

Requested by: Mayor  
Prepared by: Public Works  
Adopted: May 14, 2007  
Vote: Cox, Ewing, Holler, Koskela, Menard, & Metiva in favor

**CITY OF WASILLA  
RESOLUTION SERIAL NO. 07-17**

**A RESOLUTION OF THE WASILLA CITY COUNCIL IN SUPPORT OF ALASKA STATE LEGISLATURE HOUSE BILL 229 AS AMENDED TO INCLUDE \$300 MILLION IN FUNDING TO CONSTRUCT A RAIL LINE FROM POINT MACKENZIE TO WILLOW TO TRANSPORT COAL FROM HEALY TO KENAI FOR THE AGRIMUM GASIFICATION PROJECT.**

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WHEREAS, House Bill 229 was originally introduced to provide \$2.6 billion in funding for a coal-conversion plant in Kenai as a way to provide feedstock for the ammonia and urea complex currently owned and operated by Agrium U.S. Inc., and

WHEREAS, The coal-conversion project will bring coal from Healy to Kenai where low emission coal gasification and electricity generation plants would be constructed, allowing Agrium to continue to operate its fertilizer plants at optimal capacity, and

WHEREAS, House Bill 229 originally planned for the coal to be transfer from Healy to Kenai by rail through the Port of Anchorage that would result in a one hundred (100) car coal train passing through Wasilla every 18 hours at least 9 months of the year, and

WHEREAS, House Bill 229 was recently amended to include \$300 million in funding for approximately 43 miles of rail line from Point Mackenzie to Willow that could save the Railroad \$257 million over 30 years in coal transportation costs, and

WHEREAS, the new rail line from Point Mackenzie to Willow would significantly reduce train traffic through Wasilla, it would promote economic development at Port

Mackenzie, and it would fully utilize Port Mackenzie for bulk commodities as intended in the Port Master Plan.

NOW THEREFORE BE IT RESOLVED that the Wasilla City Council fully supports House Bill 229 as amended to include \$300 million in funding for the rail spur from Point Mackenzie to Willow.

ADOPTED by the Wasilla City Council on May 14, 2007.

  
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DIANNE M. KELLER, Mayor

ATTEST:

  
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KRISTIE SMITHERS, MMC  
City Clerk







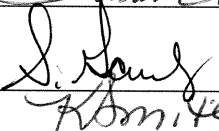
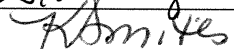
**CITY OF WASILLA  
LEGISLATION STAFF REPORT**

**RE: RESOLUTION SERIAL NO. 07-17**

**A RESOLUTION OF THE WASILLA CITY COUNCIL IN SUPPORT OF ALASKA STATE LEGISLATURE HOUSE BILL 229 AS AMENDED TO INCLUDE \$300 MILLION IN FUNDING TO CONSTRUCT A RAIL LINE FROM POINT MACKENZIE TO WILLOW TO TRANSPORT COAL FROM HEALY TO KENAI FOR THE AGRIMUM GASIFICATION PROJECT.**

Agenda of: May 14, 2007  
Originator: Public Works Director

Date: May 1, 2007

Route to:	Department	Signature/Date
	Police Chief Youth Court, Dispatch, Code Compliance	
	Culture and Recreation Services Director Library, Museum, Sports Complex	
X	Public Works & Recreation Facility Maintenance Director	 5/1/07
X	Finance, Risk Management & MIS Director Purchasing	 5-7-07
X	Deputy Administrator Planning, Economic Development, Human Resources	 05-01-07
X	City Clerk	

**REVIEWED BY MAYOR DIANNE M. KELLER:**  5/8/07

**FISCAL IMPACT:**  yes or  no      Funds Available  yes  no  
Account number/name:  
Attachments: none

**SUMMARY STATEMENT:** House Bill 229 was originally introduced to provide \$2.6 billion in funding for a coal-conversion plant in Kenai as a way to provide feedstock for the ammonia and urea complex currently owned and operated by Agrium U.S. Inc. House Bill 229 originally planned for the coal to be transfer from Healy to Kenai by rail through the Port of Anchorage that would result in a one hundred (100) car coal train passing through Wasilla every 18 hours at least 9 months of the year. House Bill 229 was recently amended to include \$300 million in funding for approximately 43 miles of rail line from Point Mackenzie to Willow that could save the Railroad \$257 million over 30 years in coal transportation costs, and the new rail line from Point Mackenzie to Willow would significantly reduce train traffic through Wasilla.

**RECOMMENDED ACTION:** To adopt Resolution Serial No. 07-17 that supports House Bill 229 as amended to include \$300 million in funding for a rail spur from Point Mackenzie to Willow.