The Alaska Railroad partnered with Granite Construction and the Alaska Dept. of Transportation & Public Facilities (ADOT&PF) this summer to lower the cost of hauling hard rock aggregate from a source near Cantwell to Anchorage. ADOT&PF uses hard rock for southcentral Alaska paving projects to make road surfaces more durable, particularly in high-volume areas where studded tire traffic creates ruts.

The railroad began hauling hard rock in 2013, when trains loaded in Healy, about 36 miles north of the Panorama Mountain mine where hard rock is crushed on-site. Hard rock trains have also loaded at Broad Pass, which is still 23 miles from the mine. Equipped with a heavy

The historic Alaska Railroad (ARRC) depot in Fairbanks recently transformed into a vibrant schoolhouse thanks to local entrepreneurs and contractors, and a 35-year railroad land lease. Spruce Tree Montessori School invited the public to a ribbon-cutting August 31 to celebrate. The newly renovated facility is hailed by neighbors and community leaders as a positive investment.

Originally built in 1959, the historic depot opened in 1960 and served as a train station until 2005, when ARRC completed a new passenger facility off Johansen Expressway. Later in 2005, ARRC sold the historic depot building to the Fairbanks Daily News Miner. A decade later, Sabrina and Ryan Binkley purchased the historic building from the newspaper and leased the nearly one acre of surrounding land from the railroad.
The Alaska Railroad Board of Directors recently gave the go-ahead for two lease applications that could lead to notable land development in Anchorage and in Fairbanks.

Interested parties are still developing plans and therefore details are not yet available. However, we could see some definitive announcements during the fourth quarter, if and when the leases are executed. In the meantime, public lease notices offer some information about potential uses.

In Fairbanks, a lease of up to 5.5 acres with a term of up to 50 years was approved during the Sept. 15 ARRC Board meeting. Petro Star is developing a fuel storage terminal at this site, located between the railroad and Hanson Road, west of the Johansen Expressway overpass. The City of Fairbanks has zoned this area for general use, to include heavy industrial use. This has drawn interest from a number of potential tenants over the years. In 1996, ARRC obtained an Army Corps of Engineers permit to fill the site’s two old gravel pits, and we’ve been doing so over time as material becomes available. HC Contractors in North Pole is currently filling and leveling the site in preparation for any future development that would be the responsibility of Petro Star and/or any other tenants that may lease all or part of this site. Site preparation is occurring primarily at night, in order to reduce congestion during busier daytime hours, and will continue until the weather forces earthwork to stop for the winter.

In Anchorage, the Board approved a lease of up to 2.5 acres at the northwest corner of the Christiansen Drive and 2nd Avenue during an August board meeting. An older GSA building is located on the parcel and is currently being used for storage. Ship Creek Development LLC applied for a 90-year lease term to construct residential condominiums.

Recognizing its valuable proximity to downtown, the Municipality of Anchorage rezoned this area for Planned Community development, meaning a mixed use of residential, retail and office. Other potential retail tenants have expressed interest in leasing nearby parcels to capitalize on this flexible zoning.

If development of these leases move forward, the railroad and residents could begin to see the economic benefits and opportunities as early as 2017.
The Alaska Railroad’s liquefied natural gas (LNG) transport demonstration got off to a smooth start. Two LNG ISO containers arrived on loan from Hitachi High-Tech AW Cryo, Inc. based in Vancouver, British Columbia. After being cleaned, inspected and labeled, they were used for training with train crews and first responders along the railbelt.

“The land lease term will provide us with the stability we need for decades,” noted Binkley. And, like many of the facilities within the railroad’s land reserve in Fairbanks, the depot has been converted to district hot water heat provided by Aurora Energy, making heating far more efficient and cost effective than boiler fuel heat.

The renovated depot building can accommodate at least twice as many students as was possible at the school’s previous facility, which had reached its 50-student capacity. Enrollment is currently 75 students, Pre-K to 6th grade.

For decades, the depot was situated at the end of the railroad’s mainline track, noted Sabrina during remarks at the grand opening. “Today, it is now a symbolic beginning of the line for children and families of Spruce Tree,” she said.

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The first round-trip of actually transporting LNG in the ISO containers went without a hitch. The process began September 27 when the containers were trucked to the Titan LNG facility near Port MacKenzie to be filled with Alaska LNG, before returning to the Anchorage rail yard. Here, the containers were loaded onto a flatcar, which was hitched the regular northbound freight train headed to Fairbanks. The train left on time at 8:15 p.m. and arrived on time in Fairbanks about 7:30 a.m. Within an hour of arrival, Alaska West trucks transferred the ISO containers to two of its flatbed trucks and then hauled them to the Fairbanks Natural Gas storage facility a few miles away. After the containers were emptied, trucks returned them to the rail yard, where the empty ISOs were re-loaded onto a flatcar and added to the southbound overnight freight train headed back to Anchorage.

Federal Railroad Administration (FRA) officials were on-site to observe the process. The Railroad is scheduled to complete several more round-trips through October. Results will be reviewed with the FRA to ensure regulators are satisfied with ARRC’s ability to safely move LNG.
The Alaska Railroad releases its 2017 commemorative print at three sale-and-sign events featuring Wasilla artist Taffina Katkus:

- **WASILLA**: Saturday, Nov. 5, 10 a.m. to 2 p.m., as part of the Mat-Su Holiday Marketplace event held at the Curtis Menard Memorial Sports Center at 1001 S. Clapp Street
- **ANCHORAGE**: Saturday, Nov. 12, 10 a.m. to 2 p.m., at the Anchorage Historic Depot at 411 W. 1st Avenue
- **FAIRBANKS**: Friday, Dec. 2, 4:00 to 7:30 p.m., at the Fairbanks Depot, as part of the First Friday program

Signed and limited edition prints are $55 and posters are $30. Specific print numbers between 25 and 750 may be reserved on a first come, first served basis by contacting Stephenie Wheeler at (907) 265-2671.

Entitled *Moonlight Debut*, the original oil painting depicts a winter scene with a locomotive moving through the new multi-track signal at the juncture of the mainline track and the Port MacKenzie Rail Extension track that is currently under construction. Sleeping Lady is part of the mountainous backdrop. This is the second Alaska Railroad annual art print to feature the Houston area.

“The Alaska Railroad train — commandingly moving forward through a star-filled, moonlit night — is a powerful force to help Alaska forge ahead in this 21st century. With this in mind, I titled this painting *Moonlight Debut*,” said Katkus.

A resident of Wasilla, Katkus has called Alaska home for more than 45 years. She previously owned and operated a commercial sign shop for 30+ years and currently works full time as a professional artist. Katkus also painted the artwork that was the basis of the 2009 and the 2012 Alaska Railroad posters.

More information about the railroad’s annual art program is available at ARRC’s website: [www.AlaskaRailroad.com](http://www.AlaskaRailroad.com) > CORPORATE > In the Community.