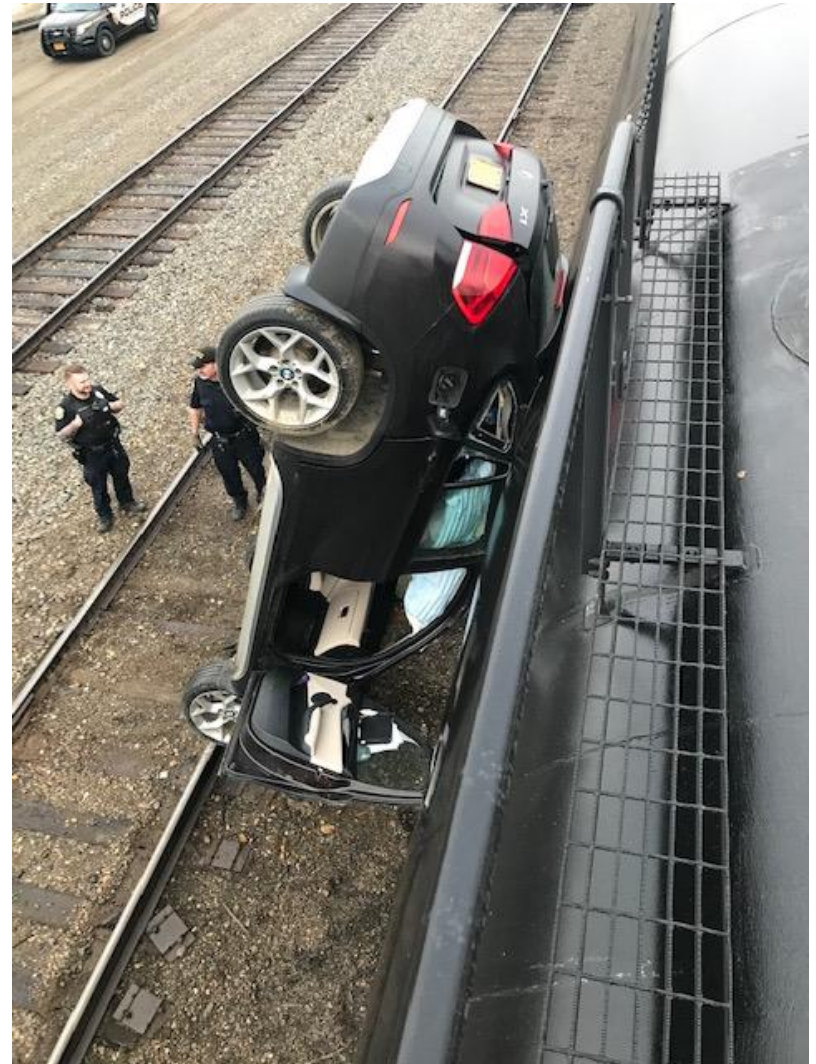




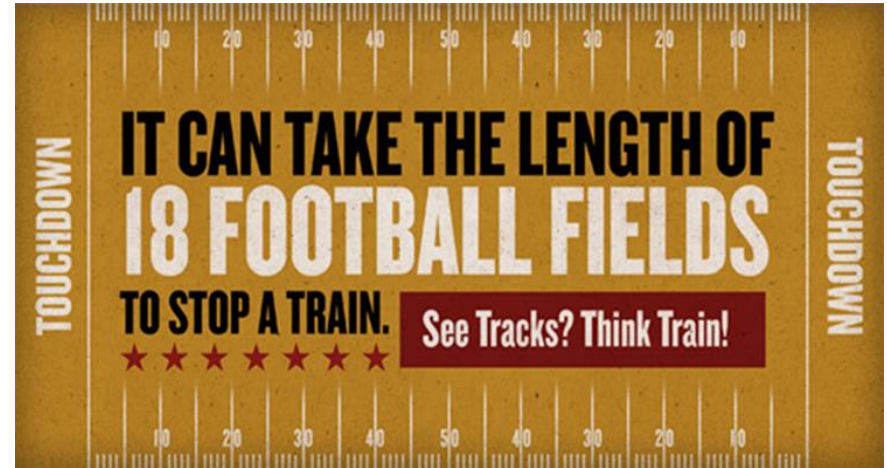
Weathering the Storm

AlaskaRailroad.com

> Safety Minute



➤ Safety Minute



Quick Facts

Organization (following State purchase)

- Independent corporation owned by State
- Managed by a seven-member board of directors appointed by Governor
- Mandated to be self-sustaining, responsible for financial and legal obligations

Operating Data

- 656 Total miles of track
- 748 Freight cars (owned & leased)
- 45 Passenger cars
- 51 Locomotives

2020 Operating Statistics

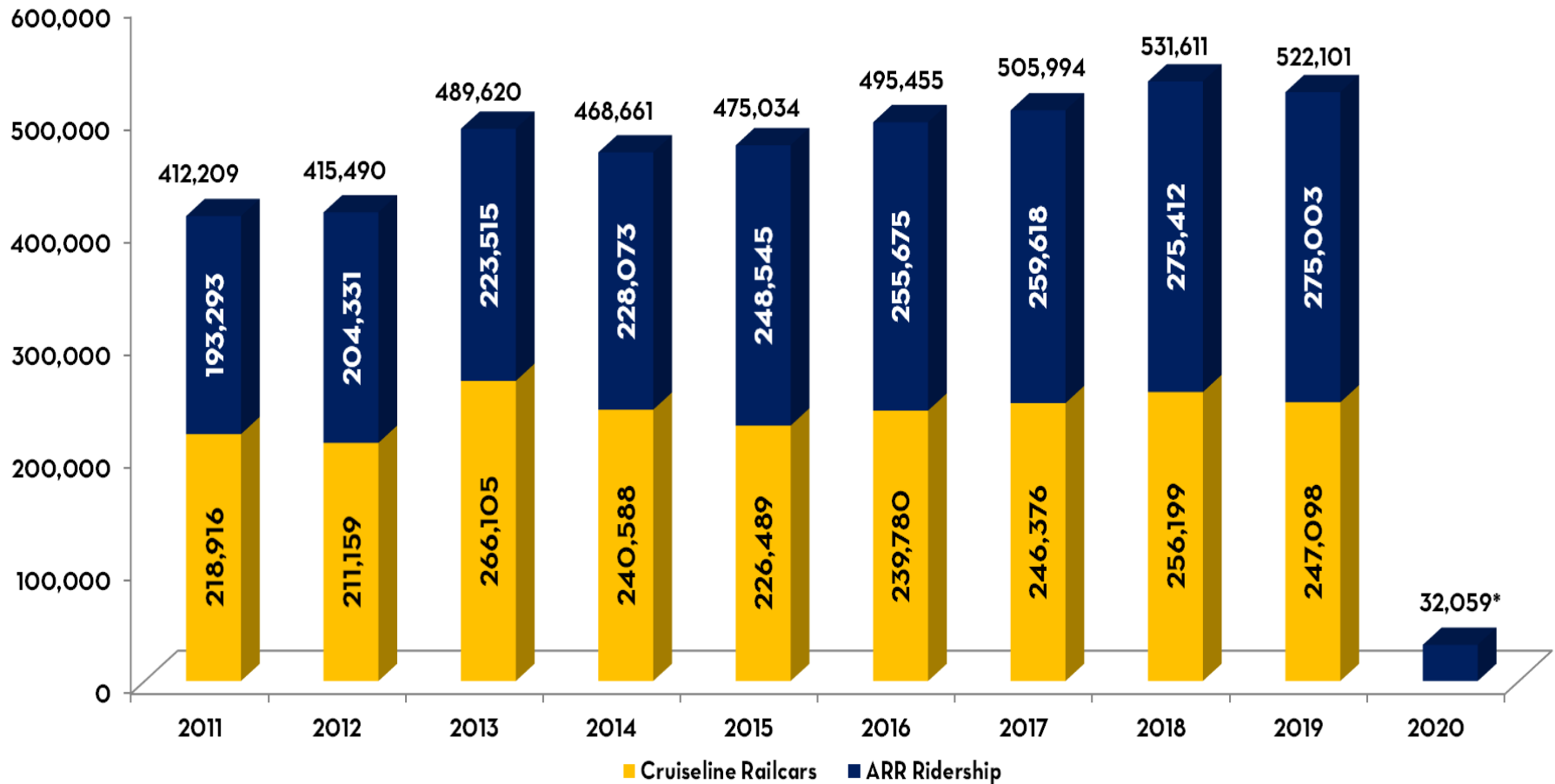
- 32,059 passengers
- 2.6 million tons of freight

Employees (January 2021)

- 583 full-time year-round employees
- 390 members of 5 unions



Passenger Operations



*Estimated - Unaudited

➤ 2021 Summer Passenger Operations

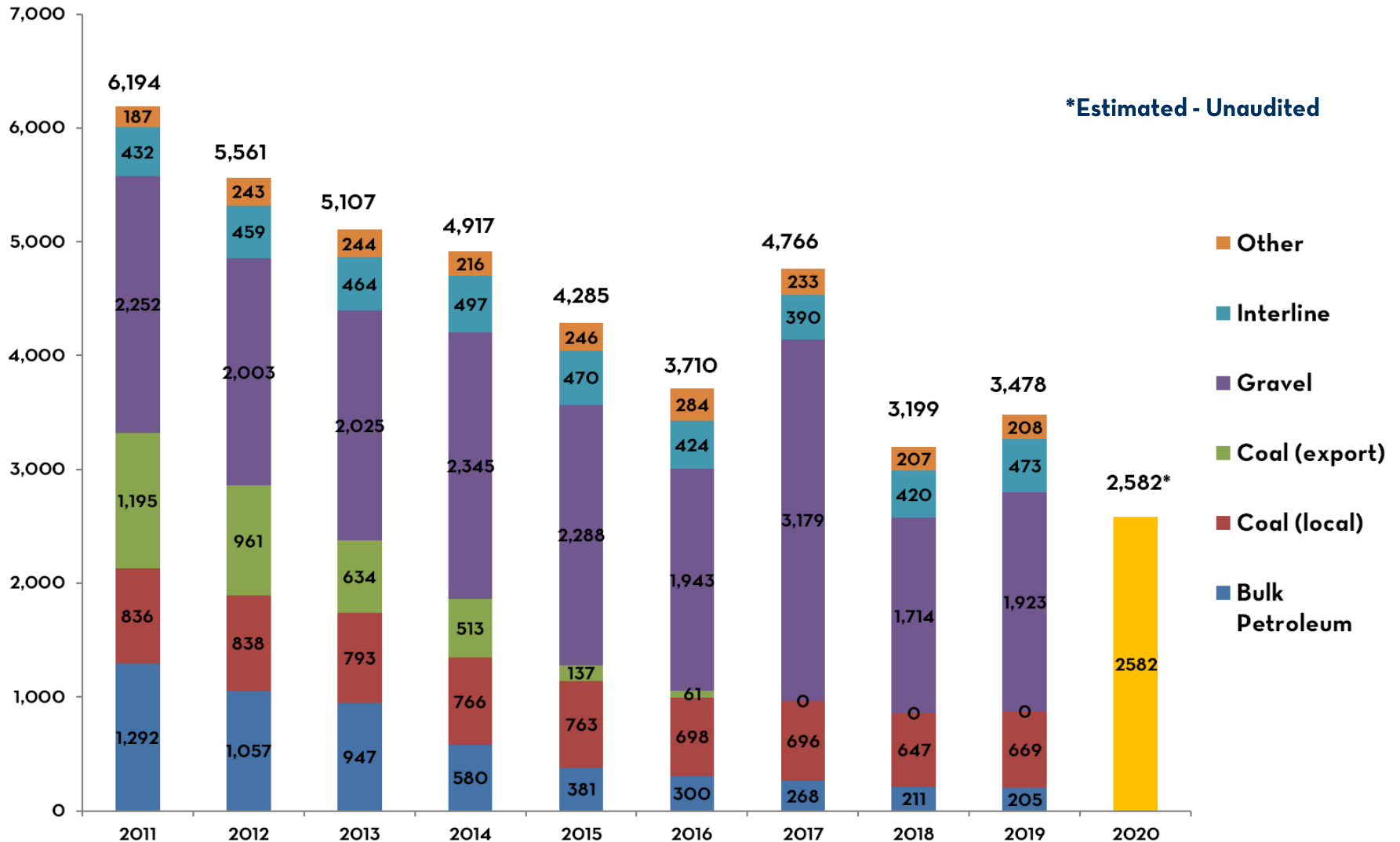
- **Coastal Classic Train**
 - Anchorage – Seward
 - May 29 – Sept. 6, 2021: Daily roundtrip service

- **Glacier Discovery Train**
 - Anchorage – Girdwood – Whittier – Portage – Spencer
 - May 29 – June 4, 2021: Daily roundtrip service
 - Anchorage – Girdwood – Whittier – Portage – Spencer – Grandview
 - June 5 – Sept. 6, 2021: Daily roundtrip service

- **Denali Star Train**
 - Anchorage – Wasilla – Talkeetna – Denali – Fairbanks
 - May 29 – Sept. 5, 2021
 - Northbound: Sunday, Tuesday, Thursday, Saturday
 - Southbound: Sunday, Monday, Wednesday, Friday
 - Combined with Hurricane Turn Flagstop service

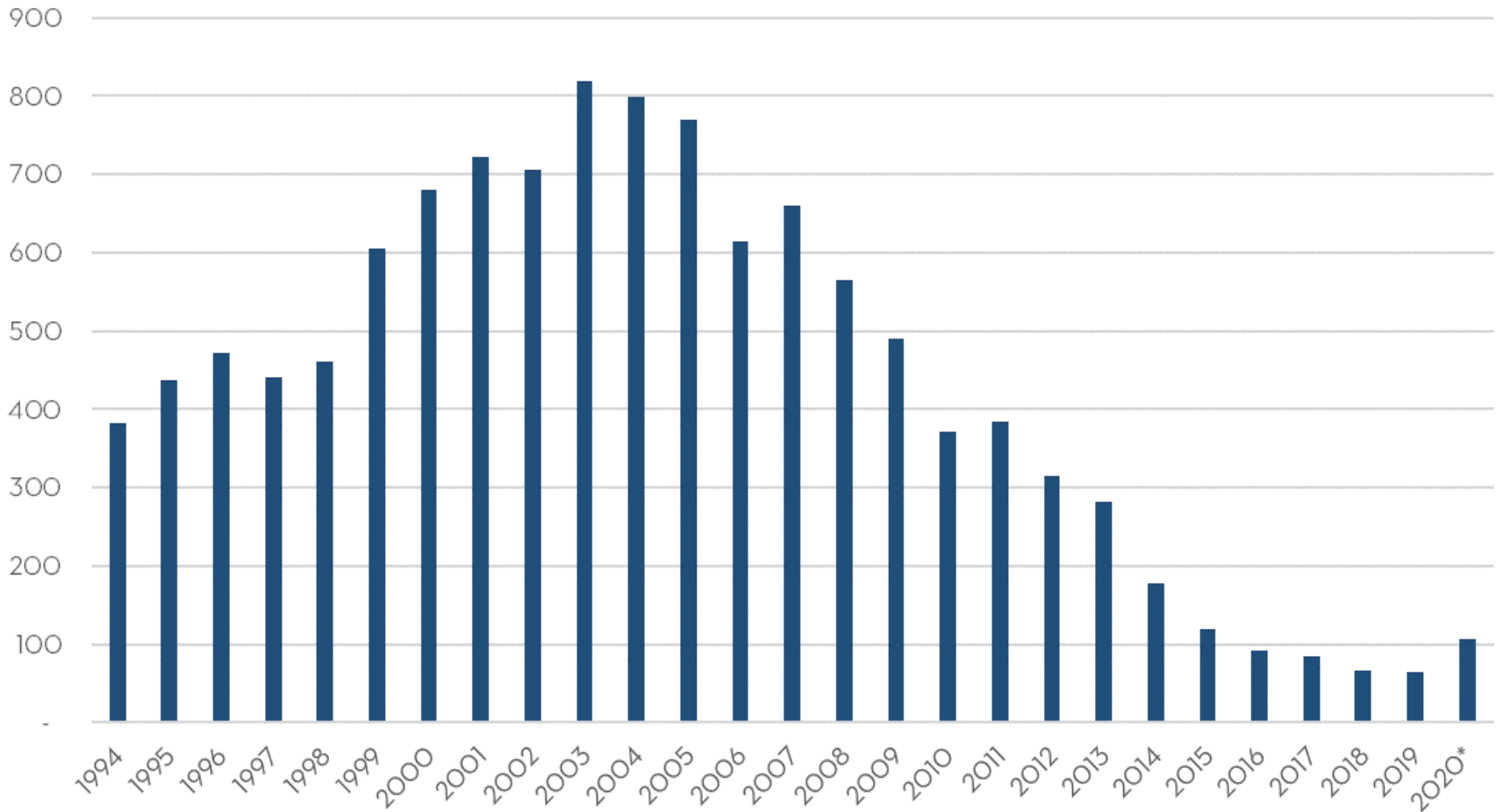
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Northbound	↑		↑		↑		↑
Southbound	↓	↓		↓		↓	

Freight Operations



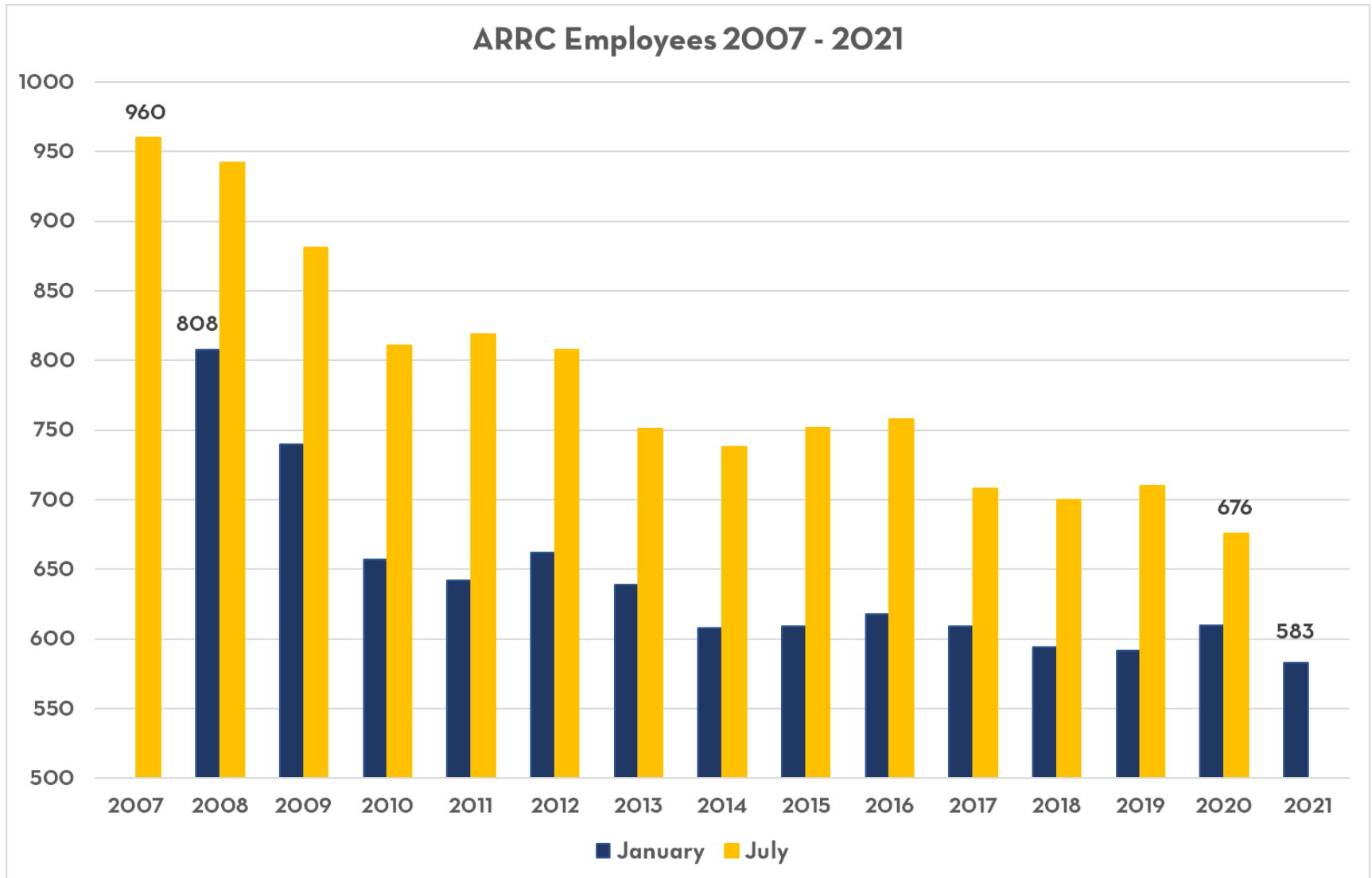
➤ Petroleum Shipments

Millions of Gallons Shipped 1994 - 2020
Mapco, Williams Petroleum, Flint Hills Resources, and Petro Star



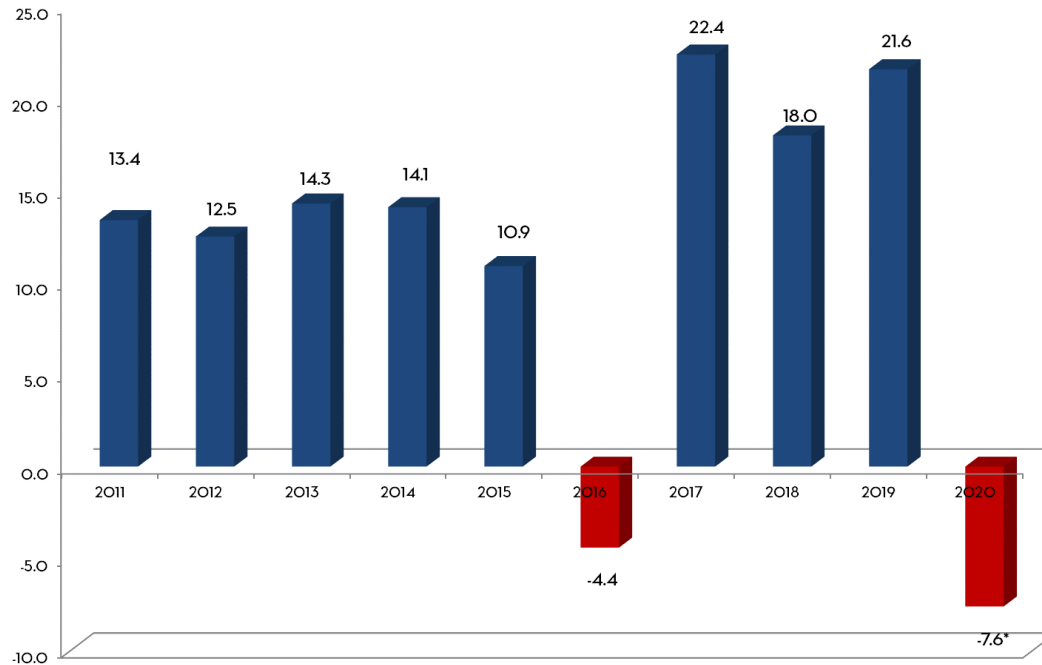
*Estimated - Unaudited

Employee Reductions



> The Bottom Line

Net Income in \$ Millions



2020 Financial Stats*

Revenue - \$150.7 Million

Net Loss - \$7.6 Million

Working Capital in \$ Millions

\$112.1

Dec. 2019

\$54.6

Dec. 2020*

*Estimated - Unaudited

Five Year Capital Plan – Funding Sources

Fund Source	2021	2022	2023	2024	2025
FTA Formula Funds for projects	\$ 26,090,319	\$ 26,541,035	\$ 28,515,887	\$ 28,943,625	\$ 29,377,779
Other Federal Grants	\$ 11,341,801	\$ 26,102,462	\$ 1,945,696	\$ -	\$ -
CARES Act Funded Projects	\$ 20,453,260	\$ 25,742,737	\$ -	\$ -	\$ -
Estimated Funds from Internal Cash flow	\$ 7,716,645	\$ 14,719,313	\$ 21,039,690	\$ 26,715,631	\$ 30,578,101
Prior Year FTA Funds not allocated or rolling over	\$ 933,297	\$ -	\$ -	\$ -	\$ -
Total Capital Budget	\$ 66,535,322	\$ 93,105,547	\$ 51,501,273	\$ 55,659,256	\$ 59,955,880

- Other sources of funds may be added to the Fund Source list during this 5-year period as they become available for large projects
- Debt Financing may also be considered for certain needs that lend themselves well to debt financing, such as replacement of vehicles, equipment, and rail cars

Five Year Capital Plan – CARES Act Funds

FTA CARES Act Funded Program	2021	2022	2023	2024	2025	5-Year Total
FTA CARES funds Available	\$ 93,585,667	\$ 49,763,938	\$ -	\$ -	\$ -	\$ 93,585,667
Operating Assistance Reimbursement	\$ 8,761,085	\$ 8,761,085	\$ -	\$ -	\$ -	\$ 17,522,170
Preventive Maintenance Reimbursement	\$ 14,213,640	\$ 15,260,116	\$ -	\$ -	\$ -	\$ 29,473,756
COVID-19 Expenses Reimbursement	\$ 393,744	\$ -	\$ -	\$ -	\$ -	\$ 393,744
Total Programmed items	\$ 23,368,469	\$ 24,021,201	\$ -	\$ -	\$ -	\$ 47,389,670
FTA CARES Act Funded Capital Projects						
FTA CARES funds available for projects	\$ 70,217,198	\$ 25,742,737	\$ -	\$ -	\$ -	\$ 46,195,997
Signal Program	\$ 1,368,600	\$ -	\$ -	\$ -	\$ -	\$ 1,368,600
Telecommunications Program	\$ 529,250	\$ -	\$ -	\$ -	\$ -	\$ 529,250
Technology Program	\$ 1,040,700	\$ 570,000	\$ -	\$ -	\$ -	\$ 1,610,700
Passenger Rehabilitation Program	\$ 1,645,250	\$ -	\$ -	\$ -	\$ -	\$ 1,645,250
Track Rehabilitation Program	\$ 14,719,460	\$ 17,565,610	\$ -	\$ -	\$ -	\$ 32,285,070
Bridge Rehabilitation Program	\$ -	\$ 5,591,885	\$ -	\$ -	\$ -	\$ 5,591,885
Covid Mitigation	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Portage Station Improvements	\$ -	\$ 1,115,242	\$ -	\$ -	\$ -	\$ 1,115,242
Operations Support Facilities	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000
Transit Asset Management	\$ 500,000	\$ 900,000	\$ -	\$ -	\$ -	\$ 1,400,000
Total CARES Act Funded Capital Projects	\$ 20,453,260	\$ 25,742,737	\$ -	\$ -	\$ -	\$ 46,195,997

➤ Seward Passenger & Freight Docks



Passenger Dock

- Built in 1966
- Usable to 2024/2025
- Maintenance \$500K - \$1 million/Year
- 200,000+ visitors in 2019
- 96 Berth Days, 14 Double Days
- \$60+ million replacement cost



Freight Dock

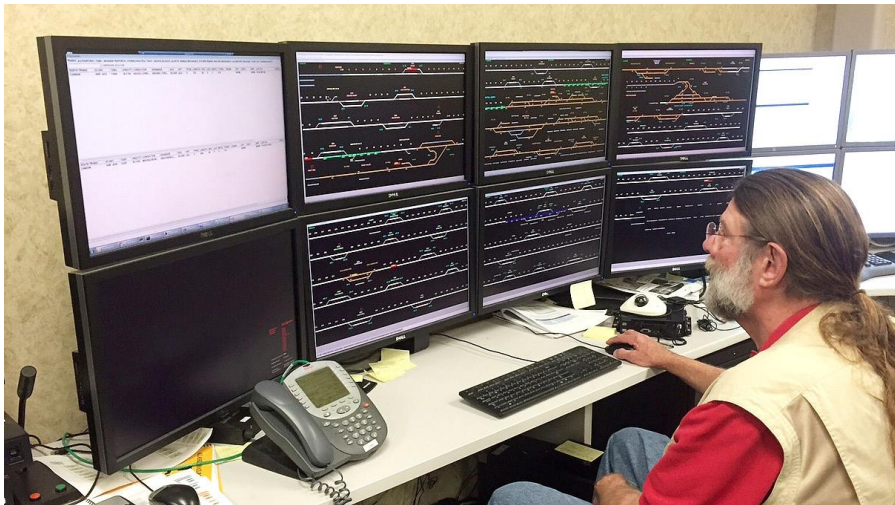
- \$19.8 Million Federal PIDP Grant
- 25% ARRC Match
- Lengthen to accommodate longer / multiple ships

➤ Positive Train Control



A new communication site is completed on Bald Mountain in 2016.

- Federally Mandated Safety Program
- Met December 2020 Deadline
- \$176 Million Installation Costs
 - \$34 Million from SOA
 - \$10 - \$12 Million in On-Going Annual Costs

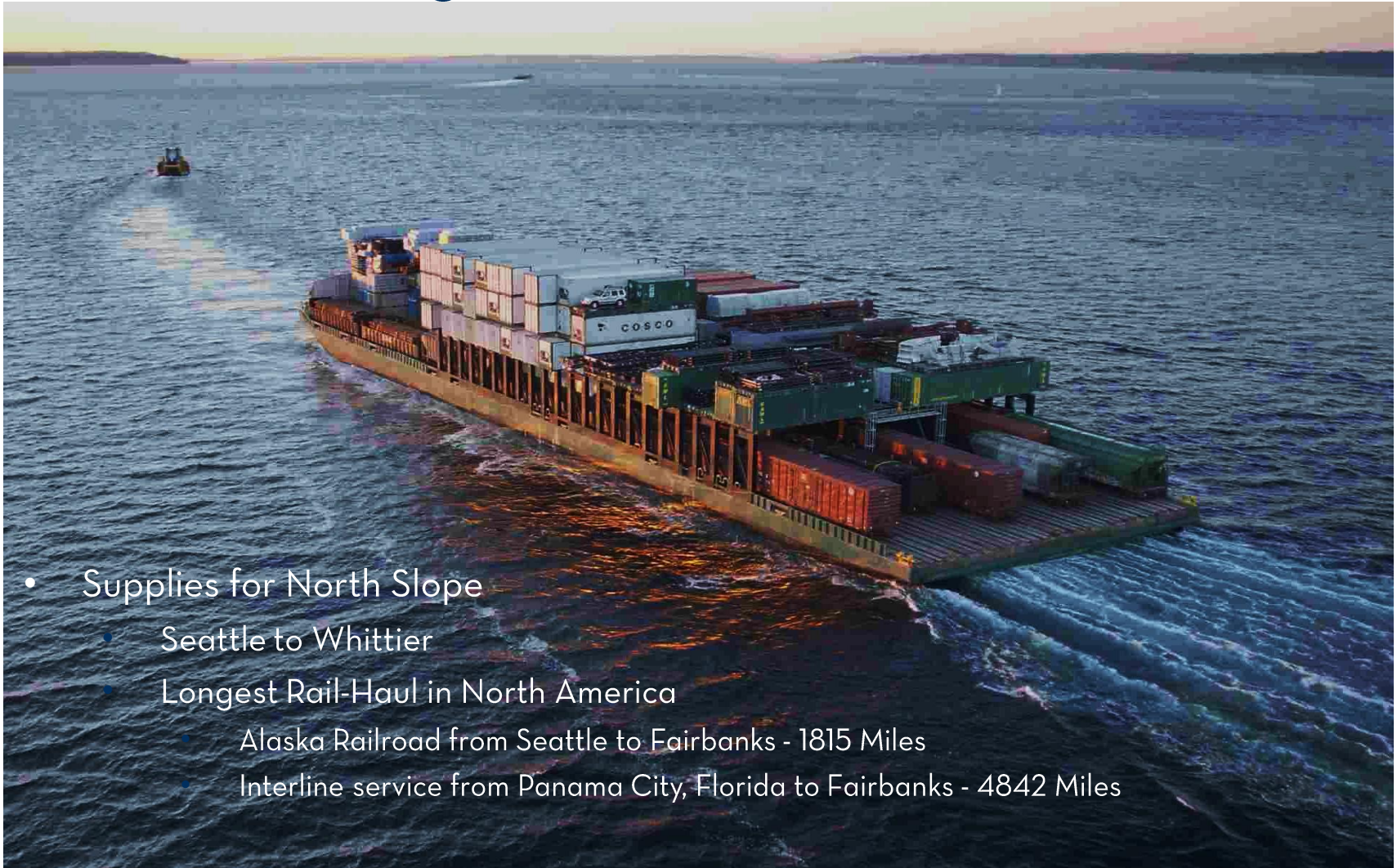


Office segment control and monitoring is tested in the PTC Lab.



Wayside equipment at Curry is housed in shelters and powered by solar and solid oxide fuel cell technology.

➤ Interline Barge Service



- Supplies for North Slope
 - Seattle to Whittier
 - Longest Rail-Haul in North America
 - Alaska Railroad from Seattle to Fairbanks - 1815 Miles
 - Interline service from Panama City, Florida to Fairbanks - 4842 Miles

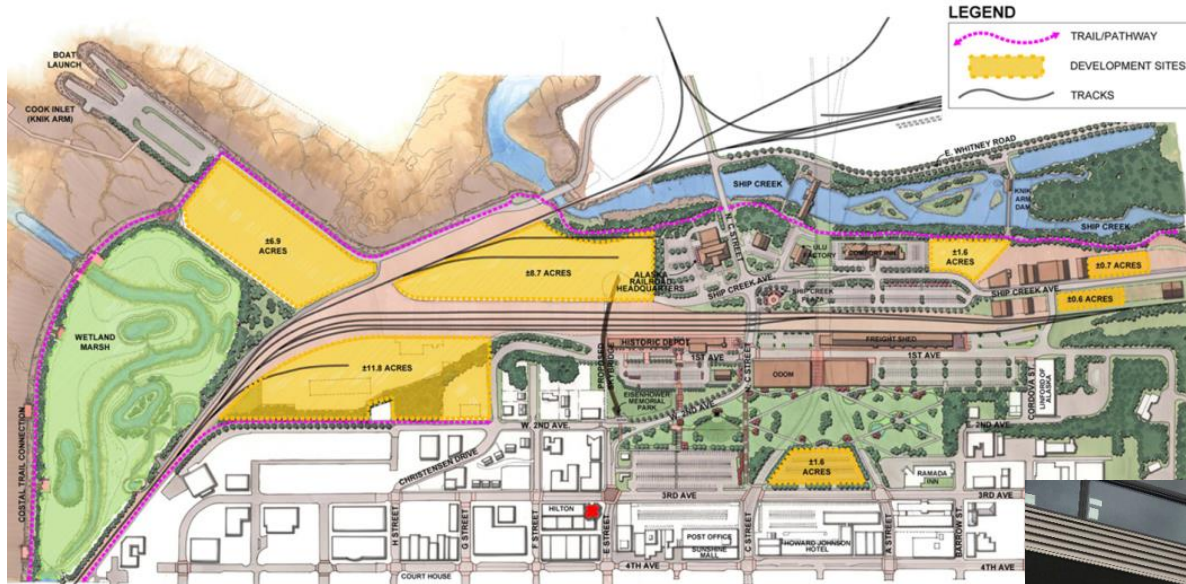
Recent Land Sales



- Tri-Valley Subdivision
- Otto Lake
- Chena Landings
- Port of Alaska, Anchorage
- Neighborworks
- Whittier Manor



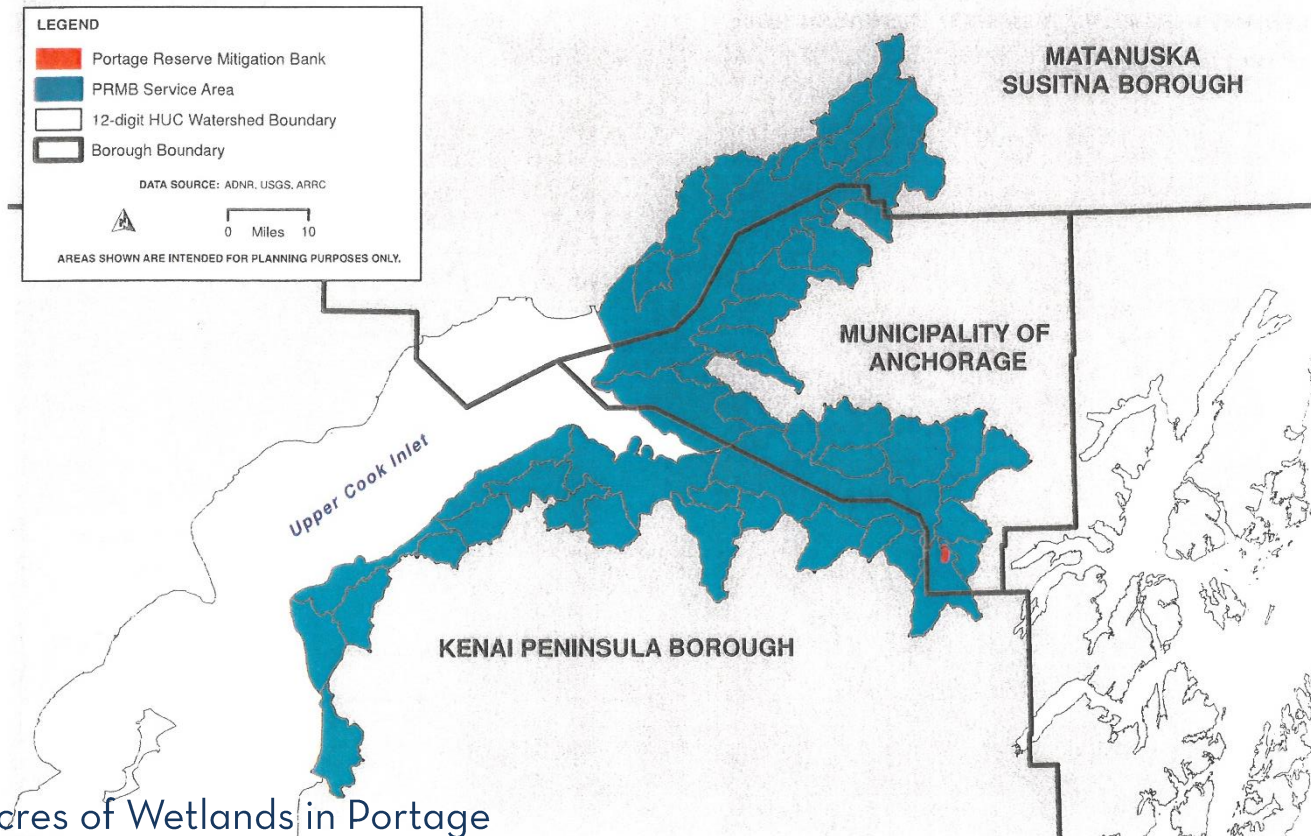
Ship Creek Development



- Edge Condominiums
- 49th State Brewery
- Knik Arm Power Plant



Wetlands Mitigation Bank



- 250 Acres of Wetlands in Portage
- 149 Credits
- Reduce construction expenses for ARRC and other agencies such as DOT
- 3 years to develop

➤ Alaska to Alberta

- Signed agreement with A2A
- 460 process
- Presidential Permit



➤ Gearing up for 2021...



- Despite challenges, the Railroad will continue moving forward
 - Critical piece of transportation infrastructure in a state woefully lacking in such infrastructure
- Almost all large development projects in Alaska will need the Railroad
 - Gasline variations
 - Mining
- Alaska needs a strong Alaska Railroad

➤ ARRC Centennial - 2023



WATCH THIS SPACE

▶ THANK YOU

