

**ARRC BOARD OF DIRECTORS MEETING
AMENDED AGENDA - REVISED**

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. Business Development Report
 - 4. 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](#))
 - E. **Action Item**
 - 1. External Issues Review Committee
- XI. OPPORTUNITY FOR PUBLIC COMMENT AND DIRECTORS/CEO/STAFF COMMENTS
- XII. ADJOURNMENT

External Issues Review Committee Charter

This charter (“Charter”) governs the operations of the External Issues Review Committee (“Committee”) of the Board of Directors (“Board”) of the Alaska Railroad Corporation (“ARRC”). The Committee supports the mission, goals and business of ARRC through its dual roles of (i) considering and attempting to resolve specific external issues involving ARRC’s business that a customer or member of the public believes have not been adequately addressed by ARRC staff; and (ii) to identify and suggest approaches for addressing ongoing, recurring issues between ARRC and its customers, members of the public and communities that implicate a potential need to establish or modify ARRC policies and practices.

Background

ARRC is a public corporation formed under AS 42.40 as a distinct instrumentality of the State of Alaska (“State”). As a self-sustaining, for-profit corporation since the federal Alaska Railroad was purchased by the State in 1985, ARRC acts as a mechanism to retain and promote the continued economic development of the State. State oversight of ARRC is through the seven-member Board appointed by the Governor and authority over certain corporate actions retained by the Legislature under AS 42.40.

Due to ARRC’s unique composition, it is frequently difficult for outside persons and entities to understand the context under which ARRC operates, or how to best seek redress for specific issues where customers or the public disagree with ARRC decisions. Such disagreements may relate to a specific decision or matter between ARRC and a single customer, members of the public or community. Alternatively, such disagreements may implicate broader issues affecting groups of such entities. To address these similar, but distinct, concerns, the Board established the Committee for external parties to seek review of decisions of management staff and to provide the Board with suggestions and guidance regarding policies and practices designed to address and resolve broader issues.

Organization

The Committee is comprised of three members, including (i) the Board Chair; (ii) one of the two State executive agency Commissioners designated under AS 42.40.020 for membership on the Board; and (iii) any other non-Commissioner director, at the discretion of the Board Chair. The Board Chair functions as the Committee Chair, provided that the Board Chair may designate one of the other members of the Committee to serve as Committee Chair.

Committee Duties and Responsibilities

The Committee conducts a dual function. First, it addresses issues regarding ARRC lands, right-of-way, and other agreements or general relationships with the public where attempts to resolve

those issues by Management Staff have failed to yield a resolution. Notwithstanding the foregoing, the Committee does not have authority to resolve:

- Matters involving train service operated by ARRC and rates charged for such service, which matters are regulated exclusively by the Surface Transportation Board (STB) or are statutorily defined in AS 42.40.
- Matters involving safety related to railroad operations, which matters are regulated by the Federal Railroad Administration (FRA) and/or the Occupational Health & Safety Administration (OSHA).
- Matters involving existing contracts because any disputes involving such contracts must be addressed by application of the terms and conditions of those agreements (e.g., binding arbitration of rent disputes pursuant to ground leases and/or default provisions of the contracts).
- Matters that require action by the full Board to provide a resolution pursuant to statute or ARRC Board Rules or Bylaws, provided that the Committee may refer such matters to the Board with the Committee's recommendation as to whether an action should be taken.

Second, the Committee identifies recurring categories of issues between ARRC and its customers, members of the public and communities that suggest a need to establish new or modified ARRC policies and practices addressed to such matters. The Committee seeks to develop information relevant to considering such issues and to provide the full Board with guidance and suggestions for addressing such matters given ARRC's mission, policies and business practices.

Process

Meetings of the Committee are called by the Board Chair. The frequency and timing of such meetings are at the Board Chair's discretion based on identification of matters potentially within the purview of the Committee. Such matters may be identified by the Committee during its discussions or in conjunction with requests from ARRC customers, members of the public, public officials, Board members, or Senior Management staff to have a matter considered by the Committee.

The Committee only considers matters relating to specific actions or issues involving external parties if such matters have first been fully considered and acted upon by Management Staff. Any such matters must first be considered by the Department Head for the ARRC Department responsible for the underlying action or decision relating to the external party. Matters must be submitted to the Department Head within 60 days of the action or decision being challenged. The Department Head will consider the matter and issue a written decision describing the matter in question within 30 days of the third party's request that explains the Department Head's determination of the matter and the reasons therefor. If the external party is dissatisfied with the determination of the Department Head, the external party may request, within 30 days of the Department Head's determination, that the President and Chief

Executive Officer (CEO) reconsider that determination. The CEO, in consultation with any Senior Management Staff of their choosing, will consider the matter and issue a written decision describing the CEO's determination of the matter and the reasons therefor. The CEO will endeavor to issue such decision within 60 days of receiving the reconsideration request, but will not be required to do so if that is not reasonably possible in light of their duties with respect to other ARRC matters. In the latter case, the CEO will issue their decision as soon as is reasonably possible under the circumstances. If the external party is dissatisfied with the determination of the CEO, the external party may request, within 30 days of the CEO's determination, that the Committee reconsider the CEO's determination. The decision as to whether the Committee will reconsider a determination of the CEO under the foregoing process is at the sole discretion of the Board Chair. The Committee will respond to the requestor within 30 days of the receipt of the request with respect to whether the Committee will consider the request. The foregoing process does not apply to requests from Board members or Senior Management Staff that the Committee consider particular matters or issues.

Any request for consideration by the Committee of a matter must describe such matter in sufficient detail to allow the Committee to understand, consider and issue a determination regarding the matter. With respect to requests that the Committee reconsider decisions of the CEO, the requesting party must explain in its request why they contend that the CEO's decision was incorrect or inappropriate.

Meetings of the Committee are conducted by the Board Chair or their designated Committee Chair. With respect to matters involving reconsideration of a decision by the CEO, the Committee provides opportunities for both the requesting party and the CEO or their designee(s) to present their positions. Each party has 15 minutes to present their position, provided that the Committee Chair may extend those presentation times at their discretion to ensure that the Committee has an adequate opportunity to consider the matter. The Committee may decide any matters within its authority at the meeting or may take such matters under advisement. Matters within the Committee's authority consist of those that have been delegated to staff and therefore do not require Board action under applicable statutes and/or Board Rules. With respect to any matter within the Committee's authority and upon which it reaches a consensus, the Committee issues a written determination as to disposition of the matter and transmits it to both the external party and Senior Management Staff. If the Committee cannot reach consensus on a matter within its authority, it may, upon the request of at least one Committee member, refer the matter to the full Board along with an explanation of the Committee members' respective recommendations. With respect to matters requiring action of the full Board, the Committee refers such matters, along with any recommendations the Committee sees fit, to the full Board, which may or may not act thereon at its discretion.

Meetings of the Committee are not open to the general public, provided that external third parties are entitled to attend appropriate portions of the Committee meeting at which a matter specifically involving them is considered. The Committee maintains meeting notes, which are submitted to the Board upon its request, and reports a summary of its meetings to the Board at its next regularly-scheduled general meeting. Such meeting notes may be designated as confidential to the extent matters reported therein are confidential, proprietary and/or privileged.