infrastructure development project to face the upper Cook Inlet Region in recent years. The size and scope of the project is significant as are the potential benefits and impacts. The project will change growth patterns within the Matanuska-Susitna Borough (MSB) accelerating the need to expand public services to a relatively undeveloped portion of the MSB. The potential of having a population of 60,000 people in the area of impact (Knik-Fairview, Big Lake and Point MacKenzie community council areas and the Susitna Flats State Game Refuge) with nearly 30,000 of that total as a direct result of the KAC by 2030 (see figure 4.2 of the PDEIS) is

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- **Public Safety Facilities**

It is estimated that 6 additional fire stations will be required at an approximate cost of \$3,000,000 per facility in 2006 dollars including equipment in today's dollars or \$18,000,000. Please note that public safety facilities are not based on population but the need to provide a certain level of response time for emergencies.

- **Schools needed as a direct result of the Knik Arm Crossing in 2006 dollars.**

1. Elementary Schools:	6 at	\$20.0 million each or	\$120,000,000
2. Middle Schools:	2 at	\$30.0 million each or	\$ 60,000,000
3. High Schools	2 at	\$45.0 million or	\$ 90,000,000

- **Other facilities need to be considered based on National Standards such as Community Centers, Community/Athletic Parks Multi Purpose Gyms and Swimming Pools, Libraries and rural parks and open space, and land fills.**

- **Mitigation Discussion:** The area of impact is generally rural to undeveloped. The potential impact of uncontrolled developed is significant. There needs to be a comprehensive analysis of public infrastructure needs and this information needs to be incorporated into a comprehensive plan for the area of impact.

Land Use Impacts and Mitigation

The impact to this rural area caused by the Knik Arm Crossing will be direct, significant and accelerated. There is a need to develop a comprehensive plan and Special Use District to prepare and accommodate the more than 60,000 people to live in this area by 2030. Again, nearly 30,000 of these 60,000 people are a direct result of the bridge construction. This plan and Special Use District should be in place prior to the opening of the crossing. In concert with the planning effort a detailed resource inventory with recommended resource protection measures should be accomplished.

Mitigation Measures

KABATA has indicated that they have an initial sum of \$70,000 to address impacts to the MSB side of the project. These funds, though limited, can be put to good use to scope the proposed mitigation measures in detail. The following mitigation measures should be required of KABATA and the Knik Arm Crossing Project.

1. Prepare and sign a Memorandum of Agreement among FHWA, ADOT&PF, KABATA and the MSB that a balanced and integrated funding program is developed to fund transportation improvements within the MSB on a priority and needs basis.
2. Prepare and sign a Memorandum of Agreement among KABATA, Resource Agencies and the MSB agreeing to appropriate mitigation measures related to the Knik Arm Crossing.
3. Initial \$70,000 of KABATA Funding for Mitigation.

sources to fund major transportation projects. These projects will likely be in competition for limited transportation funds with the Knik Arm Crossing and its attendant projects. These projects represent only seven of the 46 major improvements identified as needed in the MSB Draft LRTP by 2025 to ensure a reasonable level of service. The cost of these seven projects alone is nearly \$555,000,000.

1. South Wasilla Parks Highway Alternative. Seward Meridian to Big Lake. Estimated Cost \$200,000,000.
2. Palmer Wasilla Highway Reconstruction to 5 lanes from Palmer to Wasilla. Estimated Cost \$150,000,000.
3. Seward Meridian Reconstruction and Extension. Estimated Cost \$45,000,000.
4. Trunk Road Reconstruction to 4 lanes. Estimated Cost \$45,000,000.
5. Seldon West New Construction 7 miles from Church to the Parks Highway. Estimated Cost \$25,000,000.
6. Parks Highway Reconstruction Lucus Road to Big Lake to 4-lanes (10 miles). Estimated Cost \$45,000,000.
7. Glenn Highway Reconstruction Parks Highway to Palmer Fishhook Road (8 miles). Estimated Cost \$45,000,000.

- Mitigation Discussion

The direct impact of the Knik Arm Crossing is caused both by its limited scope and its impact to funding of needed transportation improvements within the MSB. For example, the terminus of the project on the MSB side is Point MacKenzie Road's intersection with Burma Road. The construction of a new Parks Highway Connection along the Burma Road/South Big Lake/Big Lake Road Corridor is not included in the project. However, funding is now being allocated for the Burma Road/Big Lake Road Corridor in lieu of other transportation needs within the MSB. Although, the Burma/Big Lake Road Corridor has benefits, it is being funded in lieu of other more pressing priorities in the more populated area of the MSB. This is a direct impact of the KAC project.

Mitigation: The FHWA, ADOT&PF, KABATA and the MSB must recognize the significant transportation requirements of the MSB and the impact that the Knik Arm Crossing and its attendant projects have on the MSB's existing transportation system. The Knik Arm Crossing funding must be part of an integrated and balanced funding program that addresses the priority needs of the MSB.

Public Facilities Impacts

The Knik Arm Crossing and its attendant transportation improvements cause direct and accelerated impacts to the public facility requirements of the area of impact. The project causes a population shift away from the populated core area of the MSB and its existing infrastructure. The PDEIS estimates that the 2030 population of the South Big Lake, South Knik Fairview and Point MacKenzie Community Council Areas will be 60,000 with nearly 30,000 the direct result of the Knik Arm Crossing. There will be at a minimum the following public facility infrastructure requirements:

significant and will require improvements to the transportation system, new schools, fire stations, land fill, libraries, ambulance services, and parks.

The estimated cost for the Knik Arm Crossing Project is \$600,000,000. This includes the environmental, design and construction of the bridge crossing, and approaches on the MSB and Anchorage sides. It does not include a new Parks Highway connection as the project terminus on the MSB side is the junction of Point MacKenzie Road with Burma Road. The needed transportation improvements to make this a true regional improvement extend beyond the identified project termini which were selected to fit within the \$600,000,000 funding limit.

This discussion divides the Direct, Indirect and Cumulative and Secondary Impacts into the following categories:

1. Transportation
2. Public Facilities
3. Land Use Impacts

The discussion concludes with what is needed to mitigate these impacts and what should be funded by the Knik Arm Crossing to address these impacts.

Transportation Impacts

Transportation impacts can be divided into two categories. Improvements needed to make the Knik Arm Crossing a true regional transportation improvement and the fiscal impact or potential opportunity costs this project has with the need for improvements to the existing MSB transportation system.

- **Regional Transportation Improvements Needed to Facilitate the Regional Significance of the Knik Arm Crossing at an estimated cost of \$315,000,000.**
 1. New Parks Highway Connection via the Burma Road/South Big Lake Road/Big Lake Road Corridor. Estimated Cost 60,000,000.
 2. New Parks Highway Connection from Port MacKenzie to Willow. Estimated Cost \$200,000,000.
 3. Upgrade of Point MacKenzie Road Mile 7.0 to Mile 20.0 to 4 lanes from an upgraded two lane facility \$20,000,000. (This is in addition to the proposed \$15.0 million in State General Funds currently in the Governor's FY'07 Capital Budget and does not include the north bridge approach road.)
 4. Upgrade to Point MacKenzie Road from Mile 0.0 (Knik Goose Bay Road) to Mile 7.0 at Burma Road. Estimated Cost \$15,000,000.
 5. Upgrade of Knik Goose Bay Road with 4-lanes from Settlers Bay to Wasilla. Estimated Cost \$20,000,000.
- **Fiscal Impact Projects.** The following is a representative sample of projects that are needed to satisfy safety and capacity needs of the existing transportation system in the populated Core Area of the Borough. These projects are likely to be impacted by the Knik Arm Crossing or the need to fund the improvements mentioned above to make the KAC a true regional facility due to the limited amount of funding available from all

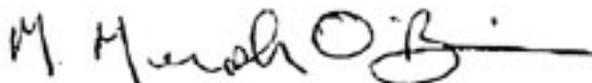
- Development of Scope, Schedule and Budget for Resource Inventory and Recommended Resource Protection Measures within the Area of Impact.
 - Development of Scope, Schedule and Budget for Comprehensive Plan and Special Use District including public facilities needs analysis.
 - Development of Mat Su Regional Development Center Concept with budget similar to Kenai River Center to create a multi-agency one stop permitting center.
4. Establish a funding stream to finance these studies with Knik Arm Crossing project funds and FHWA grants in a timely manner. These projects should be funded and in process within 6 months. The funding levels for these projects should be based on the budget estimates developed in item 3 of this section.

Conclusion

The KAC project has far reaching impacts and benefits to the Matanuska-Susitna Borough. It will be important to be proactive as opposed to reactive in mitigating and controlling the impacts of this project. Uncontrolled development and growth will impact the utility and function of the KAC and its attendant projects and will result in inefficiencies. Planned development will help in providing efficient and effective public infrastructure such as schools, public safety facilities, parks, recreation facilities, and other community amenities. Using an initial sum of money to scope these mitigation measures and to develop appropriate memoranda of agreement is an important first step. Funding the resource inventory and planning efforts and helping to establish a Matanuska-Susitna Regional Development Center with important elements to mitigate the impacts of the Knik Arm Crossing mitigation and to ensure that the project has a positive legacy.

Please contact me if you have any questions. I look forward to discussing this proposal with you.

Sincerely,



M. Murph O'Brien, Director
Planning and Land Use Department
Matanuska-Susitna Borough

cc John Duffy, Borough Manager
Gordon Keith, Regional Director, ADOT&PF
David Miller, Division Administrator, FHWA
Resource Agencies
John Tolley, Chief of Planning, ADOT&PF