



**Alaska Railroad Corporation  
Board of Directors  
Real Estate Committee Agenda**

Date: July 9, 2025; Time: 2:00 pm

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Join Zoom Meeting

<https://us02web.zoom.us/j/82361934951?pwd=Mc6q6itCFrbB8e0qCVqINoF9aIPX1h.1>

Meeting ID: **823 6193 4951**

Passcode: **215100**

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A portion of this meeting will be held in Executive Session to discuss confidential and privileged information related to the matters identified below.

**Board Action Items:**

➤ *AFE's / Resolutions to be presented to the Board:*

1. Resolution No. 2025-21 – Authorizing the Issuance and Sale of Not to Exceed \$135,000,000.00, Aggregate Principal Amount, Cruise Port Revenue B, Series 2025 of the Alaska Railroad Corporation for the Purpose of (i) Financing the Purchase of the New Seward Passenger Dock and Terminal and Associated Improvements, (ii) Funding Capitalized Interest and a Debt Service Reserve, if Necessary or Appropriate; and (iii) Paying the Costs of Issuing the Bonds; Authorizing the Execution and Delivery of a Trust Indenture, Bond Purchase Agreement, Continuing Disclosure Agreement, and Tax Agreement with Respect to the Bonds; Authorizing the Execution and Delivery of Each of the Interim Loan Documents (as Such Term is Defined Herein); Authorizing the Execution and Delivery of Each of the Security Documents (as Such Term in Defined Herein); Authorizing a Preliminary Official Statement and an Official Statement to be Distributed in Connection with the Issuance and Sale of the Bonds; Authorizing the Execution and Delivery of Other Necessary Documents; and Providing for Related Matters
2. [Resolution No. 2025-22](#) – Relating to Funding of the Purchase of a New Seward Passenger Dock and Terminal ([AFE No. 11293 S-1](#))
3. [Resolution No. 2025-23](#) – Relating to Funding of Security Enhancements for the New Seward Passenger Dock and Terminal ([AFE No. 11378](#))

**Committee Members:** Committee of the whole

**Res. No. 2025-22\_Seward Passenger Dock Purchase  
Price\_AFE No. 11293\_S-1 FINAL**

Adopted:

Resolution No. 2025-22

Relating to Funding of the Purchase of a New  
Seward Passenger Dock and Terminal (AFE  
No. 11293 S-1)

**WHEREAS**, the Alaska Railroad Corporation (“ARRC”) is a public corporation and instrumentality of the State of Alaska, organized and established pursuant to the Alaska Railroad Corporation Act, AS 42.40, whose mission includes providing transportation for passengers and freight, operating critical industrial port facilities in Alaska, and promoting the long-term economic growth of the State; and

**WHEREAS**, ARRC owns and operates a passenger dock in Seward, Alaska and an associated intermodal terminal facility (collectively, the “Existing Facilities”), both constructed in 1966, which together serve cruise ships and other passenger and freight vessels as part of an ARRC owned and operated multi-dock port facility; and

**WHEREAS**, the Existing Facilities are nearing the end of their useful lives and the cost of maintaining them in a usable state has become prohibitive, necessitating their replacement in the near future in order to continue to serve cruise ships and other vessels, as well as passengers and crew, in a safe manner; and

**WHEREAS**, on August 1, 2024, the ARRC’s Board of Directors approved Resolution No. 2024-19, which authorized for ARRC to enter into certain agreements and to take necessary and appropriate steps to accomplish the construction, purchase and financing of a new Seward Passenger Dock and Terminal (“New Facilities”); and

**WHEREAS**, one of the agreements authorized by Resolution No. 2024-19 is a Purchase and Sale, Leasing and Lease Termination Agreement (the “PSA”) between ARRC and Seward Company, LLC (“Seward Company”) under which ARRC would purchase the New Facilities from Seward Company for a guaranteed price of \$137,000,000 dollars after the latter constructs them; and

**WHEREAS**, the PSA obligated ARRC to pay to Seward Company a deposit of \$20,000,000 toward the guaranteed purchase price for the New Facilities (“Purchase Price Deposit”) at the time the PSA was executed, which funds would be available to Seward Company for construction expenses and which would be credited in full against the guaranteed purchase price at the closing of the transaction; and

**WHEREAS**, on August 1, 2024, ARRC’s Board of Directors also approved Resolution No. 2024-20, which approved AFE No. 11293 authorizing the expenditure of \$20,000,000 in ARRC internal funds to fund the Purchase Price Deposit; and

**WHEREAS**, on August 15, 2024, in addition to executing the PSA and other transaction documents, ARRC paid to Seward Company the \$20,000,000 Purchase Price Deposit; and

**WHEREAS**, assuming that the New Facilities are substantially completed in compliance with Section 1.7 of the PSA, and the occurrence of all other conditions and actions necessary to the closing of the purchase and sale of the New Facilities, payment of the remaining \$117,000,000 balance of the guaranteed purchase price ("Purchase Price Balance") will be necessary to complete said purchase and sale transaction.

**WHEREAS**, AFE No. 11293 S-1 would authorize the expenditure of an additional amount of \$117,000,000 to fund the payment of the Purchase Price Balance as described above.

**NOW, THEREFORE, BE IT RESOLVED** that the ARRC Board of Directors hereby approves AFE No. 11293 S-1 in the amount of \$117,000,000, bringing the total amount of AFE No. 11293 to \$137,000,000 and hereby authorizes ARRC to pay the Purchase Price Balance to Seward Company upon substantial completion of the New Facilities in compliance with Section 1.7 of the Purchase and Sale, Leasing and Lease Termination Agreement with Seward Company, LLC, and the occurrence of all other conditions and actions necessary to the closing of the purchase and sale transaction set forth therein, and further hereby authorizes the President and CEO, or his designee, to negotiate, finalize and execute all documents necessary to complete said payment.

# **AFE#11293 S-1 - Purchase Price Deposit - 2024 Seward Passenger Dock**

**Alaska Railroad Corporation**  
**Authorization for Expenditure Form**

For Accounting Use Only

**AFE# 11293 S-1**

Page 1

General Information:	
AFE Title:	<b>Seward Passenger Dock Replacement</b>
Prepared By:	<b>LaFewt Knox</b>
Resp. Center (Name):	<b>Docks Operations &amp; Maintenance</b>
Resp. Center (#):	<b>8910</b>
Depreciation Center:	<b>8910-Dock Ops &amp; Maintenance</b>
Line of Business:	<b>Corporate</b>
Spending Timetable:	
2024	\$ 20,000,000
2025	\$ -
2026	\$ 117,000,000
2027	\$ -
2028	\$ -
<b>Total</b>	\$ 137,000,000
Other Information	
Useful Life (Years):	50
Annual Depreciation:	\$ 2,740,000
Estimated Annual Operating Costs	\$ -

Included in Capital Budget:		
Capital Budget	Year:	2025 Unbudgeted
Total Amount	\$ 137,000,000	
Source of Funding	ARRC	\$ 137,000,000
Source of Funding		\$ -
Source of Funding		\$ -
Grant Number	N/A	
Grant Name	N/A	
AFE History:		
	<b>Amount</b>	<b>Date Prepared</b>
Original AFE	\$ 20,000,000	07/12/24
Supplemental #1	\$ 117,000,000	06/24/25
Supplemental #2	\$ -	
Supplemental #3	\$ -	
Supplemental #4	\$ -	
Supplemental #5	\$ -	
Supplemental #6	\$ -	
Supplemental #7	\$ -	
<b>Total</b>	\$ 137,000,000	

Required Signatures for Approval:			
(if applicable)	Last Name(s) (Print)	Signature	Date
<b>Project Manager:</b>	<b>LaFewt Knox</b>		
<b>Responsible Owner:</b>	<b>Michelle Maddox</b>	<i>Michelle Maddox</i>	7/1/2025
<b>VP, Owner Department:</b>	<b>Christy Terry</b>	<i>Christy Terry</i>	7/2/2025
<b>Functional User(s):</b>	<b>David Greenhalgh</b>	<i>David Greenhalgh</i>	7/2/2025
<b>Chief Operating Officer:</b>	<b>Clark Hopp</b>	<i>[Signature]</i>	7/2/2025
<b>Grant Administration:</b>	<b>Christina Isabelle</b>	<b>N/A</b>	
<b>Chief Financial Officer:</b>	<b>Michelle Maddox</b>	<i>Michelle Maddox</i>	7/1/2025
<b>Accounting Department:</b>	<b>Amy Kinnaman</b>	<i>Amy Kinnaman</i>	7/1/2025
<b>CEO &amp; President:</b>	<b>Bill O'Leary</b>	<i>Bill O'Leary</i>	7/1/2025
<b>Board of Directors:</b>	<b>John Shively</b>		

\*\*\*Original Form Must Be Returned to Accounting\*\*\*

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**AFE# 11293 S-1**

Page 2

<b>Is this project related to health and/or safety?</b>	<b>Yes</b>	<b>If yes describe:</b>
The Seward Passenger Dock is nearly at the end of its useful life and requires replacement.		
<b>Scope of Work:</b>		
<p>Funding request will allow for the timely acquisition of project elements essential in construction of the Seward Passenger Dock. The requested purchase price deposit is necessary for use by Seward Company and its contractors during the construction period strictly for expenses directly related to the project construction. These expenses include but are not limited to material acquisition, equipment and labor expenses associated with the construction of the project.</p> <p>Interest savings as a result of access to the purchase price deposit funds, during the construction period, shall be available for construction costs which are directly associated with the new Facilities that are not included in the Project under the Construction Contract between Seward Company and its design-builder, provided that add-on is essential to project success and ARRC approval.</p> <p><b>Supplemental No.1 increases project funding by \$117M to accommodate the purchase and acquisition of the Seward Passenger Dock upon substantial completion of the New Facilities.</b></p>		
<b>ARRC Business Justification</b>		
<p>Advanced access to capital funding is required to support the Seward Passenger Dock construction project, which includes the replacement of the Passenger Seward Dock and construction of the new Passenger Facility. The totality of project construction costs will be funded through debt financing by the project's developer, Seward Company, and ARRC equity contribution, partially offset by passenger dock improvement fees. ARRC equity contribution in part is derived from 2022-2025 Seward Passenger Dock revenue. Seward Company requires access to funds prior to the issuance of the debt in order to timely complete project construction schedule.</p> <p>These funds will support Seward Company's construction efforts in the form of a purchase price deposit ahead of debt financing. As outlined in the drafted ARRC Seward Purchase and Sale, Leasing and Lease Termination Agreement ("PSA"), the purchase price deposit will be applied toward the Seward Passenger Dock's purchase price, funds for which will be acquired through the issuance of debt. The \$20M will support the acquisition of materials, equipment and other pre-construction costs by Seward Company and its design-builder. This request is considered to be non-discretionary and essential component in the project's completion. Full terms related to the purchase price deposit are outlined in the PSA.</p> <p><b>Supplemental No.1 will facilitate the purchase of the Seward Passenger Dock and Terminal Facility as prescribed in the ARRC Seward Purchase and Sale, Leasing and Lease Termination Agreement ("PSA"). The previously approved \$20M purchase price deposit supplemented by the requested \$117M, will enable the acquisition of the Seward Passenger Dock for the predetermined purchase price of \$137M.</b></p> <p><b>The \$20M purchase price deposit approved in AFE No. 11293 has been paid and will be credited against the predetermined purchase price. The additional \$117M requested in this supplemental AFE 11293 S-1 will satisfy the remaining unpaid purchase price balance of \$117M when construction is substantially completed and the purchase-sale transaction closes.</b></p>		
<b>Alternatives Considered:</b>		
No alternatives currently exists that would facilitate an agreement that would support the replacement of the Seward Passenger Dock.		
<b>Preliminary Budget:</b>		
<b>Line Description</b>	<b>Amount</b>	
Equipment	\$	-
Labor (Fully Burdened)	\$	-
Materials	\$	-
Contracts	\$	137,000,000
Other Expenses	\$	-
<b>Total</b>	\$	137,000,000

**Note:** All health and/or safety related project(s) should be the highest ranked project(s) in the department.

# Clark Hopp - Delegation of Authority





## ALASKA RAILROAD CORPORATION

June 25, 2025

### MEMORANDUM

To: All Concerned

From: Clark Hopp, Chief Operating Officer

Subject: Delegation of Authority

I will be out of the office on leave Thursday June 25<sup>th</sup> thru Monday July 7<sup>th</sup>. During this time, I delegate my duties and responsibilities as Chief Operating Officer to Brian Lindamood, Vice President and Chief Engineer.

Cc: Accounts Payable  
Payroll

# **Res. No. 2025-23\_Seward Passenger Dock Security Enhancements\_AFE No. 11378\_FINAL**

Adopted:

Resolution No. 2025-23

Relating to Funding of Security Enhancements for the New Seward Passenger Dock and Terminal (AFE No. 11378)

**WHEREAS**, the Alaska Railroad Corporation (“ARRC”) owns and operates a passenger dock in Seward, Alaska and an associated intermodal terminal facility (collectively, the “Existing Facilities”), both constructed in 1966, which together serve cruise ships and other passenger and freight vessels as part of an ARRC owned and operated multi-dock port facility; and

**WHEREAS**, on August 1, 2024, the ARRC’s Board of Directors approved Resolution No. 2024-19, which authorized ARRC to enter into certain agreements and to take necessary and appropriate steps to accomplish the construction, purchase and financing of a new Seward Passenger Dock and Terminal (“New Facilities”); and

**WHEREAS**, one of the agreements authorized by Resolution No. 2024-19 was a Purchase and Sale, Leasing and Lease Termination Agreement (the “PSA”) between ARRC and Seward Company, LLC (“Seward Company”) under which ARRC would purchase the New Facilities from Seward Company for a guaranteed price of \$137,000,000 dollars after the latter constructs them; and

**WHEREAS**, best security practices for dock and terminal facilities like the New Facilities include but are not limited to the installation of security cameras, keyless entry and public announcement systems (collectively, “Security Enhancements”), which function to enhance maritime security by allowing port managers to track entry to such facilities, to manage access efficiently and to quickly deactivate access when necessary; and

**WHEREAS**, the current plans for the New Facilities, which are based on Royal Caribbean Group’s terminal design standards, do not include the Security Enhancements; and

**WHEREAS**, the installation of the Security Enhancements will be more efficient and cost-effective if they are installed along with other building components after being incorporated into the design of the New Facilities rather than being installed after construction and purchase of the New Facilities; and

**WHEREAS**, the guaranteed purchase price of the New Facilities approved by the ARRC Board of Directors in Resolution No. 2024-19 does not include funding for the Security Enhancements; and

**WHEREAS**, AFE No. 11378 would authorize the expenditure of \$950,000 in internal ARRC funds to fund the design and installation of the Security Enhancements during construction of the New Facilities.

**NOW, THEREFORE, BE IT RESOLVED** that the ARRC Board of Directors hereby finds that the design and installation of the Security Enhancements during planning and construction of the New Facilities will be the most cost-effective means for achieving the appropriate level of maritime security for the operation of the New Facilities. **BE IT FURTHER RESOLVED** that the Board of Directors hereby approves AFE No. 11378 in the amount of \$950,000 to fund the design and installation of the Security Enhancements as part of the construction of the New Facilities, and further hereby authorizes the President and CEO, or his designee, to negotiate, finalize and execute all documents necessary to complete such design and installation.

# **AFE 11378 Seward Terminal Security Enhancements**

**Alaska Railroad Corporation****Authorization for Expenditure Form**

For Accounting Use Only

**AFE# 11378**

Page 1

General Information:	
AFE Title:	<b>Seward Terminal Security Enhancements</b>
Prepared By:	<b>Shane Maloney</b>
Resp. Center (Name):	<b>Dock Operations and Maintenance</b>
Resp. Center (#):	<b>8910</b>
Depreciation Center:	<b>8910-Dock Ops &amp; Maintenance</b>
Line of Business:	<b>Corporate</b>
Spending Timetable:	
2025	\$ 950,000
2026	\$ -
2027	\$ -
2028	\$ -
2029	\$ -
<b>Total</b>	\$ 950,000
Other Information	
Useful Life (Years):	15
Annual Depreciation:	\$ 63,333
Estimated Annual Operating Costs	\$ -

Included in Capital Budget:		
Capital Budget	Year:	Unbudgeted 2025
Total Amount	\$ 950,000	
Source of Funding	ARRC	\$ 950,000
Source of Funding		\$ -
Source of Funding		\$ -
Grant Number	N/A	
Grant Name	N/A	
AFE History:		
	Amount	Date Prepared
Original AFE	\$ 950,000	07/01/25
Supplemental #1	\$ -	
Supplemental #2	\$ -	
Supplemental #3	\$ -	
Supplemental #4	\$ -	
Supplemental #5	\$ -	
Supplemental #6	\$ -	
Supplemental #7	\$ -	
<b>Total</b>	\$ 950,000	

Required Signatures for Approval:			
(if applicable)	Last Name(s) (Print)	Signature	Date
<b>Project Manager:</b>	<b>Christy Terry</b>	<i>Christy Terry</i>	7/2/2025
<b>Responsible Owner:</b>	<b>Shane Maloney</b>	<i>Shane Maloney</i>	7/2/2025
<b>VP, Owner Department:</b>	<b>Christy Terry</b>	<i>Christy Terry</i>	7/2/2025
<b>Functional User(s):</b>	<b>Christy Terry</b>	<i>Christy Terry</i>	7/2/2025
<b>Chief Operating Officer:</b>	<b>Clark Hopp</b>	<i>Clark Hopp</i>	7/2/2025
<b>Grant Administration:</b>	<b>Christina Isabelle</b>	<b>N/A</b>	
<b>Chief Financial Officer:</b>	<b>Michelle Maddox</b>	<i>Michelle Maddox</i>	7/2/2025
<b>Accounting Department:</b>	<b>Amy Kinnaman</b>	<i>Amy Kinnaman</i>	7/2/2025
<b>CEO &amp; President:</b>	<b>Bill O'Leary</b>	<i>Bill O'Leary</i>	7/2/2025
<b>Board of Directors:</b>	<b>John Shively</b>		

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**AFE# 11378**

Page 2

<b>Is this project related to health and/or safety?</b>	<b>Yes</b>	<b>If yes describe:</b>
<p>Having the ability to monitor security cameras promotes overall safety and security for passengers and ARRC assets. Having the ability to review security camera footage is invaluable when reviewing security and safety incidents. Additionally, using keyless entry access enhances safety and security measures by controlling access to areas within the terminal within a timely manner. Both of these features greatly enhance Marine Security requirements.</p>		
<b>Scope of Work:</b>		
<p>This AFE will fund the installation of enhanced security equipment in the new Seward Terminal building. Enhancements will include security cameras and associated cabling and infrastructure, keyless card reader access on all doors, and a public announcement (PA) system. These items were not part of the initial design as the contract states design will be to Royals Caribbean Group's terminal design standards which do not include these items. Best security practices are to install security cameras, keyless entry and PA systems.</p>		
<b>ARRC Business Justification:</b>		
<p>Best security practices are to install security cameras, keyless entry and PA systems. This approach enhances Maritime Security by allowing us to track entry, manage access efficiently, and quickly deactivate access for individuals, when necessary, rather than relying on retrieving physical keys. Incorporating these enhancements during initial construction is the most efficient and cost-effective approach as these systems can be installed with other building components and incorporated into the design on the building. Accomplishing these upgrades after construction would be disruptive, more costly, and time consuming since installing the cabling and other support infrastructure would require removing and altering drywall and architectural finishes to install the components.</p>		
<b>Alternatives Considered:</b>		
None		
<b>Preliminary Budget:</b>		
<b>Line Description</b>	<b>Amount</b>	
Equipment	\$ -	
Labor (Fully Burdened)	\$ 5,000	
Materials	\$ -	
Contracts	\$ 945,000	
Other Expenses	\$ -	
<b>Total</b>	<b>\$ 950,000</b>	

**Note:** All health and/or safety related project(s) should be the highest ranked project(s) in the department.

# Clark Hopp - Delegation of Authority





## ALASKA RAILROAD CORPORATION

June 25, 2025

### MEMORANDUM

To: All Concerned

From: Clark Hopp, Chief Operating Officer

Subject: Delegation of Authority

I will be out of the office on leave Thursday June 25<sup>th</sup> thru Monday July 7<sup>th</sup>. During this time, I delegate my duties and responsibilities as Chief Operating Officer to Brian Lindamood, Vice President and Chief Engineer.

Cc: Accounts Payable  
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