

ARRC BOARD OF DIRECTORS MEETING
AMENDED AGENDA

Tuesday, June 14, 2022, 9:00 a.m. - 2:00 p.m.
In-Person: 327 W. Ship Creek Avenue, Anchorage, Alaska 99501
Virtually: [Zoom Virtual Meeting Room](#)

- I. **CALL TO ORDER (9:00 a.m.)**
- II. **ESTABLISH QUORUM**
- III. **SAFETY BRIEFING**
- IV. **CHAIR COMMENTS**
- V. **ADOPTION OF AGENDA**
- VI. **CONFLICT OF INTEREST DISCLOSURES**
- VII. **ADOPTION OF MINUTES**
 - 1. [Approval of Regular Meeting Minutes of March 31, 2022](#)
- VIII. **OPPORTUNITY FOR PUBLIC COMMENT**
- IX. **BRIEFING ITEMS**
 - A. **Public Briefings (a portion may be held in Executive Session)**
 - 1. [CEO Update](#)
 - 2. [Safety Update](#)
 - 3. [Business Report](#)
 - B. **Committee Reports**
 - 1. [Real Estate Committee](#)
 - 2. Executive Committee
 - 3. Audit Committee
- X. **NEW BUSINESS**
 - C. **Executive Session Briefings**
 - 1. Contracts, Claims, Litigation, Personnel and Financial Matters
 - 2. 2021 Profit Study
 - 3. External Issues Review Committee
 - 4. Business Development Report
 - 5. Seward Dock Port Project
 - D. **Adoption of Consent Agenda**
 - 1. [Resolution No. 2022-10 – Relating to Insurance Renewal for 2022-2023](#)
 - 2. [Resolution No. 2022-11](#) – Relating to Approval of the Topic for the 2022-2023 Performance Audit
 - 3. [Resolution No. 2022-12](#) – Relating to Interim Funding for Preconstruction Costs of Seward Passenger Dock Reconstruction Project ([AFE No. 11041](#))
 - 4. [Resolution No. 2022-13](#) – Relating to 2022 Repair of Whittier Barge Terminal Transfer Span ([AFE No. 11043](#))
 - 5. [Resolution No. 2022-14](#) – Relating to Fairbanks Yard Water Line Repair/Replacement ([AFE No. 11042](#))
 - 6. [Resolution No. 2022-15](#) – Relating to Authorization to Fund Termination of MMME, LLC Leasehold ([AFE No. 11044](#))
 - 7. [Contract Lease No. 20781 \(Healy\)](#)
 - 8. [Resolution No. 2022-16](#) - Relating to Upgrade of Fairbanks Reserve Industry E Track ([AFE No. 11046](#))
- XI. **OPPORTUNITY FOR PUBLIC COMMENT AND DIRECTORS/CEO/STAFF COMMENTS**
- XII. **ADJOURNMENT**

Adopted:

Resolution No. 2022-16

Relating to Upgrade of Fairbanks
Reserve Industry E Track (AFE No.
11046)

WHEREAS, the Alaska Railroad Corporation (“ARRC”) maintains a yard track in the ARRC Fairbanks Reserve, in the vicinity of the intersection of Minnie Street and Driveway Street, that is designated the Industry E Track; and

WHEREAS, the location of the Industry E Track allows for its use by lessees of parcels of ARRC land for the loading and unloading of freight from and onto rail; and

WHEREAS, in order to provide continued rail service to leased parcels located along the Industry E Track, the track must meet Federal Railroad Administration (“FRA”) standards for such use; and

WHEREAS, the Industry E Track currently does not meet FRA standards for providing rail service to those leased parcels; and

WHEREAS, providing continuous rail service to ARRC’s lessees along the Industry E track will benefit both ARRC and its lessees as a result of increased future rail service use by the lessees and additional rail service marketing opportunities for ARRC; and

WHEREAS, Management has therefore determined that the Industry E Track should be immediately upgraded to meet FRA standards required for the resumption of rail service to the leased parcels; and

WHEREAS, the project funded by AFE No. 11046 will upgrade the Industry E Track to meet FRA standards by upgrading the existing 70-pound rail to relay 115-pound rail, replacing joint ties with new hardwood ties and upgrading the existing crossings; and

WHEREAS, funding for this project will be 100% internal ARRC funds in the amount of \$375,000; and

WHEREAS, the authority of ARRC’s President & Chief Executive Officer to approve an unbudgeted capital expenditure is limited to matters with an estimated total cost of no more than \$300,000, with higher estimated cost matters requiring Board approval pursuant to ARRC’s Approval Authority Guide.

NOW THEREFORE BE IT RESOLVED, that the ARRC Board of Directors has considered the Fairbanks Reserve Industry E Track Upgrade proposal as presented by ARRC Management and hereby approves AFE No. 11046 in the amount of \$375,000 for the purposes stated therein.

Alaska Railroad Corporation

Authorization for Expenditure Form

For Accounting Use Only

AFE# 11046

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General Information:	
AFE Title:	Fairbanks Yard Track Upgrade
Prepared By:	Jesse Moose
Resp. Center (Name):	Capital Projects
Resp. Center (#):	2500
Depreciation Center:	1318-Maintenance Depreciation
Line of Business:	Corporate
Spending Timetable:	
2022	\$ 375,000
2023	\$ -
2024	\$ -
2025	\$ -
2026	\$ -
Total	\$ 375,000
Other Information	
Useful Life (Years):	25
Annual Depreciation:	\$ 15,000
Estimated Annual Operating Costs	\$ -

Included in Capital Budget:		
Capital Budget	Year:	2022 Unbudgeted
Total Amount	\$	375,000
Source of Funding	ARRC	\$ 375,000
Source of Funding		\$ -
Source of Funding		\$ -
Grant Number		
Grant Name		
AFE History:		
	Amount	Date Prepared
Original AFE	\$ 375,000	06/09/22
Supplemental #1	\$ -	
Supplemental #2	\$ -	
Supplemental #3	\$ -	
Supplemental #4	\$ -	
Supplemental #5	\$ -	
Supplemental #6	\$ -	
Supplemental #7	\$ -	
Total	\$ 375,000	

Required Signatures for Approval:			
(if applicable)	Last Name(s) (Print)	Signature	Date
Project Manager:	Jesse Moose	<i>Blake Adolfae</i>	6/10/2022
Responsible Owner:	Lloyd Tesch	<i>Lloyd Tesch</i>	6/10/2022
VP, Owner Department:	Clark Hopp	<i>Clark Hopp</i>	6/13/2022
Functional User(s):	Jon Garner	<i>Jon Garner</i>	6/13/2022
Chief Operating Officer:	Clark Hopp	<i>Clark Hopp</i>	6/13/2022
Grant Administration:	Shawnessy Leon	N/A	
Chief Financial Officer:	Barbara Amy	<i>Barbara Amy</i>	6/10/2022
Accounting Department:	Michelle Maddox	<i>Michelle Maddox</i>	6/13/2022
CEO & President:	Bill O'Leary	<i>Bill O'Leary</i>	6/10/2022
Board of Directors:	John Shively		

Original Form Must Be Returned to Accounting

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Authorization for Expenditure Form

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AFE# 11046

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Is this project related to health and/or safety?	Yes	If yes describe:
Scope of Work:		
This project will upgrade yard track in the area of the Fairbanks Yard described as "Industry E" to FRA Standards. This upgrade will allow for the continued rail service to ARRC Lessees in the Fairbanks Reserve located at the intersection of Minnie Street and Driveway Street.		
ARRC Business Justification		
Upgrade of the Industry E to FRA Standards will provide continued rail service to our Lessee's. Continued rail service will result in the rail service usage and future rail car marketing opportunities.		
Alternatives Considered:		
Without Industry E Track Upgrade, Lessee's will not have opportunities for rail delivery and future growth.		
Preliminary Budget:		
Line Description	Amount	
Equipment	\$	-
Labor (Fully Burdened)	\$	-
Materials	\$	-
Contracts	\$	290,000
Other Expenses	\$	85,000
Total	\$	375,000

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