

SB

235

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/6/00

FURTHER:

REPORTED OUT OF
SFC 4/11/00

DATE TURNED
IN TO OFFICE: 4/11/00

Finance Committee considered

SENATE BILL NO. 235

APPROVING TRANSFER OF RAILROAD LAND

and recommends:

- be replaced with _____ CS SB 235 (Fin)
- adopt previous _____ (_____)
- attached amendment(s) CS Fort Morris
- adopt Letter of Intent by _____
- further referral to the _____ Committee

Senate Bill:

- same title
 - new title
- House Bill:
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>L. A. Green</i>	✓	<i>Ball & Ball</i>	✓		
<i>John Kelly</i>	✓	<i>Carroll</i>	✓		
<i>Brian D. Quinn</i>	✓				
<i>Ed Clark</i>	X				
<i>Gary White</i>	✓				
Co-Chair: <i>A. Ferguson</i>	✓	Co-Chair:			
Co-Chair: <i>Sean Connell</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

<i>All Railroad</i>	<i>2/14/00</i>	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

REPORTED OUT OF
SFC 4/1/00

FISCAL NOTE

No. L
Bill Version: CSSB 235(TRA)
(S) Publish Date: 3/3/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected _____
Title Track Realignment BRU _____
Component _____
Sponsor Senator Loren Loman
Requester ARRC Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSSB 235 will create no fiscal impact to the state's general fund or to the Alaska Railroad Corporation (ARRC). The ARRC will convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson, Eklutna, Inc. and other entities. No funds will be exchanged between the parties in this land trade legislation.

Prepared by: Wendy Lindskoog Phone 265-2468
Division _____ Date/Time 2/11/00 6:35 PM
Approved by Commissioner [Signature] Date 2/14/00
Agency _____

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1-LS1282AS
Utermohle
4/8/00

CS FOR SENATE BILL NO. 235()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS LEMAN, Wilken, Taylor

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the exchange of land between the Alaska Railroad
2 Corporation and Eklutna, Inc., between the Alaska Railroad Corporation and the
3 United States Department of the Army and the United States Department of the
4 Air Force, between the Alaska Railroad Corporation and Chugach Alaska
5 Corporation, and between the Alaska Railroad Corporation and the Municipality
6 of Anchorage; authorizing the transfer of land between Alaska Railroad mileposts
7 133 and 134 from the Alaska Railroad Corporation to certain named individuals;
8 relating to transfers of public land or grants or conveyances of interest in public
9 land among the Alaska Railroad Corporation, the Department of Transportation
10 and Public Facilities, and the Department of Natural Resources to relocate or
11 widen the Seward Highway, to relocate railrcad facilities, and to relocate adjacent
12 utility facilities from Potter Station to Girdwood; and providing for an effective

1 date."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **Article 1. Land Exchanges Between Alaska Railroad**
4 **Corporation and Eklutna, Inc., Department of Army and**
5 **Department of Air Force, Chugach Alaska Corporation, and**
6 **Municipality of Anchorage; Transfer of Land to Certain Individuals.**

7 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new
8 section to read:

9 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO EKLUTNA, INC. (a)
10 The Alaska Railroad Corporation is authorized to convey the corporation's entire interest in
11 approximately 384 acres of rail land within Tract 39 of Dependent Resurvey of Rectangular
12 Survey of Township 15 North, Range 2 West, Seward Meridian, officially filed November 10,
13 1992, to Eklutna, Inc., in exchange for the conveyance to the corporation by Eklutna, Inc., of
14 approximately 65 acres of land adjacent to the railroad utility corridor at railroad mileposts
15 129, 130, 133, 140, 142, 146, and 151 and sufficient additional acreage east of Birchwood
16 Airport and adjacent to the railroad between miles 134.5 and 136.3 to equalize the value of
17 lands exchanged.

18 (b) The conveyances described in this section are made for the purpose of realignment
19 of railroad track to improve operating efficiency and enhance safety.

20 (c) The land conveyed by Eklutna, Inc. to the Alaska Railroad Corporation shall be
21 held and managed by the corporation in accordance with AS 42.40.

22 (d) This section constitutes legislative approval under AS 42.40.285(1) for the Alaska
23 Railroad Corporation to convey its entire interest in the land described in (a) of this section.

24 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section
25 to read:

26 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO THE UNITED
27 STATES DEPARTMENT OF THE ARMY AND THE UNITED STATES DEPARTMENT
28 OF THE AIR FORCE. (a) The Alaska Railroad Corporation is authorized to convey the
29 corporation's entire interest in approximately 229 acres of railroad utility corridor between
30 railroad mileposts 118 and 127.5, within Township 13 North, Range 3 West, Seward Meridian,

1 Township 14 North, Range 3 West, Seward Meridian, and Township 14 North, Range 2 West,
2 Seward Meridian to the United States Department of the Army and the United States
3 Department of the Air Force in exchange for the conveyance of approximately 227 acres of
4 land in the same vicinity to the corporation by the United States.

5 (b) The conveyances described in this section are made for the purpose of realignment
6 of railroad track to improve operating efficiency and enhance safety.

7 (c) The land conveyed by the United States to the Alaska Railroad Corporation shall
8 be held and managed by the corporation in accordance with AS 42.40.

9 (d) This section constitutes legislative approval under AS 42.40.285(1) for the Alaska
10 Railroad Corporation to convey its entire interest in the land described in (a) of this section.

11 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section
12 to read:

13 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO CHUGACH ALASKA
14 CORPORATION. (a) Contingent upon the conveyance to the Alaska Railroad Corporation
15 by the Chugach Alaska Corporation of an equivalent interest in real property onto which the
16 railroad utility corridor may be relocated, the Alaska Railroad Corporation is authorized to
17 convey the corporation's entire interest in approximately 6.4 acres of railroad utility corridor
18 between railroad mileposts 14 and 15, within Township 2 North, Range 1 East, Sections 6 and
19 7, Seward Meridian, to the Chugach Alaska Corporation.

20 (b) The conveyances described in this section are made for the purpose of realignment
21 of the railroad to allow relocation of the Seward Highway by the Department of
22 Transportation and Public Facilities to improve highway operations and enhance safety.

23 (c) Land conveyed by the Chugach Alaska Corporation to the Alaska Railroad
24 Corporation shall be held and managed by the Alaska Railroad Corporation in accordance with
25 AS 42.40.

26 (d) This section constitutes legislative approval under AS 42.40.285(1) for the Alaska
27 Railroad Corporation to convey its entire interest in the land described in (a) of this section.

28 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section
29 to read:

30 APPROVAL OF THE TRANSFER OF CERTAIN REAL PROPERTY WITHIN THE
31 MUNICIPALITY OF ANCHORAGE. (a) Contingent upon the approval of the conveyance

1 of affected municipal park land by the voters of the Municipality of Anchorage, the Alaska
2 Railroad Corporation is authorized to convey the corporation's entire interest in

3 (1) approximately 4.5 acres of railroad utility corridor between railroad
4 mileposts 133 and 134, within Township 15 North, Range 2 West, Sections 13 and 24, Seward
5 Meridian, to the Municipality of Anchorage in exchange for the conveyance of approximately
6 13.6 acres of land in the same vicinity to the corporation by the Municipality of Anchorage;

7 (2) approximately 5.1 acres of railroad utility corridor between railroad
8 mileposts 133 and 134, within Township 15 North, Range 2 West, Sections 13 and 24, Seward
9 Meridian, to Richard and Carol Drebert, Harry and Simone Thomson, and Richard Moore or
10 their personal representatives, successors, or assigns; each to receive that portion of the
11 railroad utility corridor immediately adjacent to their respective parcels of land.

12 (b) The conveyances described in this section are made for the purpose of realignment
13 of railroad track to improve operating efficiency and enhance safety.

14 (c) The land conveyed by the Municipality of Anchorage to the Alaska Railroad
15 Corporation shall be held and managed by the corporation in accordance with AS 42.40.

16 (d) This section constitutes legislative approval under AS 42.40.285(1) for the Alaska
17 Railroad Corporation to convey its entire interest in the land described in (a) of this section.

18 **Article 2. Potter Station to Girdwood.**

19 * Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section
20 to read:

21 **FINDINGS AND POLICY REGARDING CHUGACH STATE PARK.** (a) The
22 legislature finds that

23 (1) the Seward Highway within the Chugach State Park from Potter Station to
24 Girdwood is the sole highway link between the Kenai Peninsula and the rest of this state, an
25 interstate highway on the national highway system, and a national scenic byway;

26 (2) the Seward Highway within the Chugach State Park is affected by
27 avalanches and other potential operational problems;

28 (3) relocation or widening of the Seward Highway to avoid some of the
29 operational problems will require relocation of some adjacent railroad and utility facilities; and

30 (4) relocation of railroad facilities within the Chugach State Park will allow
31 some areas of the railroad track to be straightened.

1 (b) It is the policy of the state that relocation or widening of the Seward Highway or
2 relocation of railroad facilities within the Chugach State Park is appropriate and may be
3 accomplished without significantly adversely affecting the purposes for which Chugach State
4 Park was established.

5 * Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 CHUGACH STATE PARK LAND TRANSFERS AND CONVEYANCES. (a)
8 Notwithstanding AS 41.21.120 - 41.21.125, the commissioner of natural resources may, for
9 the purpose of relocation or widening of all or portions of the Seward Highway or relocation
10 of railroad facilities within the Chugach State Park, and upon a finding by the commissioner
11 that any grant or conveyance for that purpose would not significantly adversely affect the
12 purposes for which the Chugach State Park was established,

13 (1) grant a highway easement to the Department of Transportation and Public
14 Facilities;

15 (2) convey a property interest in land to the Alaska Railroad Corporation to
16 allow relocation of the Alaska Railroad;

17 (3) grant utility easements; and

18 (4) receive land or interests in land in exchange for land or interests in land
19 granted or conveyed under (1), (2), or (3) of this subsection.

20 (b) A grant or conveyance made under (a) of this section may not exceed the interest
21 needed to relocate or widen the Seward Highway or relocate railroad facilities within the
22 Chugach State Park and to construct, repair, and maintain the relocated or widened highway
23 and the relocated railroad or utility.

24 (c) A property interest conveyed to the Alaska Railroad Corporation under (a)(2) of
25 this section shall be held and managed by the corporation in accordance with AS 42.40.

26 (d) Land or an interest in land received by the commissioner under (a)(4) of this
27 section shall be designated as part of Chugach State Park.

28 * Sec. 7. The uncodified law of the State of Alaska is amended by adding a new section
29 to read:

30 ALASKA RAILROAD LAND TRANSFERS AND CONVEYANCES.

31 Notwithstanding AS 42.40.285, the Alaska Railroad Corporation may, for the purpose of the

1 relocation or widening of the Seward Highway or relocation of Alaska Railroad facilities
2 within the Chugach State Park, and relocation of adjacent utility facilities, transfer land or
3 convey interests in land in exchange for land or interests in land conveyed to the corporation.

4 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 IDENTIFICATION OF STATE PARK LAND OR INTERESTS IN LAND BEING
7 TRANSFERRED OR CONVEYED UNDER SECTIONS 5 - 7 OF THIS ACT. By the first
8 day of the First Regular Session of the Twenty-Second Alaska State Legislature, or as soon
9 as possible after that date, the governor shall

10 (1) identify any land being transferred under secs. 5 - 7 of this Act that
11 requires amendment to statutes describing the Chugach State Park; and

12 (2) submit to the legislature any legislation needed to make those statutory
13 amendments.

14 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).

Senator Loren Leman

DIFFERENCES BETWEEN CS SB235 (TRA) (1-LSN1282N) AND CS SB235 () (1-LSN1282S)

Note: Page and line numbers refer to CS SB235 () (1-LSN1282S)

- Page 1, line 8

New language added:

relating to transfers of public land or grants or conveyances of interest in public land among the Alaska Railroad Corporation, the Department of Transportation and Public Facilities, and the Department of Natural Resources to relocate or widen the Seward Highway, to relocate railroad facilities, and to relocate adjacent utility facilities from Potter Station to Girdwood; and providing for an effective date.

Explanation: this added language allows for the exchanges of property interests between the Alaska Railroad Corporation, the Department of Transportation and Public Facilities, and the Department of Natural Resources for the purpose of relocating or widening the Seward Highway from Potter Station to Girdwood.

- Adds Section 5, page 4, line 19

Explanation: section 5 discusses the importance of the Seward Highway as the sole highway link between the Kenai Peninsula and the rest of the state. Certain portions of the highway within the Chugach State Park are affected by avalanches and other potential operational problems, thus making it necessary to relocate and widen the Seward Highway. Certain portions of adjacent railroad and utility facilities must also be relocated making straightened track also possible.

- Adds Section 6, page 5, line 5

Explanation: this section gives legislative approval to the Commissioner of the Department of Natural Resources to modify the boundaries of Chugach State Park for the purpose of the relocating or widening of the Seward Highway. The grants and conveyances may not exceed that needed for the widening and relocation project within the Park. The land received by the Commissioner will then be designated as part of Chugach State Park.

- Adds Section 7, page 5, line 28

Explanation: this section allows the Alaska Railroad Corporation to exchange land or interests in land for land conveyed to the corporation for the purpose of relocating or widening the Seward Highway or relocating Alaska Railroad facilities within the Chugach State Park.

- Adds Section 8, page 6, line 4

Explanation: this section requires that the governor identify any land being transferred under sections 5 – 7 of this Act that necessitates change to current statute dealing with Chugach State Park. It also requires the governor to submit to the legislature the necessary legislation to make those statutory amendments.

- Adds Section 9, page 6, line 14

Explanation: this section provides an immediate effective date.

During Session, January - May:
State Capitol, Room 115
Juneau, Alaska 99801
(907) 465-2095
465-3810 FAX

During Interim, June - December:
716 W 4th Ave, Suite 520
Anchorage, Alaska 99501
(907) 269-0240
269-0242 FAX

Senator Loren Leman

Sponsor Statement for CSSB 235 () (Draft 1-LS1282\S)

CSSB 235 () authorizes the Alaska Railroad Corporation (ARRC) to enter into several land exchange and transfer agreements needed for a track upgrade and realignment project between Anchorage and Wasilla, and a highway project near Seward. It also gives the Commissioner of the Department of Natural Resources (DNR) authority to relocate, manage and modify existing right of ways for the ARRC and highway utilities within the Chugach State Park.

The ARRC wants to improve the safety and efficiency of its operations by upgrading and realigning its track to reduce 70 sharp curves between Anchorage and Wasilla. To accomplish this, ARRC needs legislative approval under AS 42.40.285 to convey the Corporation's interest in selected lands to certain private landowners, and to exchange several parcels of land with the Air Force and Army on Elmendorf and Fort Richardson; Eklutna, Inc.; and the Municipality of Anchorage. The legislation also authorizes a land exchange with the Chugach Alaska Corporation for the Department of Transportation and Public Facilities' highway relocation project near Seward.

Straighter track is inherently safer due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirements. Realignment of the track to reduce curvature will decrease the running time between Anchorage and Wasilla from 95 minutes to less than 55 minutes. This makes future rail commuter service between Anchorage and Mat-Su more viable, which could lead to a reduction in traffic growth on the highway. Ultimately, fewer automobiles will reduce the impact on the Glenn and Parks Highways and may lessen some demand for future road maintenance and capital improvements.

The track upgrade and realignment will also reduce train gridlock, create more jobs for Alaskans through additional freight and passenger service, and build a better infrastructure to support future economic development in Alaska. Communities neighboring the Alaska Railroad will benefit from upgrades to vehicle crossings and additional public access amenities designed to enhance safety and access across the tracks. Service to the northern end of the railbelt will be improved.

The proposed track improvements are supported by the Alaska State Chamber of Commerce, Alaska Visitors Association, Resource Development Council, Chugiak-Eagle River Chamber of Commerce, Palmer Chamber of Commerce, Wasilla Chamber of Commerce, Anchorage Economic Development Corporation, Matanuska-Susitna Convention and Visitors Bureau, Anchorage Convention and Visitors Bureau, and the City of Wasilla.

CSSB 235 () also allows the Commissioner of the Department of Natural Resources to modify the boundaries of Chugach State Park to relocate or widen the Seward Highway to reduce avalanche danger and other potential operational problems.

This legislation authorizes the Department of Natural Resources to exchange lands with the Department of Transportation and Public Facilities, the Alaska Railroad and utilities in order to modify, improve, upgrade and enhance easements, as necessary, instead of coming to the legislature for approval for each separate project.

Transfers of Park land would be contingent upon the findings of the Commissioner that the exchanges would not significantly affect the purposes of the Park. The land transfer would be limited to the amount necessary for the relocation. All new lands received in exchange for former parkland would become part of Chugach State Park. This bill will provide for the continued upgrading and increased safety along one of our state's most traveled highways.

Prepared by Whitney Highland, Office of Senator Loren Leman (465-3723)
Last updated: April 10, 2000

During Session, January - May:
State Capitol, Room 115
Juneau, Alaska 99801
(907) 465-2095
465-3810 FAX

During Interim, June - December:
716 W 4th Ave, Suite 520
Anchorage, Alaska 99501
(907) 269-0240
269-0242 FAX

Senator Loren Leman

Sponsor Statement – CSSB 235 (TRA)

CSSB 235 (TRA) authorizes the Alaska Railroad Corporation (ARRC) to enter into several land exchange and transfer agreements needed for a track upgrade and realignment project.

The ARRC wants to improve safety and efficiency of its operations by upgrading and realigning its track to reduce 70 sharp curves between Anchorage and Wasilla. To accomplish this project, ARRC needs legislative approval under AS 42.40.285 to convey the Corporation's entire interest in selected lands to certain private landowners, and to exchange several parcels of land with the Air Force and Army on El.endorf and Fort Richardson; Eklutna, Inc.; Chugach Alaska Corporation; and the Municipality of Anchorage. The land exchanges and transfers are necessary for the ARRC's realignment project and the Department of Transportation and Public Facilities' highway relocation project near Seward.

Straighter track is inherently safer due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirements.

Realignment of the track to reduce curvature will decrease the running time between Anchorage and Wasilla from 95 minutes to less than 55 minutes. This makes future rail commuter service between Anchorage and Mat-Su more viable, which could lead to a reduction in traffic growth on the highway. Ultimately, fewer automobiles will reduce the impact on the Glenn and Parks Highways and may lessen some demand for future road maintenance and capital improvements.

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The proposed track improvements are supported by the Alaska State Chamber of Commerce, Alaska Visitors Association, Resource Development Council, Chugiak-Eagle River Chamber of Commerce, Palmer Chamber of Commerce, Wasilla Chamber of Commerce, Anchorage Economic Development Corporation, Matanuska-Susitna Convention and Visitors Bureau, Anchorage Convention and Visitors Bureau, and the City of Wasilla.

Prepared by Whitney Highland, Office of Senator Loren Leman (465-3723)
Last updated: March 6, 2000

SB 235

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 W. Ship Creek Avenue, Anchorage, Alaska 99501

March 21, 2000

The Honorable John Torgerson
Alaska State Legislature
Room 516
State Capitol
Juneau, AK 99801

Dear Senator Torgerson:

The Alaska Railroad Corporation (ARRC) recognizes the need for a legislative solution on behalf of more than 100 Healy, Alaska families. We are in support of Usibelli Coal Mine's effort to seek legislative approval to create an exception to the ARRC's real estate policies for the Tri-Valley Subdivision land in Healy.

Alaska Statute 42.40 prohibits the ARRC from selling, exchanging, or otherwise conveying its land unless the legislature approves the action. By law, the ARRC can lease land for up to 35 years, but must reserve the unilateral right to terminate any lease with a term in excess of 35 years in the event the land is ever needed for railroad use.

This termination clause is currently affecting some 120 families in the Tri-Valley Subdivision in Healy, Alaska. The longest mortgage most lenders will issue to these families is 20 years due to the termination language. Accepted banking policy precludes lenders' from issuing to sublessees a deed of trust with a maturity date that is within 10 years of the termination date of their sublease. This shorter term makes the borrower's monthly payments much higher and reduces the affordability and saleability of subdivision homes.

Usibelli Coal Mine, who leases the Healy property from the Alaska Railroad and subleases lots to residents, is currently working on an amendment to legislation in both the Senate and House Finance committees. This amendment would authorize the Railroad to lease Tri-Valley Subdivision land for a period in excess of 35 years without reserving the right to terminate the lease.

Again, the ARRC supports Usibelli's goal to attain an exemption from the 35 year lease limit. However, looking at the big picture, the Alaska Railroad would also like to work with the state legislature toward a more comprehensive solution that would allow us address other real estate concerns which arise on occasion.

We believe many of our real estate issues could be solved if the ARRC were given the authority to issue longer term leases. Residents and businesses along the rail belt would be able to qualify for more affordable mortgage rates and would gain more freedom to plan long term.

Along that line, we would like to work with legislators this summer to study issues relating to the ARRC's real estate policies. The goal would be to create legislation for the 2001 session enabling the Alaska Railroad to better address our customer's needs.

As we begin this process, it is important to note that the ARRC is approached periodically by individual leaseholders who would prefer to purchase the railroad land they currently lease. Approximately 50 percent of the Alaska Railroad's net earnings are derived from real estate leases much like other railroad's in the Lower 48. For that reason, selling Railroad land could jeopardize the ARRC's long term ability to remain a self-sustaining state corporation. We trust that this issue will be taken into account when examining the ARRC's real estate policies.

The ARRC has approximately 218 tenants. Our current policy is adequate for most of our tenants but leaves little room for flexibility. Longer lease options combined with other ideas that may surface from the study group could help the Alaska Railroad better serve Alaskans.

Sincerely,



Governor Bill Sheffield
President and CEO, Alaska Railroad Corporation

Senator Loren Leman

CSSB 235 () (Draft 1-LS1282\S) Sectional Analysis

- **Section 1:** Allows the Alaska Railroad Corporation (ARRC) to exchange land with Eklutna, Inc. to realign railroad track to improve operating efficiency and enhance safety.
- **Section 2:** Allows the ARRC to enter into a land exchange with the United States Department of the Army and the Department of the Air Force to realign the railroad track.
- **Section 3:** Allows the ARRC to exchange land with the Chugach Alaska Corporation to realign the railroad to allow relocation of the Seward Highway by the Department of Transportation and Public Facilities to improve highway operations and enhance safety.
- **Section 4:** Allows the ARRC to exchange land with the Municipality of Anchorage and convey land to certain private landowners to realign the railroad track.
- **Section 5:** Discusses the importance of the Seward Highway as the sole highway link between the Kenai Peninsula and the rest of Southcentral Alaska. Certain portions of the highway are affected by avalanches and other potential operational problems, thus making it necessary to relocate and widen the Seward Highway. Portions of adjacent railroad and utility facilities must also be relocated.
- **Section 6:** Gives legislative approval to the Department of Natural Resources to modify the boundaries of Chugach State Park to relocate or widen the Seward Highway.
- **Section 7:** Allows the Alaska Railroad Corporation to exchange land to relocate or widen the Seward Highway or relocate Alaska Railroad facilities within the Chugach State Park.
- **Section 8:** Requires the governor to identify land transferred under sections 5 – 7 of this Act that will require modifications to the statute authorizing Chugach State Park (AS 41.21.120 – 41.21.125). It also requires the governor to submit to the legislature the necessary legislation to make those statutory amendments.
- **Section 9:** Provides an immediate effective date.



HEADQUARTERS
ALASKAN COMMAND (ALCOM)
ELMENDORF AIR FORCE BASE, ALASKA 99508

July 10, 1998

The Honorable Frank Murkowski
United States Senate
SH-322, Hart Senate Office Building
Washington DC 20510-0202

Dear Senator Murkowski,

Alaska Railroad Corporation and the Alaskan Command have entered into a cooperative relationship to study the Railroad's concept for improving service between Wasilla and the Anchorage rail yard.

We believe this concept may mutually benefit both the Railroad and the Defense installations in the greater Anchorage area. Improving track alignment will allow for the desired decrease in transit times between Wasilla and Anchorage. In addition to improving railroad efficiency, any project will have as a primary goal to increase rail traffic safety measures on Fort Richardson and Elmendorf AFB.

We have established a working group to facilitate the feasibility study effort and address issues of concern raised by the Railroad and the Department of Defense. We look forward to working toward the mutual benefit of all parties.

Sincerely,

Governor Bill Sheffield
President and Chief Executive Officer
Alaska Railroad Corporation

David J. McCloud
Lieutenant General, USAF
Commander, Alaskan Command

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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-6025

September 18, 1998

Governor Bill Sheffield
President and Chief Executive Officer
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

WJS	EXECUTIVE OFFICE	PCJ
JBB	RECEIVED	JFA
GLE	OCT 15 1998	JDE
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Dear Bill,

I write now in response to the letter signed by yourself and General McCloud regarding rail traffic safety on Fort Richardson and Elmendorf Air Force Base. Despite the untimely loss of our good friend, I am encouraged by the cooperation between the Alaska Railroad and the Alaskan Command and the progress you have made towards addressing this situation. I believe the track straightening will offer significant benefits to both the military and the Anchorage and the Mat-Su Valley communities.

Thank you again for your recent visit and for your help in hosting this summer's crowd from Washington, DC.

With warmest regards,

Cordially,



TED STEVENS



10515 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 696-2828 FAX: (907) 696-2848

William J. Sheffield
Chief Executive Officer
Alaska Railroad Corporation
P.O. Box 107500
Anchorage
AK 99510

November 22, 1999

Re: Memorandum of Understanding
— August 4, 1999

Dear Governor Sheffield:

I understand that there are concerns that the anticipated land exchange will accelerate the development of Clunie Lake as a float plane base or will encourage development in conflict with the military mission on Fort Richardson. I wish to clarify the situation for the record.

Eklutna, Inc. has owned the portion of the Powder Reserve adjacent to Fort Richardson since 1993. The Alaska Railroad (ARRC) assured access across the tracks via a grade-separated crossing and agreed to pay for it in the 1987 Settlement Agreement. Nothing in the land exchange anticipated in the 1999 Memorandum of Understanding between the ARRC and Eklutna, Inc. changes either of these two facts.

A float plane base at Lake Clunie was selected by the Department of Transportation and Public Facilities under the provisions of the North Anchorage Land Agreement should that part of Fort Richardson be surplused. Eklutna already owns the southwest shoreline of Lake Clunie. However, the size, configuration, and wetlands of its holdings make it impractical to develop such a facility on Eklutna lands. We have no plans to develop a float plane base there.

Eklutna, Inc. reserves the right to develop its lands in accord with appropriate regulations. We also want to make it clear that we support the continuation of the Fort Richardson Army Base. In the event, however, that military land is surplused, Eklutna, Inc. intends to ensure that it receives the full benefit of the promises made in the North Anchorage Land Agreement.

Very Truly Yours,

George W. Easley
Chief Executive Officer
Eklutna, Inc.



HEADQUARTERS
ALASKAN COMMAND (ALCOM)
ELMENDORF AIR FORCE BASE, ALASKA 99506

JAN 20 2000

COMALCOM
9480 Pease Avenue, Suite 101
Elmendorf AFB AK 99506-2100

JAN 26 2000

The Honorable Loren Leman
Alaska State Legislature
Room 115
State Capitol
Juneau AK 99801-1182

Dear Senator Leman

In 1998, this command and the Alaska Railroad Corporation entered into a cooperative relationship to study the railroad's concept for track upgrade and realignment between Wasilla and the Anchorage rail yard. It is my understanding that because aspects of this project are dependent on Alaska legislative approval and you have requested assurance from this command that we will continue cooperation on the project.

I believe this concept may mutually benefit both the railroad and the defense installations in the greater Anchorage area. In addition to improving railroad efficiency and safety, the potential exists for the project to increase rail traffic safety on Fort Richardson and Elmendorf AFB and to enhance future infrastructure development by the services.

We have been participating in a working group along with the railroad and the Bureau of Land Management to facilitate the effort and address issues of concern raised by the railroad and the Department of Defense. We will continue to work toward the mutual benefit of all parties.

Sincerely

Thomas R. Case

THOMAS R. CASE
Lieutenant General, USAF
Commander

cc:
Rep. Lisa Murkowski
Gov. William Sheffield
MG Dean Cash, Cdr, USARAK
Brig Gen Scott Gration, 3WG/CC

SENT BY: ARMY CORPORATE OFFICE;

SENT BY: ARR SAFETY OFFICE;

RECEIVED: 3/27/00 9:11AM;

03/27/00 MON 10:08 FAX 907 838 2848

MAR-24-2000 FRI 03:53 PM FT RICHARDSON DPW

507 203 2312;

9072852550;

907 808 2848 -> ARR SAFETY OFFICE; Page 3

EKLUTNA, INC.

FAX NO. 8074281188

MAR-27-00 2:03PM;

Mar-27-00 9:37AM;

Page 3/12

Page 3/3

003

P. 02/02



ACTUALLY FOR ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS, U.S. ARMY ALASKA
800 RICHARDSON DRIVE #2000
FORT RICHARDSON, ALASKA 99501-5000



March 24, 2000

Director of Public Works

George W. Easley
Eklutna Inc.,
16515 Centerfield Drive, Suite 201
Eagle River, AK 99577-9719

Reference: Joint Land Issues

Dear Mr. Easley:

This letter is to confirm our joint commitments made at our March 14, 2000 meeting concerning a potential land swap near Chunie Lake.

Concerning the Alaska Railroad track realignment, both Eklutna, Inc. and U.S. Army Alaska agree with the proposed track realignment siting in the proximity of Chunie Lake. It is our joint intention to have the proposed track realignment in the area of Chunie Lake take place independent of potential real property transactions between Eklutna, Inc. and U.S. Army Alaska, also near Chunie Lake.

Concerning the potential land swap or sale between Eklutna, Inc. and U.S. Army Alaska, we have not reached an agreement. At issue is the equivalent acre-value of the land proposed to be exchanged. With regard to the Army's proposal to purchase Eklutna land, your business plans do not include that option at this time. However, the Army has interest in preserving training land by not allowing development on land near Chunie Lake. Eklutna has interest in a road access to land developments north of the Chunie Lake area. In consideration of those interests, we have jointly agreed to pursue an easement on Army land for road access to the Eklutna development, and an Eklutna easement from the west boundary of the realigned Alaska Railroad track, westward to Chunie Lake.

Furthermore, we have agreed to continue our discussions until such time as we agree upon a land swap or sale and complete the necessary legislation.

Sincerely,

for Mark C. Nelson
Mark C. Nelson
Colonel, U.S. Army
Director of Public Works

cc: M. Hayes

3-27-2000
Agreed
M Hayes

Sent By: ARRS SAFETY OFFICE;

907 285 2550;

Mar-27-00 9:37AM;

Received: 3/27/00 9:13AM;

907 285 2845 -> ARRS SAFETY OFFICE; Page 2

03/27/00 MON 10:00 FAX 907 388 2845

EKLUTNA, INC.

002



Colonel Mark C. Nelson
 Director of Public Works
 Department of the Army
 600 Richardson Drive #5000
 Fort Richardson, Alaska 99505

March 27, 2000

Re: Lake Clunie—Exchange of Easements

Dear Col. Nelson:

Thank you for confirming the status of our agreement in your letter of March 24, 2000. Eklutna, Inc. has contracted for a study of the proposed road alignment between Powder Ridge Subdivision and Artillery Road. We will present the recommendations of our contractors for your approval as soon as possible. Thereafter, Eklutna, Inc. will execute the necessary documents and continue toward an exchange of fee interests. Please contact me should you have any questions.

Very Truly Yours,

George W. Easley
 Chief Executive Officer



10015 CENTERFIELD DRIVE, SUITE 901
EAGLE RIVER, ALASKA 99577
(907) 886-3828 FAX: (907) 886-2845

INC.

Post-It Fax Note	7871	Date	3/29	# of pages	▶
To	Mike P. / Senhemm	From	Wendy		
Co./Dept.		Co.			
Phone #		Phone #	907-265-2498		
Fax #	465-3810	Fax #			

Honorable Eldon Mulder
House of Representatives
Alaska State Legislature
State Capital (MS 3100)
Juneau, AK 99801-1182

VIA FAX 907-465-3519

March 29, 2000

Re: Clunie Lake

Dear Representative Mulder:

This is pursuant to our conversation this date regarding the agreement between the United States Army and Ektutna, Incorporated.

We have collectively agreed to exchange Ektutna, Inc. property just east of Clunie Lake for a right-of-way joining Ektutna, Inc. lands to Artillery Road. During the interim, we agreed to grant easements to one another until federal legislation permits the actual exchange. This is the entire agreement. Ektutna, Inc. also owns land northeast of Clunie Lake which is of interest to the military, but Ektutna, Inc. declined to include this property and the U.S. Army accepted this without objection.

Ektutna, Inc. does not now, nor have they ever expressed a desire to develop any property abutting Clunie Lake. The current agreement will assure that fact, and the U. S. Army is in agreement.

Ektutna, inc. supports the military presence in Alaska and relies on this presence in the continuing development of its lands. To do otherwise would be folly.

Very Truly Yours,

George W. Easley
Chief Executive Officer

Letters of Support



ALASKA VISITORS ASSOCIATION

2525 C Street, Suite 400 • Anchorage, Alaska 99503

Phone: (907) 561-5733 • Fax: (907) 561-5727

E-mail: avanet.org • www.visitalaska.org

1999-2000

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Seattle, Washington

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El Dorado Gold Mine

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Phillips Cruises & Tours

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Alaska Lodging Management/
Denali Bluffs Hotel

Kathy Tarr

Kenai Visitors &
Convention Bureau

Tom Tougas

Kenai Fjords Tours

Chris von Imhof

Ayaska Resort

Brad Walker

Alaska Airlines

Tina Lindgren

Executive Director

99-6

A RESOLUTION SUPPORTING THE ALASKA RAILROAD'S TRACK UPGRADE AND REALIGNMENT PROJECT

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project enhances the value of ARRC's asset which is owned by the State; and

WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

NOW, THEREFORE BE IT RESOLVED that the Alaska Visitors Association supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

BE IT FURTHER RESOLVED that the Alaska Visitors Association seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

*Adopted by the Alaska Visitors Association Board of Directors
December 10, 1999*



GREATER PALMER CHAMBER OF COMMERCE

A resolution supporting the Alaska Railroad's track upgrade and realignment project

Resolution 99-06

Whereas, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

Whereas, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

Whereas, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

Whereas, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

Whereas, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

Whereas, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

Whereas, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

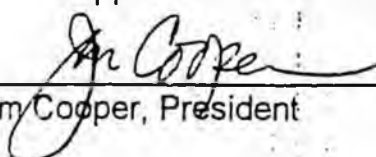
Whereas, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

Whereas, no funds will be exchanged between the parties in this land trade agreement.

Now, Therefore Be It Resolved that the Greater Palmer Chamber of Commerce supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

Be It Further Resolved that the Greater Palmer Chamber of Commerce seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Approved this 17th day of December, 1999.



Jim Cooper, President



GREATER PALMER CHAMBER OF COMMERCE

RESOLUTION ROUTING SHEET

DATE: December 21, 1999

RESOLUTION NO: 99-06

RESOLUTION TITLE: A Resolution Supporting the Alaska Railroad's track upgrade and realignment project.

SENT TO:

Alaska Railroad Corp Attn Wendy Lindskoog P O Box 107500, Anchorage AK 99510-7500
Governor Tony Knowles P. O. Box 110001, Juneau AK 99811-0001
Senator Frank Murkowski 706 Hart Building, Washington DC 20510-0203
Senator Ted Stevens 522 Hart Building, Washington DC 20510-0201
Representative Don Young 2332 Rayburn House Office Bldg, Washington DC 20515-20201
Combined Delegation Office 851 E Westpoint Dr, Suite 307, Wasilla AK 99654
Senator Lyda Green 600 E Railroad Avenue, Wasilla AK 99654
Senator Rick Halford P O Box 670190, Chugiak AK 99567-0190
Representative Bev Masek 600 E Railroad Avenue, Wasilla AK 99654
Representative Scott Ogan 600 E Railroad Avenue, Wasilla AK 99654
Representative Vic Kohring 600 E Railroad Avenue, Wasilla AK 99654
Anchorage Chamber of Commerce 441 W 5th Ave, Anchorage AK 99501-2309
Alaska State Chamber of Commerce 217 2nd Street, Suite 20, Juneau AK 99801
Michael Scott, Manager Matanuska-Susitna Borough 350 E Dahlia, Palmer AK 99645
Ed Brittingham Wasilla Chamber of Commerce 415 E Railroad Ave, Wasilla AK 99654

MESSAGE:

The following resolution has been approved by the Greater Palmer Chamber of Commerce Board of Directors and is sent to you for your consideration when reviewing this issue. If you have any questions or comments you can send them to the address below or via email at palmer@alaska.net or we can be reached by phone or fax at the numbers below.



415 E. Railroad Avenue * Wasilla, AK 99654
Email: chamber@wasilla.net

Telephone (907) 376-1299 * Fax (907) 373-2560
Home Page: www.chamber.wasilla.net

- Voted "Alaska's Outstanding Local Chamber of Commerce ~ 1998"

RESOLUTION 99-07

A RESOLUTION OF THE GREATER WASILLA CHAMBER OF COMMERCE IN SUPPORT OF THE ALASKA RAILROAD'S TRACK ENHANCEMENTS PROJECT.

Whereas, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement all leading to a reduced frequency of train derailments and lower operating costs; and

Whereas, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

Whereas, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

Whereas, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

Whereas, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

Whereas, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

Whereas, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

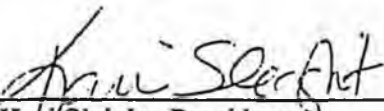
Whereas, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

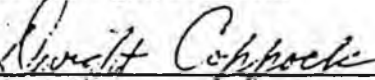
Whereas, no funds will be exchanged between the parties in this land trade agreement.

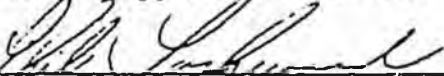
Now, Therefore Be it Resolved that the Greater Wasilla Chamber of Commerce supports the ARRC's efforts to upgrade and realign its tracks between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

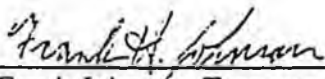
Be it Further Resolved that the Greater Wasilla Chamber of Commerce seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

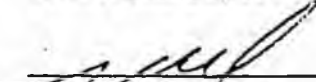
Hereby, adopted by the Greater Wasilla Chamber of Commerce this 15th day of December, 1999.

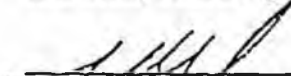

Kari Sleight, President


Dwight Coppock, President-Elect


Phil Lockwood, Vice-President


Frank Johnson, Treasurer


Bill Moll, Secretary


ATTESTED: Bill Moll, Secretary

RESOLUTION 99-3
A Resolution Supporting the Alaska Railroad's Track Upgrade
and Realignment Project

ANCHORAGE CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the Interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project improves the ARRC's asset which enhances the State's ownership of the railroad; and


WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc., and other entities; and

WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

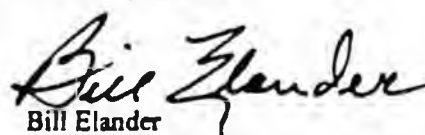
NOW, THEREFORE BE IT RESOLVED that the Anchorage Convention & Visitors Bureau supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the State-owned transportation asset, and to make future commuter service viable; and

BE IT FURTHER RESOLVED, that the Anchorage Convention & Visitors Bureau supports ARRC as it seeks to obtain legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Approved by the Board of Directors, this 21st day of December, 1999.



Bruce Bustamante
Chairman



Bill Elander
President & CEO



ANCHORAGE
Convention &
Visitors Bureau

BOARD OF DIRECTORS

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Alaska Airlines
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Phoenix Cruises & Tours
John Rense
Tour Arctic
Virginia Samson, CMP
Alaska Commerce & Events Services
Bill Sheffield
Alaska Railroad Corporation
Bob Soumail, CMA
Sheraton Anchorage Hotel
John "Gus" Swearing CPA
Swearing & Associates PC
Tom Tenney
Municipality of Anchorage
Chris von Immel
Alaska Region

524 W. Fourth Avenue
Anchorage, Alaska
907-276-4113

907-276-4113
Fax 907-278-5559
E-mail: acvb@alaska.net

Requested and Prepared by: Administration
Meeting date: January 10, 2000
Adopted: January 10, 2000
Vote: Unanimous

**CITY OF WASILLA
RESOLUTION SERIAL NO. 00-03**

A RESOLUTION OF THE CITY OF WASILLA, ALASKA SUPPORTING THE ALASKA RAILROAD'S TRACK UPGRADE AND REALIGNMENT PROJECT.

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroads track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

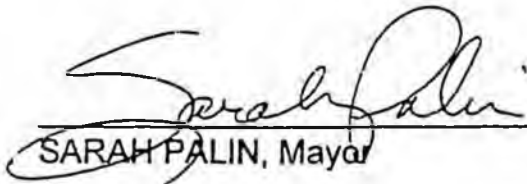
WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

NOW THEREFORE BE IT RESOLVED, that the City of Wasilla supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

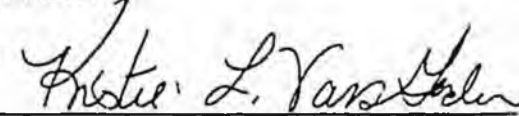
BE IT FURTHER RESOLVED, that the City of Wasilla seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

ADOPTED by the Wasilla City Council on January 10, 2000.

I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 10th day of January 2000.


SARAH PALIN, Mayor

ATTEST:


KRISTIE L. VANGORDER, CMC/AE
City Clerk

[SEAL]

SUBJECT: Alaska Railroad Track Upgrade & Realignment Project

PREPARED BY: Administration

DATE: December 15, 1999

FOR AGENDA OF: January 10, 2000

SUMMARY:

The Alaska Railroad track upgrade and realignment project includes many safety upgrades and reduces the running time between Anchorage and Wasilla by 40 minutes. This will make future commuter service viable.

The ARRC is requesting that the City of Wasilla Council consider passing this resolution so the ARRC can add it to their legislative information packet for the upcoming session. This will help broaden their level of support and will help spur timely passage of legislation that will make this project possible.

FISCAL IMPACT: No Yes, amount requested: \$

Fund:

RECOMMENDED ACTION: Council consideration.


Reviewed by: SARAH PALIN, Mayor

Presented with: Reso 00-03
Date: 1/10/2000 Verified by: TR.

ALASKA STATE CHAMBER OF COMMERCE

Position 2000-23

Alaska Railroad Track Upgrade and Realignment

The Alaska State Chamber of Commerce supports the Alaska Railroad Corporation's (ARRC) efforts to upgrade and realign its track between Anchorage and Wasilla in order to improve safety and efficiency of the operations and make future commuter service viable.

Further, the Alaska State Chamber of Commerce urges the Governor and Legislature to pass legislation allowing ARRC to exchange equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base and Eklutna, Inc. in order to accomplish the realignment project.

Rationale:

ARRC's track upgrade and realignment project will reduce the severity of many sharp curves between Anchorage and Wasilla. A straighter track promotes safety by decreasing the chance for train derailment and increasing the engineer's line of sight.

The completion of this project will also reduce running time in this stretch from 95 minutes to 50 minutes. This will enable trains to move at normal operating speeds. More efficient rail operations translate into less gridlock and more trains, more jobs for Alaskans, a faster and more efficient transportation network for freight and passenger service, and a better infrastructure to support economic development in Alaska.

ADOPTED

December 3, 1999

BY Pamela La Bolle
Pamela La Bolle
President

BY Dennis Brandon
Dennis Brandon
Chairman



"Place of Many Places"

Chugiak-Eagle River Chamber of Commerce

**CHUGIAK-EAGLE RIVER
CHAMBER OF COMMERCE
RESOLUTION 20-003
February 11, 2000**

WHEREAS the Chugiak-Eagle River Chamber of Commerce is a nonprofit federation concerned with future development of this region and its supporting infrastructure; and

WHEREAS the Alaska Railroad Corporation is an integral part of the transportation infrastructure supporting efficient delivery of passengers and freight throughout the central part of the state of Alaska; and

WHEREAS the Alaska Railroad is seeking to upgrade its very antiquated facilities through track realignment; and

WHEREAS a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement - all leading to reduced potential train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance public safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service more viable and furthering the opportunities to establish a stop in the Chugiak-Eagle River area; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the Interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the Glenn Highway easing traffic congestion through the Chugiak-Eagle River area; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

(907) 694-4702 PHONE • (907) 894-1205 FAX

PO. BOX 770355, EAGLE RIVER, ALASKA 99577 • 11401 OLD GLENN HIGHWAY, SUITE 106, EAGLE RIVER, ALASKA 99577
www.ccr.org • email: info@ccr.org

WHEREAS, this project enhances the value of the Alaska Railroad Corporation's assets which are owned by the State; and

WHEREAS, to accomplish this project, the Alaska Railroad will need Federal & Legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Municipality of Anchorage, Elmendorf Air Force Base, Fort Richardson Army Post, Eklunne Inc.; and

WHEREAS, no funds will be exchanged between public parties in this land trade agreement and/or fee simple transfer.

NOW, THEREFORE BE IT RESOLVED that the Chugiak-Eagle River Chamber of Commerce strongly supports the Alaska Railroad Corporation's efforts to upgrade and realign its track between Anchorage and Wasilla provided that the following considerations are met:

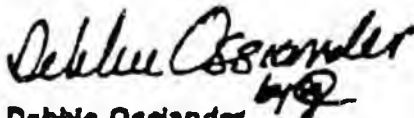
1. Fair consideration will be given to all private land owners affected by the improvements
2. Continued close planning with the Municipal Parks & Recreation office as plans are finalized through the Beach Lake Park area to create a "win win" scenario for both the Railroad and Municipal parks infrastructures. Specifically, this project design and completion will be reviewed, approved and coordinated with all affected MOA agencies and will include the Beach Lake Road and acquired properties being graded, contoured, and generally improved to meet MOA standards.
3. ARR & MOA will enter into a memorandum of agreement that will detail the respective parties' obligations.

BE IT FURTHER RESOLVED that the Chugiak-Eagle River Chamber strongly supports efforts to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable which could include a stop in Chugiak/Eagle River; and

BE IT FURTHER RESOLVED, that the Chugiak-Eagle River Chamber of Commerce seeks to assist the Alaska Railroad Corporation in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Signed this 11th day of February, 2000.

By,



Debbie Oszlander
President

Submitted by: Chairman of the Assembly
at the Request of the Mayor
Prepared by: Alaska Railroad Counsel
For reading: Feb. 15, 2000

ANCHORAGE, ALASKA
AO NO. 2000-42(S)

1 AN ORDINANCE APPROVING THE CONVEYANCE OF LANDS IN THE MUNICIPALITY'S
2 BEACH LAKE PARK TO THE ALASKA RAILROAD CORPORATION IN EXCHANGE FOR
3 EXISTING ALASKA RAILROAD RIGHT-OF-WAY LANDS IN BEACH LAKE PARK TO
4 ACCOMMODATE STRAIGHTENING OF RAILROAD TRACK CURVES AND SUBMITTING
5 TO THE QUALIFIED VOTERS OF THE MUNICIPALITY AT THE REGULAR MUNICIPAL
6 ELECTION APRIL 4, 2000 A BALLOT PROPOSITION TO APPROVE SAID CONVEYANCES.
7

8
9 WHEREAS, the Alaska Railroad Corporation seeks to improve the safety and efficiency of the
10 Alaska Railroad by realigning and straightening tracks between Anchorage and Wasilla; and

11
12 WHEREAS, certain track curves to be straightened are at Alaska Railroad mile posts 132 and 133
13 and within the Municipality's Beach Lake Park generally near Beach Lake Road off of South Birchwood
14 Loop Road as shown on the diagram attached hereto as Appendix A which is incorporated herein by
15 reference; and

16
17 WHEREAS, the right-of-way required from the Municipality to straighten the curve at milepost 132
18 is approximately 2.29 acres as shown in detail on Page 1 of Appendix B and legally described on Page 2 of
19 Appendix B which is incorporated herein by reference; and

20
21 WHEREAS, the right-of-way required from the Municipality to straighten the curve at milepost 133
22 is approximately 11.23 acres as shown in detail on Page 1 of Appendix C and legally described on Page 2
23 of Appendix C which is incorporated herein by reference; and

24
25 WHEREAS, a portion of the 11.23 acres may in the future be used to construct access to nearby
26 lands of the Eklutna Native Corporation; and

27
28 WHEREAS, by letter dated February 4, 2000 to the Municipal Assembly Eklutna Native
29 Corporation has committed to abide by all municipal regulations and pursue all municipal processes for the
30 development of those lands and further to convey additional land to be incorporated into Beach Lake Park;
31 and

32
33 WHEREAS, the Alaska Railroad right-of-way which will become surplus at mile post 133 and
34 which will be conveyed to the Municipality for incorporation into Beach Lake Park is 4.54 acres as shown
35 on Page 1 of Appendix C which is incorporated herein by reference; and
36

1 WHEREAS, the Alaska Railroad Corporation is obligated pursuant to 45 U.S.C. § 1209(c) to
2 transfer abandoned right-of-way to the United States which is required to reconvey the land to owners of
3 the adjacent private land; and
4

5 WHEREAS, the Alaska Railroad intends to construct valuable public improvements, namely, a new
6 grade-separated crossing at Beach Lake Road and a new pedestrian underpass to connect the Beach Lake
7 trail system on either side of the Railroad all as additional consideration for the conveyance of the municipal
8 park lands to it; and
9

10 WHEREAS, pursuant to Anchorage Ordinance No. 84-199, the Municipality's Beach Lake Park is
11 dedicated to park and recreational uses, the conveyance of which must be approved by the voters of the
12 Municipality pursuant to Anchorage Municipal Charter §10.02(8); now therefore,
13

14 **THE ANCHORAGE ASSEMBLY ORDAINS:**
15

16 **Section 1:** Subject to fulfillment of the conditions in Section 2. of this ordinance and Charter §10.02(8),
17 the Municipality shall convey the fee title to the lands of the Beach Lake Park shown and legally described
18 in Appendices B and C hereto to the Alaska Railroad Corporation in exchange for the conveyance of the fee
19 simple title to the right-of-way which is to be abandoned also as shown and legally described in Appendix
20 C hereto and the construction at the Alaska Railroad Corporation's expense of the following public
21 improvements:
22

- 23 a. A new grade-separated crossing at Beach Lake Road to American Association of
24 State Highway and Transportation Officials standards which will be an underpass
25 with at least a 14.6 foot high clearance; and
26 b. Movement of the Beach Lake Road crossing approximately 380 feet north of the
27 existing Beach Lake Road crossing and elimination of the steep approach to the
28 existing crossing; and
29 c. A pedestrian underpass to connect the Beach Lake Trail system on either side of the
30 railroad and which will accommodate dog mushers and their teams, skiers and other
31 users of the trail system; and
32 d. Contouring of the railroad lands conveyed to the Municipality to accommodate safe
33 pedestrian and/or vehicular traffic connections and multi-use access.
34

35 **Section 2:** The Municipality's obligation described in Section 1 of this ordinance is subject to the
36 following conditions subsequent which shall occur on or before March 21, 2000:
37

- 38 a. The lands to be exchanged pursuant hereto shall be appraised by competent appraiser
39 to be selected and retained by the Municipality, the cost of which shall be reimbursed
40 to the Municipality by the Alaska Railroad Corporation.
41
42 b. The Alaska Railroad Corporation shall provide the Municipality its written engineers'
43 estimates of cost and value of the improvements described in Section 1 above.
44

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c. The Municipal Assembly shall by resolution make a finding, based on the appraisal and engineers' estimate, that the value of the consideration required from the Alaska Railroad Corporation exceeds the fair market value of the fee simple interest of the park land to be conveyed by the Municipality.

Section 3: That, pursuant to Charter §10.02(8), a ballot proposition in substantially the following form shall be submitted to the qualified voters of the Municipality at the regular municipal election to be held April 4, 2000:

Proposition _____
APPROVING CONVEYANCE OF LANDS WITHIN BEACH LAKE PARK TO THE ALASKA RAILROAD CORPORATION TO STRAIGHTEN RAILROAD CURVES AND CREATE POTENTIAL ACCESS TO ADJACENT LANDS

Shall Anchorage Ordinance 2000-42(S) authorizing the Municipality of Anchorage to convey approximately 13.52 acres of land in Beach Lake Park to the Alaska Railroad Corporation to straighten track curves at Alaska Railroad mile posts 132 and 133 to improve safety and efficiency and to create potential access to adjacent lands in exchange for the conveyance to the Municipality of abandoned right-of-way and construction of valuable public improvements by the Alaska Railroad Corporation be approved?

Yes []

No []

Section 4: Upon conveyance of the railroad lands to the Municipality in accordance with this ordinance, said lands are hereby dedicated to park and recreational uses as part of Beach Lake Park.

Section 5: The Proposition set forth in Section 3 of this ordinance shall become effective upon certification of the election at which presented if, but only if, said Proposition is approved by a majority of the qualified voters voting on the Proposition. All other Sections of this ordinance shall become effective immediately upon passage and approval.

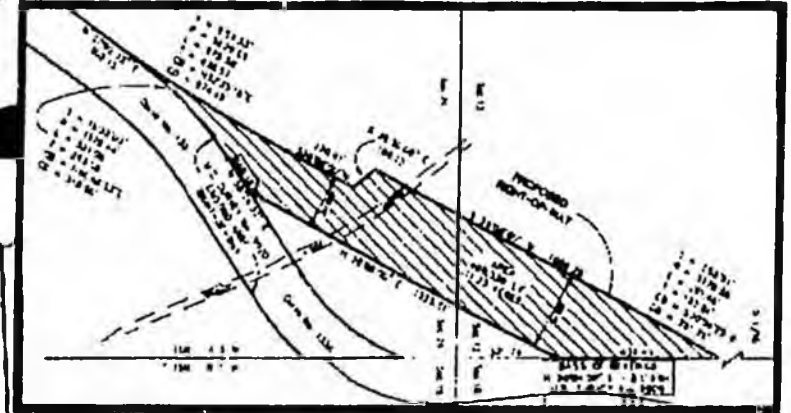
PASSED AND APPROVED by the Anchorage Assembly this ___ day of _____, 2000.

Chair of the Assembly

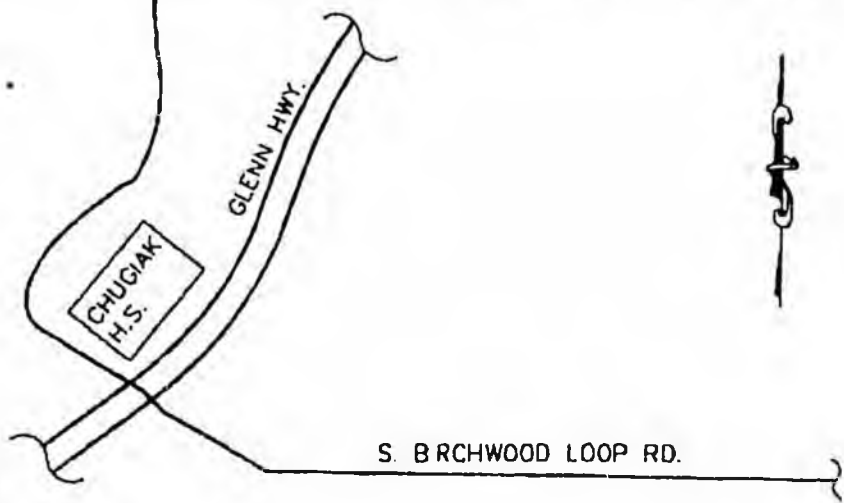
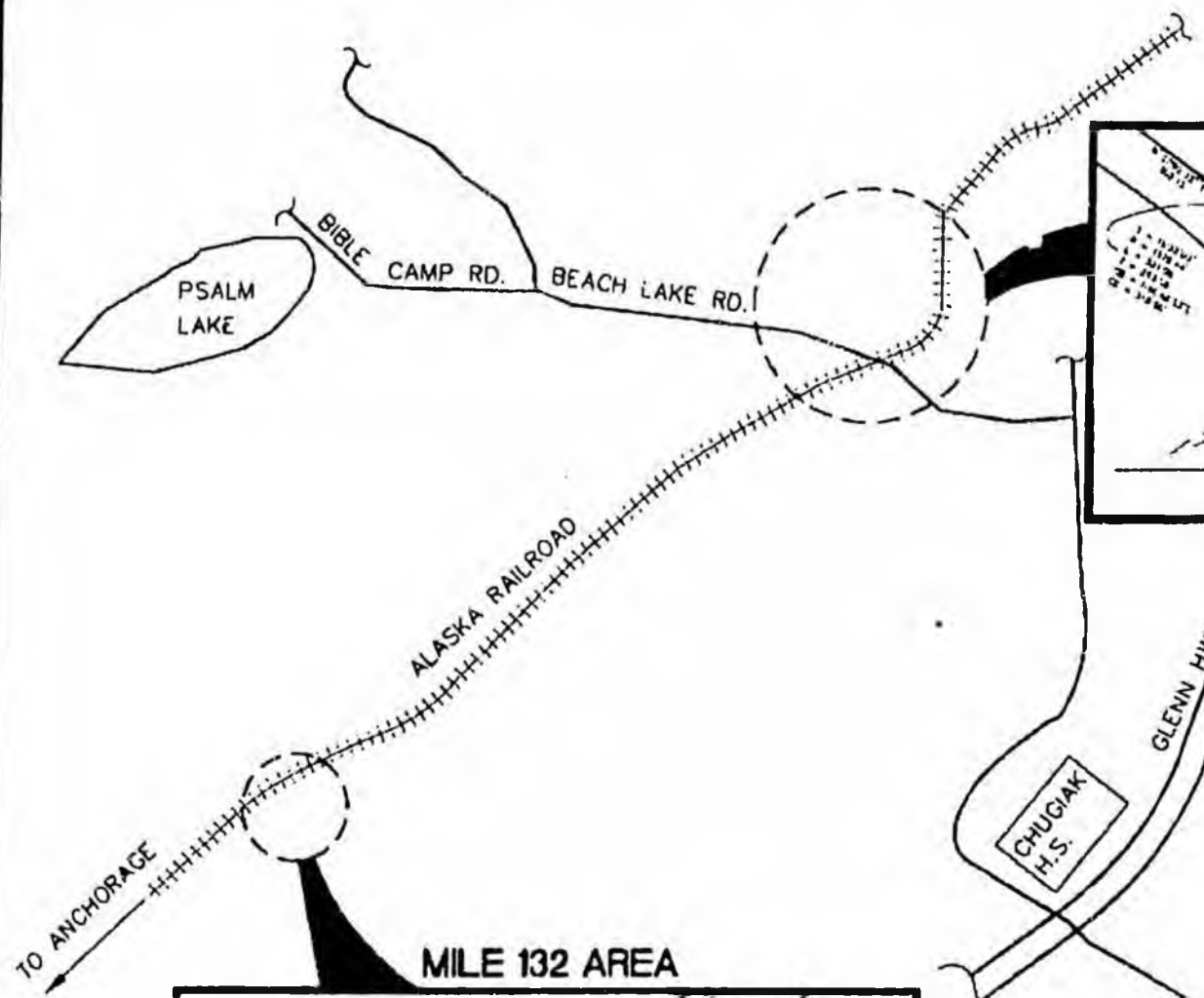
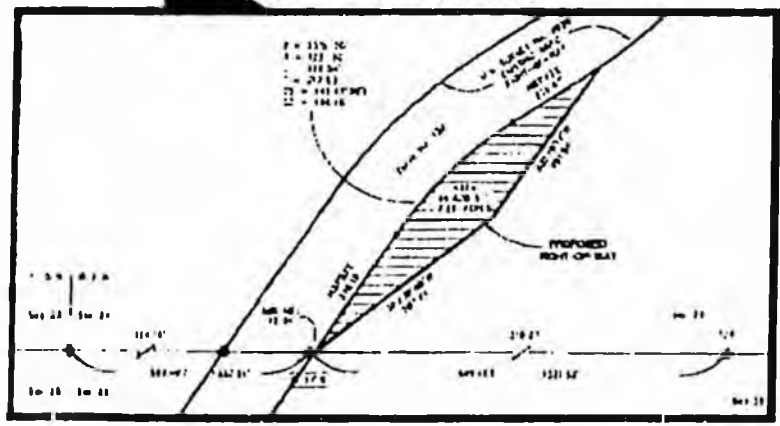
ATTEST:

Municipal Clerk

MILE 133 AREA



MILE 132 AREA



ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 263-2450

EAGLE RIVER TO WASILLA

VICINITY MAP
 NOT TO SCALE



$\Delta = 23^{\circ}51'00''$
 $R = 1031.90'$
 $L = 429.54'$
 $T = 217.93'$
 $CB = N45^{\circ}47'30''E$
 $CD = 426.45'$

U.S. SURVEY No. 9020
EXISTING ARRC
RIGHT-OF-WAY
 $N57^{\circ}43'E$
276.47'

Curve No. 132

AREA
99,620 S.F.
2.29 ACRES.

PROPOSED
RIGHT-OF-WAY

$N33^{\circ}32'E$
378.18'

$S52^{\circ}36'00''W$
587.61'

$S89^{\circ}48'E$
12.34'

T 15 N R 2 W

Sec 23 Sec 24

Sec 26 Sec 25

Sec 24

1/4

Sec 25

1104.11'

$S89^{\circ}49'E$

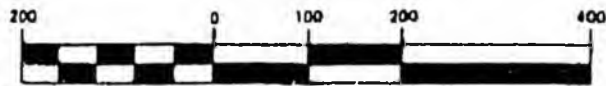
1332.21'

$S89^{\circ}48'E$

1319.27'

1331.62'

SCALE



(IN FEET)
1 INCH = 200 FT.



ALASKA RAILROAD CORPORATION
OFFICE OF THE CHIEF ENGINEER
P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2488

EAGLE RIVER TO WASILLA

PROPOSED REALIGNMENTS TO
CURVE 132

Appendix B
Page 1 of 2

LEGAL DESCRIPTION
CURVE No. 132
PROPOSED RIGHT-OF-WAY

A portion of the SW 1/4, Section 24, Township 15 North, Range 2 West, Seward Meridian, Anchorage Recording District, Alaska and more particularly described as follows:

Commencing at the one-quarter (1/4) corner common to Section 24 and Section 25, Township 15 North, Range 2 West, Seward Meridian, Alaska; Thence N 89°48' W along the line between Section 24 and Section 25 a distance of 1319.27 feet to a point on the easterly boundary of the Alaska Railroad Corporation Right-of-Way shown as Lot 1 on the United States Department of the Interior, Bureau of Land Management plat titled "U.S. Survey No. 9020, Alaska" and dated October 29, 1992, the TRUE POINT OF BEGINNING; Thence N 33°52' E along said easterly Right-of Way a distance of 378.18 feet; Thence continuing along said Right-of-Way a distance of 429.54 feet on the arc of a curve to the right, with a radius of 1031.90 feet, through a central angle of 23°51'00" and whose chord bears N 45°47'30" E a distance of 426.45 feet; Thence continuing along said Right-of-Way N 57°43' E a distance of 276.47 feet; Thence S 35°10'12" W a distance of 491.94 feet; Thence S 52°36'00" W a distance of 587.61 feet to the TRUE POINT OF BEGINNING. Containing 90,620 square feet (2.29 acres) more or less.



BEACH LAKE PARK

Sec 24
Sec 13
Line

PROPOSED
RIGHT-OF-WAY

$\Delta = 3'52'51''$
 $R = 5779.58'$
 $L = 391.46'$
 $T = 195.81'$
 $CB = S30'04'25''W$
 $CD = 391.39'$

$\Delta = 8'54'33''$
 $R = 5629.65'$
 $L = 875.38'$
 $T = 438.57'$
 $CB = N32'35'16''E$
 $CD = 874.49'$

S 39'30'00" E
108.13'

S 28'08'00" W 1088.25'

290.41'
S28'08'00"W

AREA
489,320 S.F.
11.23 ACRES

609.45'

N 37'02'33" E
202.15'

N 56'34'33" E
148.16'

N 28'08'00" E 1323.81'

371.76'

133

BEACH LAKE PARK

AREA (2):
197,555.27 S.F.
4.54 ACRES

BEACH LAKE ROAD

T 15N R 2 W
T 15N R 1 W
BASES OF BEARING - U.S.S. No. 9020
N 06'07'52" W

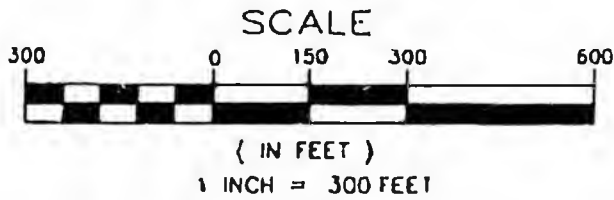
Assumed Right-of-Way Line
(100' Right of Center in Existing Tracks)

AREA (3):
222,248.98 S.F.
5.1 ACRES



NO U.S. R.O.W. SURVEY EXISTS EAST OF T-1'S LINE
ARRC RIGHT OF WAY ASSUMED TO BE 100'
OFFSET FROM THE EXISTING TRACK CENTERLINE.

SECTION & PROPERTY LINES ARE BASED
ON SUMMER 1998 SURVEY INFORMATION.



ALASKA RAILROAD CORPORATION
OFFICE OF THE CHIEF ENGINEER
P.O. BOX 107200, ANCHORAGE, ALASKA 99510-7500 (907) 265-2454

EAGLE RIVER TO WASILLA

**PROPOSED REALIGNMENTS TO
CURVE 133**

LEGAL DESCRIPTION
CURVE No. 133
PROPOSED RIGHT-OF-WAY

A portion of the SE 1/4, Section 13, and the NE 1/4, Section 24, Township 15 North, Range 2 West, Seward Meridian, Anchorage Recording District, Alaska and more particularly described as follows:

Commencing at the Section Corner common to Sections 13 and 24, Township 15 North, Range 2 West, and Sections 18 and 19, Township 15 North, Range 1 West, Seward Meridian, Alaska, marked by an Aluminum BLM Monument dated 1984; Thence N 0°04'00" E along the line between Section 13, T15N, R2W, SM and Section 18, T15N, R1W, SM a distance of 371.76 feet to the TRUE POINT OF BEGINNING; Thence continuing along said section line N 0°04'00" E a distance of 609.45 feet; Thence a distance of 391.46 feet on the arc of a curve to the left, with a radius of 5779.58 feet, through a central angle of 3°52'51", and whose chord bears S 30°04'25" W a distance of 391.39 feet; Thence S28°08'00" W a distance of 1088.25 feet; Thence S 39°30'00" E a distance of 108.13 feet; Thence S28°08'00" W a distance of 290.41 feet; Thence a distance of 875.38 feet on the arc of a curve to the right, with a radius of 5629.65 feet, through a central angle of 8°54'33", and whose chord bears S 32°35'16" W a distance of 874.49 feet to a point on, and tangent to, the northwesterly boundary of the Alaska Railroad Corporation Right-of-Way shown as Lot 1 on the United States Department of the Interior, Bureau of Land Management plat titled "U.S. Survey No. 9020, Alaska" and dated October 29, 1992; Thence N 37°02'33" E along said Right-of-Way a distance of 202.15 feet; Thence continuing along said Right-of-Way a distance of 521.08 feet on the arc of a curve to the right, with a radius of 1528.44 feet, through a central angle of 19°32'00", and whose chord bears N 46°48'33" E a distance of 518.56 feet; Thence continuing along said Right-of-Way N 56°34'33" E a distance of 148.16 feet; Thence N 28°08'00" E a distance of 1323.81 feet to the TRUE POINT OF BEGINNING. Containing 489,320 square feet (11.23 acres) more or less.

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 W. Ship Creek Avenue, Anchorage, Alaska 99501

March 20, 2000

MAR 23 2000

The Honorable Loren Leman
Alaska State Senate
Room 417
State Capitol
Juneau, AK 99801-1182

Dear Senator Leman:

The Alaska Railroad Corporation (ARRC) has recently been contacted by a few Railroad leaseholders experiencing problems related to our land management policies governed by statute. Stipulations in state law limit ARRC's ability to address many of these issues.

Alaska Statute 42.40 prohibits the ARRC from selling, exchanging, or otherwise conveying its land unless the legislature approves the action. By law, the ARRC can lease land for up to 35 years, but must reserve the unilateral right to terminate any lease with a term in excess of 35 years in the event the land is ever needed for railroad use.

This termination clause is currently affecting some 120 families in the Tin-Valley Subdivision in Healy, Alaska. The longest mortgage most lenders will issue to these families is 20 years due to the termination language. This shorter term makes the borrower's monthly payments much higher and reduces the affordability and saleability of subdivision homes.

Usibelli Coal Mine, who leases the Healy property from the Railroad and subleases lots to residents, is currently working to find a legislative solution to this problem. While the ARRC supports Usibelli's goal to attain an exemption from the 35 year lease limit, we would like to work with the state legislature toward a more comprehensive solution that would also help us address other concerns which arise on occasion.

We believe many of our real estate issues could be solved if the ARRC were given the authority to issue longer term leases. Residents and businesses along the rail belt would be able to qualify for more affordable mortgage rates and would gain more freedom to plan long term.

Along that line, we would like to work with legislators this summer to study issues relating to the ARRC's real estate policies. The goal would be to create legislation for the 2001 session enabling the Railroad to better address our customer's needs.

As we begin this process, it is important to note that the ARRC is approached periodically by individual leaseholders who would prefer to purchase the railroad land they currently lease. Approximately 50 percent of the Railroad's net earnings are derived from real estate leases much like other railroad's in the Lower 48. For that reason, selling railroad land could jeopardize the ARRC's long term ability to remain a self-sustaining state corporation. We trust that this issue will be taken into account when examining the ARRC's real estate policies.

The ARRC has approximately 218 tenants. Our current policy is adequate for most of our tenants but leaves little room for flexibility. Longer lease options combined with other ideas that may surface from the study group could help the railroad better serve Alaskans.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Governor Bill Sheffield
President and CEO, Alaska Railroad Corporation

ALASKA RAILROAD CORPORATION

Anchorage to Wasilla

Track Upgrades and Realignment



Alaska Railroad Corporation

Anchorage to Wasilla Track Upgrades and Realignment

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Project Summary

Project Map

Land Exchange Descriptions with maps

- 1. Elmendorf Air Force Base & Fort Richardson**
- 2. Eklutna, Inc.**
- 3. Chugach Alaska Corporation, Inc.**
- 4. Municipality of Anchorage**

Stakeholder Benefits

Impacts and Mitigation

Memorandum of Understanding: ARRC and Eklutna, Inc.

Eklutna, Inc. Resolution

Alaska Railroad Corporation

Anchorage to Wasilla Track Upgrades and Realignment

Mission:

The Alaska Railroad Corporation (ARRC) seeks to improve safety and efficiency of its operations by upgrading and realigning its track to reduce approximately 70 sharp curves between Anchorage and Wasilla.

Results:

Realignment of the track to reduce curvature will decrease the current running time from 95 minutes to less than 55 minutes from Anchorage to Wasilla making future commuter service more viable. The realignment project will increase the average train speed from 35 mph to approximately 50 mph in this section of track.

Straighter track is inherently safer due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirements – all leading to a reduced frequency of train derailments and lower operating costs.

Straighter track greatly enhances the Alaska Railroad's freight and passenger operations. But more important to the communities neighboring the Alaska Railroad, this project will build a safer rail corridor complete with upgraded rail crossings and pedestrian amenities.

Legislative Goal:

ARRC seeks legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities. Lands to be obtained in the exchange are necessary for the realignment project.

No funds will be exchanged between the parties in this land trade agreement.

Projected Cost:

\$45 to \$50 million (DOD, AMTRAK, ARRC)

The ARRC will use federal funding, designated for passenger rail line improvements, to help finance the track realignment project. The railroad will match these funds with its operating revenues.

Target Completion Date:

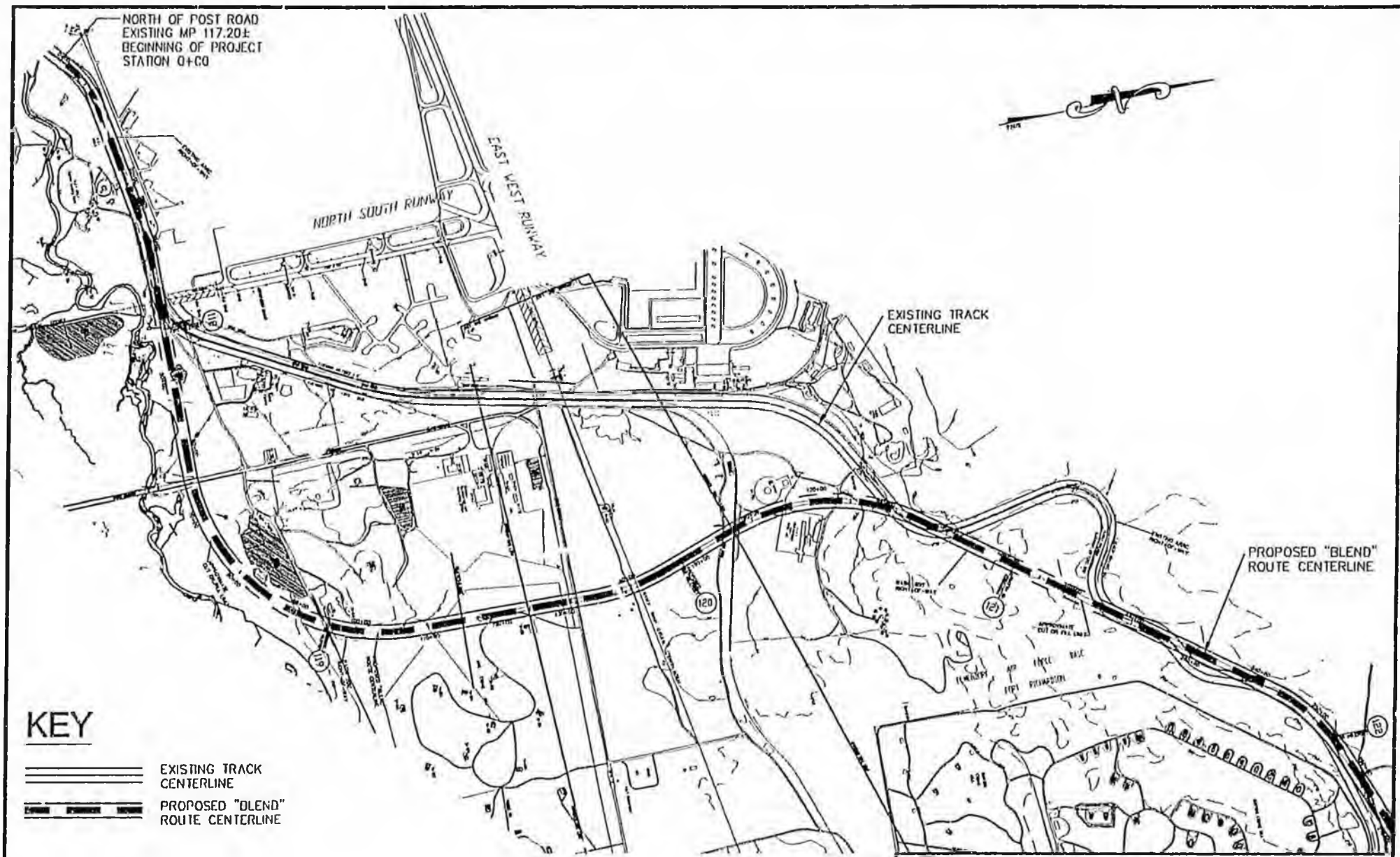
2003

Elmendorf Air Force Base & Fort Richardson Army Base:

ARRC proposes to make track realignment improvements within an existing ten-mile section of mainline track just north of Anchorage (ARRC mile 117.35 to mile 127.5). This section of track traverses through Elmendorf Air Force Base and Fort Richardson and contains 25 curves with a curvature of more than two degrees (ten curves are over eight degrees). In terms of equipment and rail wear and tear as well as safety, the railroad industry generally strives for less curvature. For example, rail on a ten degree curve has 90% less rail life than rail on tangent track.

To straighten these curves, the ARRC must gain state and federal approval to exchange approximately 229 ARRC acres for approximately 225 military acres.

This route will require construction of a new roadbed (subgrade) to accommodate double track widths, which refers to two sets of tracks constructed parallel to each other and having a minimum 15 foot separation between their centerline locations. Double tracking is necessary to better accommodate the increased number of passenger and freight trains that are being operated on the main line. ARRC's present and future business requires this capital improvement.



NORTH OF POST ROAD
 EXISTING MP 117.20±
 BEGINNING OF PROJECT
 STATION 0+00

NORTH SOUTH RUNWAY
 EAST WEST RUNWAY

EXISTING TRACK
 CENTERLINE

PROPOSED "BLEND"
 ROUTE CENTERLINE

KEY

- ==== EXISTING TRACK CENTERLINE
- +---+---+--- PROPOSED "BLEND" ROUTE CENTERLINE

ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456

PROJECT: **BLEND ROUTE ACROSS
 EL MENDORF AFB TO FT. RICHARDSON**

D.R.C.: **MILEPOST 118 TO 122**

DESIGNED BY: K.R.H.
 DRAWN BY: P.C.L.
 APPROVED BY: I.D.

SCALE: 1"=2000'
 DATE: OCT. 1999

FILE: BASEAUG1.DWG
 DWG NO. **1** OF **2**

EAGLE RIVER BRIDGE
 EXISTING MP 127.5
 END OF PROJECT



KEY

- =====
 EXISTING TRACK
 CENTERLINE
- =====
 PROPOSED "BLEND"
 ROUTE CENTERLINE

EXISTING TRACK
 CENTERLINE

PROPOSED "BLEND"
 ROUTE CENTERLINE



ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456

PROJECT :

**BLEND ROUTE ACROSS
 ELMENDORF AFB TO FT. RICHARDSON**

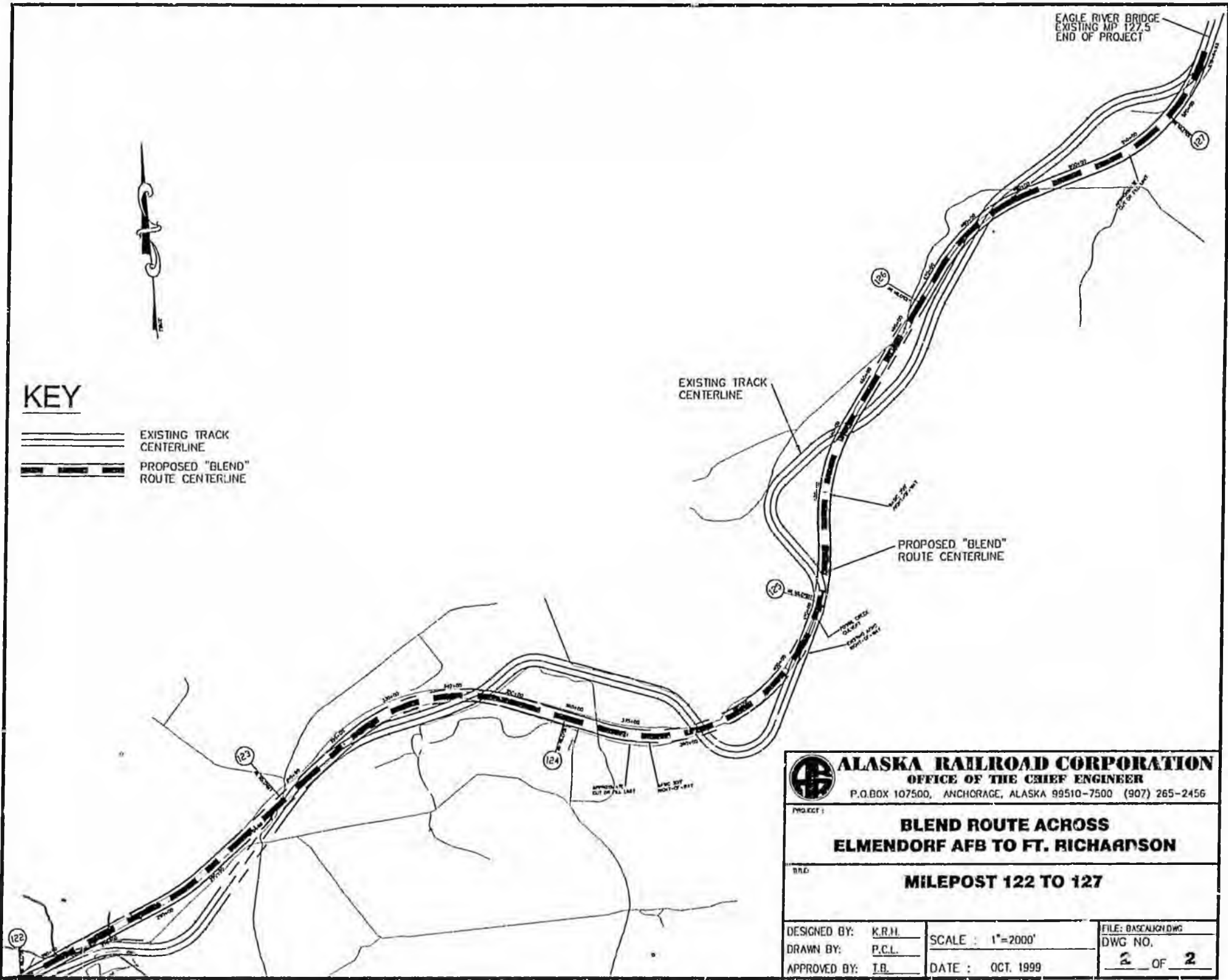
TRK :

MILEPOST 122 TO 127

DESIGNED BY: K.R.H.
 DRAWN BY: P.C.L.
 APPROVED BY: I.B.

SCALE : 1"=2000'
 DATE : OCT. 1999

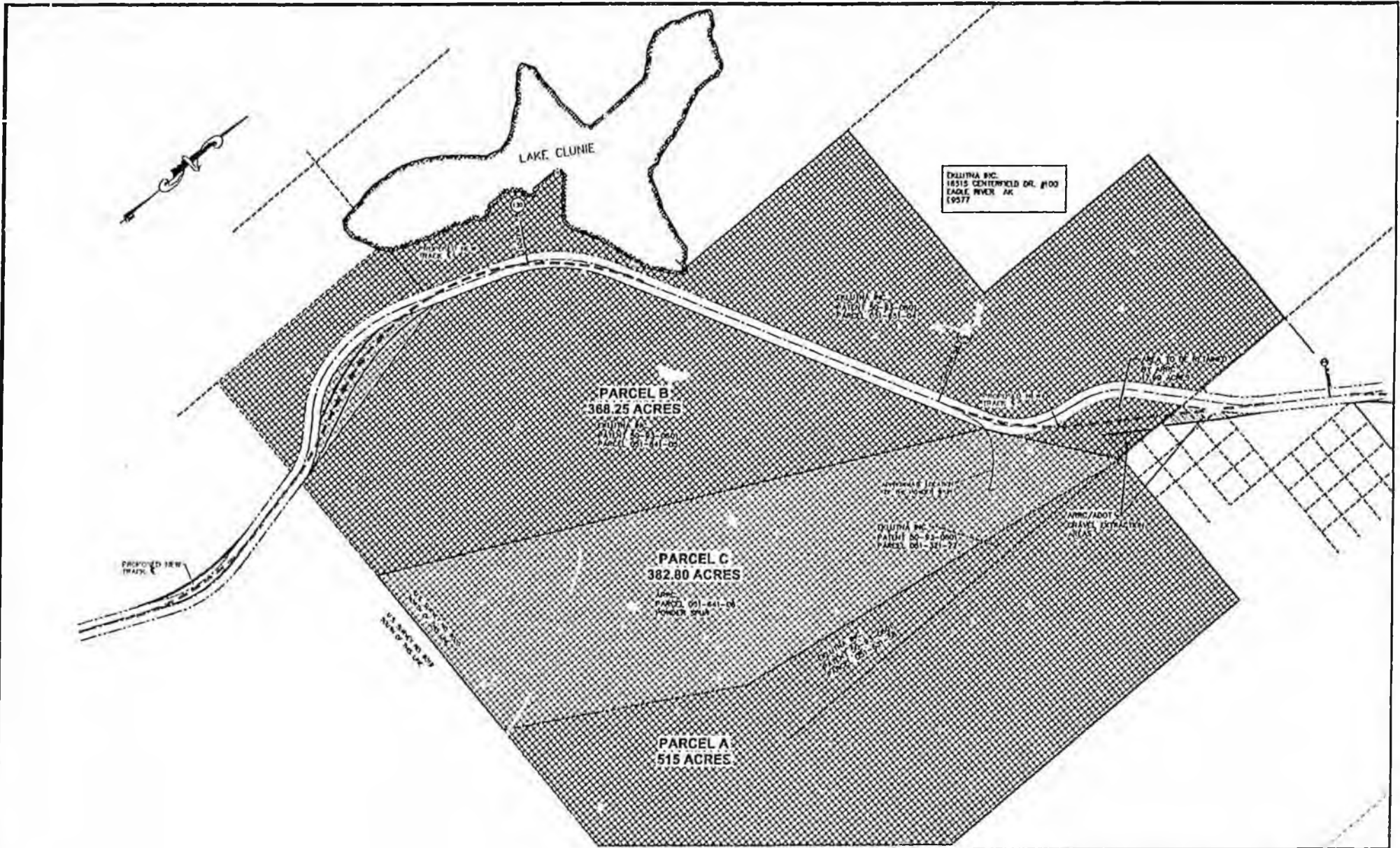
FILE: BASCALGH.DWG
 DWG NO.
 2 OF 2





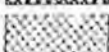

Eklutna, Inc.:


The ARRC has entered into a memorandum of understanding with Eklutna, Inc. outlining the various property settlements agreed to by both parties. (memorandum dated August 4, 1999 attached).

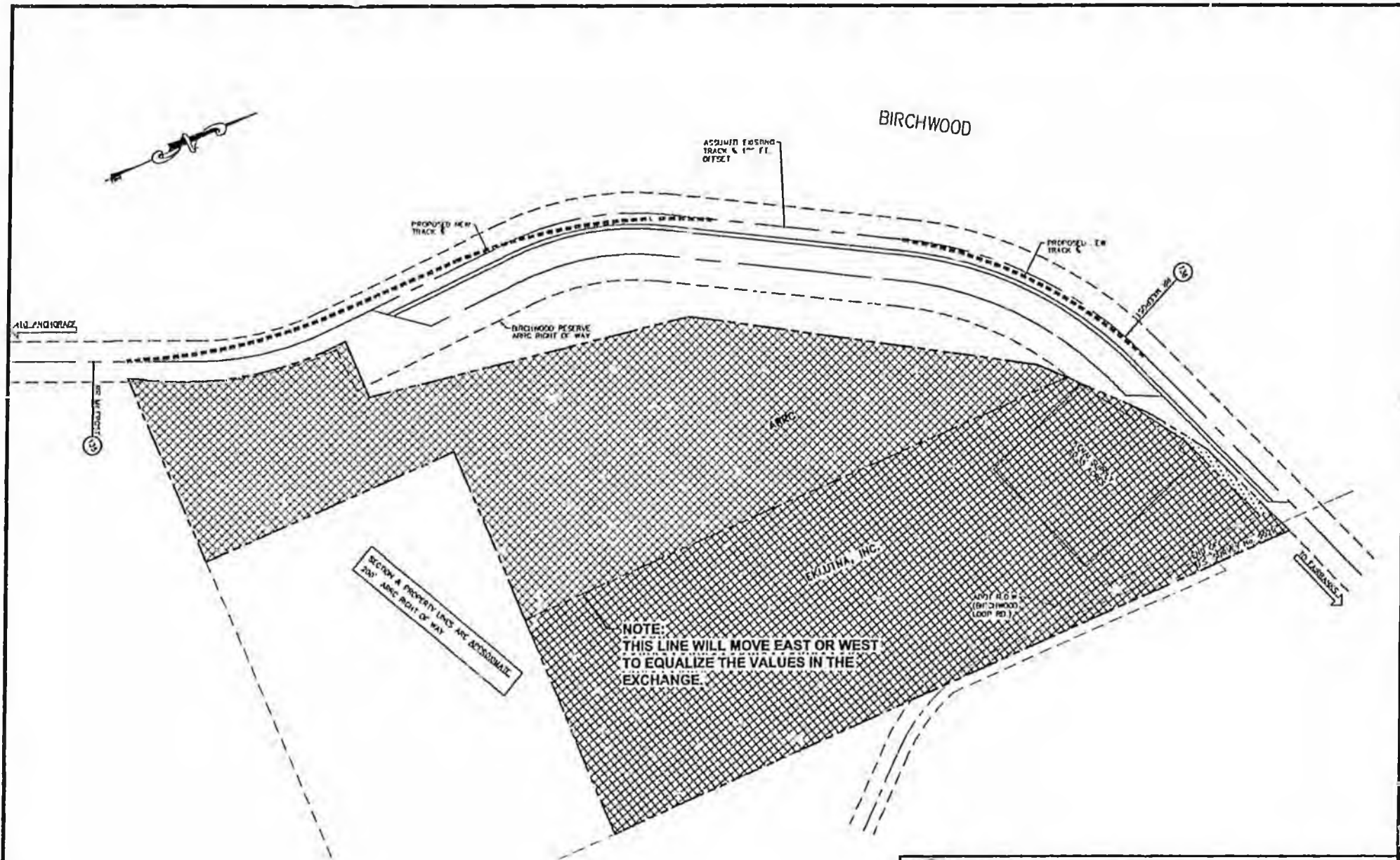
The ARRC and Eklutna, Inc. have agreed to exchange certain parcels of land for equal value. Eklutna, Inc. would receive approximately 384 acres (Parcel "C"/Powder Reserve). The ARRC would receive six parcels (approximately 65 acres) for track realignment near mile posts 133, 140, 142, 146, and 151, and enough land near the Birchwood Airport to create an equitable exchange. All land values are being determined by a contracted, third party appraiser.








KEY

-  LAND EXCHANGED TO EKLUTNA FROM ARRC
-  LAND RETAINED BY EKLUTNA
-  LAND EXCHANGED TO ARRC FROM EKLUTNA
-  LAND RETAINED BY ARRC

 ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456		
PROJECT : EAGLE RIVER TO WASILLA MP 128.8 TO MP 158.5		
TITLE : MILEPOST 129 TO 131 ARRC & EKLUTNA, INC. PARCELS		
DESIGNED BY: <u>K.R.H.</u>	SCALE : NOT TO SCALE	FILE: 131-135COMB0.DWG
DRAWN BY: <u>P.C.L.</u>	DATE : SEPT. 1999	DWG NO. 1 OF 2
APPROVED BY: <u>T.B.</u>		



 ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456		
PROJECT: EAGLE RIVER TO WASILLA MP 128.8 TO MP 158.5		
REF: MILEPOST 135 TO 136 ARRC & EKLUTNA, INC. PARCELS		
DESIGNED BY: K.R.H.	SCALE: NOT TO SCALE	FILE: 131-135COMB0.DWG
DRAWN BY: P.C.L.	DATE: SEPT. 1999	DWG NO. 2 OF 2
APPROVED BY: T.B.		

- KEY**
-  LAND EXCHANGED TO EKLUTNA FROM ARRC
 -  LAND RETAINED BY EKLUTNA
 -  LAND EXCHANGED TO ARRC FROM EKLUTNA
 -  LAND RETAINED BY ARRC

Chugach Alaska Corporation:

The Department of Transportation and Public Facilities (DOT) has bid reconstruction of the Seward Highway from mile post 8 to 18. At approximately mile post 14, the Seward Highway crosses the Alaska Railroad. As part of the DOT's highway relocation project, DOT will grade separate this crossing by building a highway overpass. The grade separation involves a realignment of the Alaska Railroad onto Chugach Alaska Corporation land.

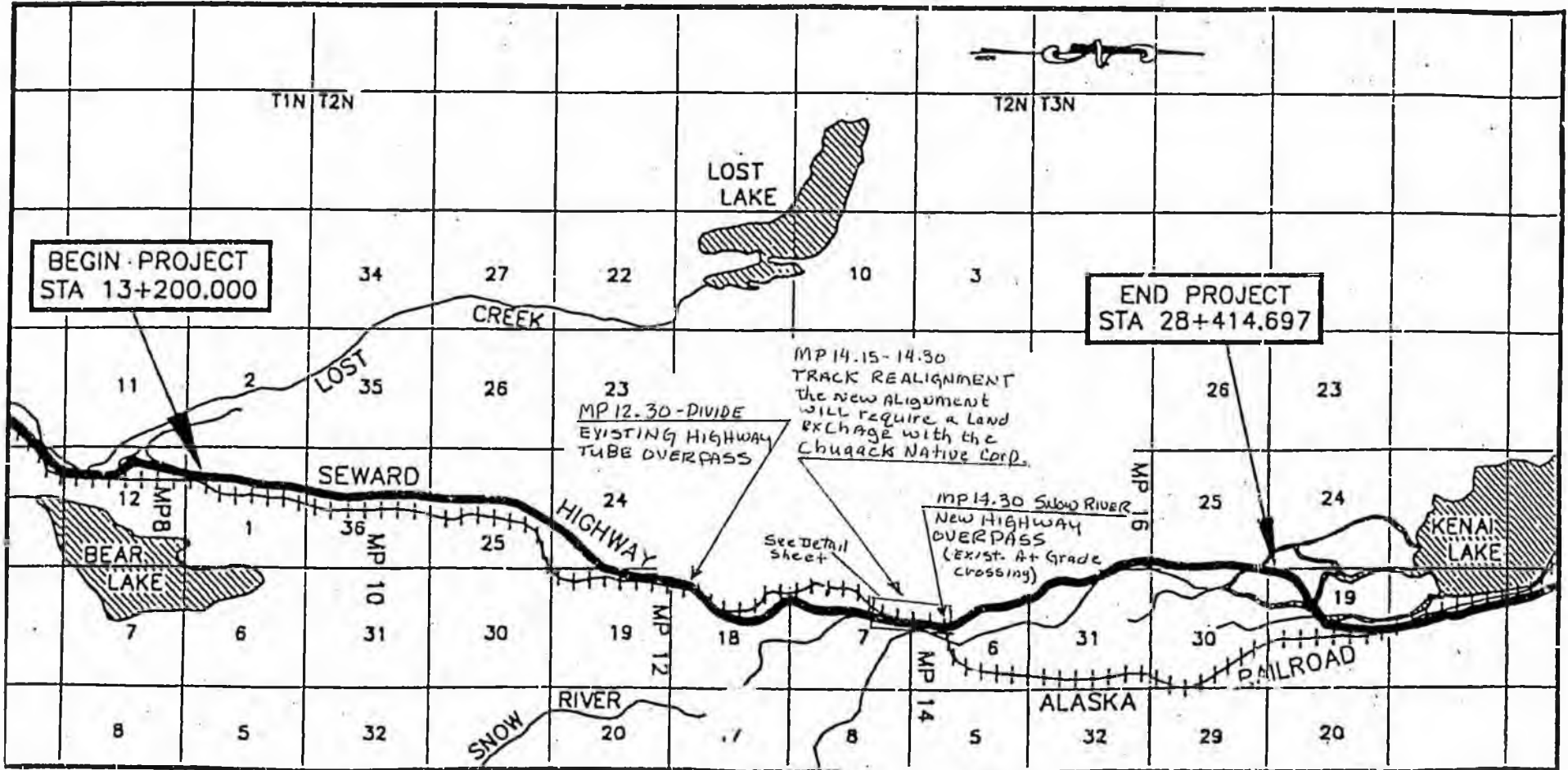
To realign its track for DOT's highway project and retain a 200 foot right-of-way, the ARRC will exchange land with Chugach Alaska Corporation. The ARRC will convey to Chugach Alaska Corporation 6.4 acres of railroad right-of-way (utility corridor) between railroad mile posts 14 and 15. Chugach Alaska Corporation will convey an equivalent interest in real property onto which the railroad utility corridor may be relocated.

Chugach Alaska Corporation will then grant DOT an easement in perpetuity so that DOT can reconstruct the Seward Highway. This will satisfy Chugach Alaska Corporation policy for a "no net loss" land exchange.

A memorandum of understanding between DOT, ARRC and Chugach Alaska Corporation has been drafted. Once finalized, copies will be available.

Seward Highway ARRC Realignment

LOCATION MAP



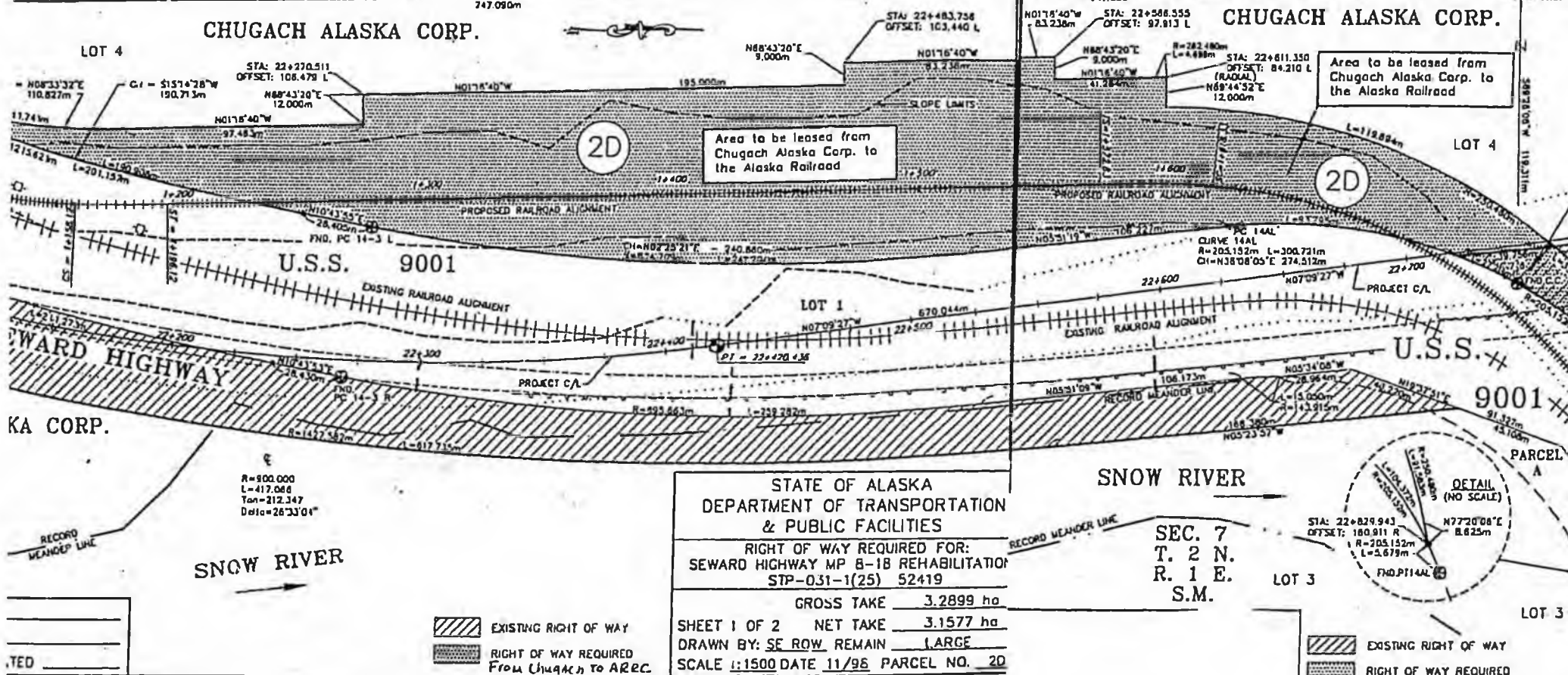
W.1/2 SEC. 7
T.2N., R.1E. S.M. UNSURVEYED

STATE OF ALASKA (TENTATIVE APPROVAL)

W1/2 SEC. 7, T.2N., R.1E. S.M. UNSURVEYED

CHUGACH ALASKA CORP.

CHUGACH ALASKA CORP.



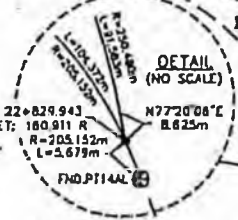
STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES	
RIGHT OF WAY REQUIRED FOR: SEWARD HIGHWAY MP 8-18 REHABILITATION STP-031-1(25) 52419	
GROSS TAKE	3.2899 ha
NET TAKE	3.1577 ha
DRAWN BY: SE ROW REMAIN LARGE	
SCALE 1:1500 DATE 11/96 PARCEL NO. 20	

RECORD MEANDER LINE

EXISTING RIGHT OF WAY
RIGHT OF WAY REQUIRED From Chugach to ARCC

EXISTING RIGHT OF WAY
RIGHT OF WAY REQUIRED

SEC. 7
T. 2 N.
R. 1 E.
S.M.



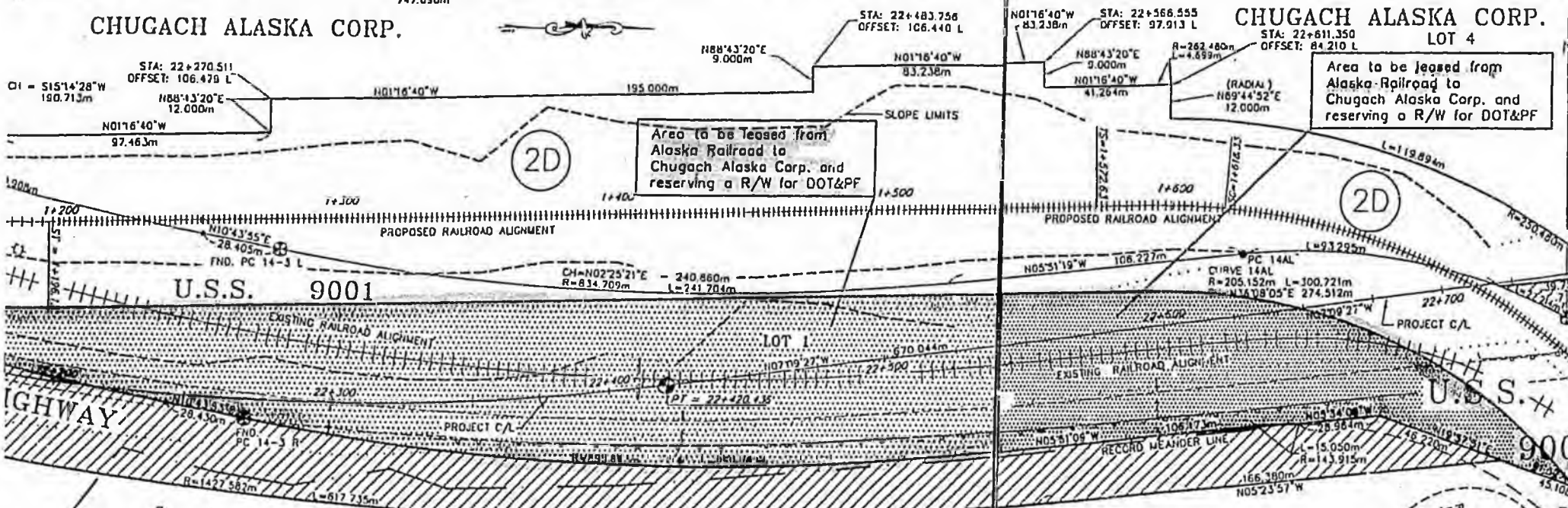
1/2 SEC. 7
V., R.1E. S.M. UNSURVEYED

STATE OF ALASKA (TENTATIVE APPROVAL)

500°43'05"E 747.090
W 1/2 SEC. 7, T.2N., R.1E., S.M. UNSURVEYED

CHUGACH ALASKA CORP.

CHUGACH ALASKA CORP.
LOT 4



Area to be leased from
Alaska Railroad to
Chugach Alaska Corp. and
reserving a R/W for DOT&PF

Area to be leased from
Alaska Railroad to
Chugach Alaska Corp. and
reserving a R/W for DOT&PF

R=900.000
L=417.066
Tan=212.347
Delta=26°33'04"

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
& PUBLIC FACILITIES

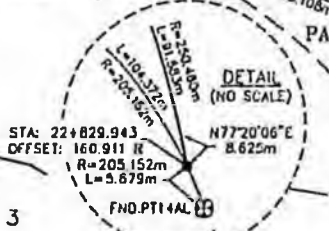
RIGHT OF WAY REQUIRED FOR:
SEWARD HIGHWAY MP 8-18 REHABILITATION
STP-031-1(25) 52419

GROSS TAKE	2.6043 ha
NET TAKE	2.6043 ha
DRAWN BY: SE ROW REMAIN LARGE	
SCALE 1:1500 DATE 11/98 PARCEL NO. 2D	

SNOW RIVER

SEC. 7
T. 2 N.
R. 1 E.
S.M.

LOT 3



EXISTING RIGHT OF WAY
 RIGHT OF WAY REQUIRED
From ARRC to Chugach

EXISTING RIGHT OF WAY
 RIGHT OF WAY REQUIRED

Mile Post 133 -- Beach Lake Park:

Of predominant interest to the residents of the Greater Eagle River area is the railroad curvature located near the mile post 133 vicinity -- better known as Beach Lake Park. To straighten these curves, the ARRC will need to gain fee simple title or an easement from the Municipality of Anchorage (MOA) for the proposed new right-of-way before construction can begin. The MOA and ARRC are currently researching the options.

Depending on what option is chosen, the ARRC may need to obtain legislative approval for a land exchange with the MOA. Should a decision be made prior to the 2000 legislative session, an amendment may be added to the track realignment legislation.

Reconstructing track in this area will mean ARRC can work with the MOA to ensure safer access across its tracks.

The ARRC's plan includes building a new grade-separated crossing at Beach Lake Road that will greatly enhance traffic safety. The new crossing will be an underpass with a 14.6-foot high clearance to accommodate larger vehicles and trucks loaded with dog sleds. By moving the crossing 380 feet north of the current crossing, vehicles will no longer have to approach the crossing from a steep section of road -- a situation that becomes potentially hazardous during icy conditions.

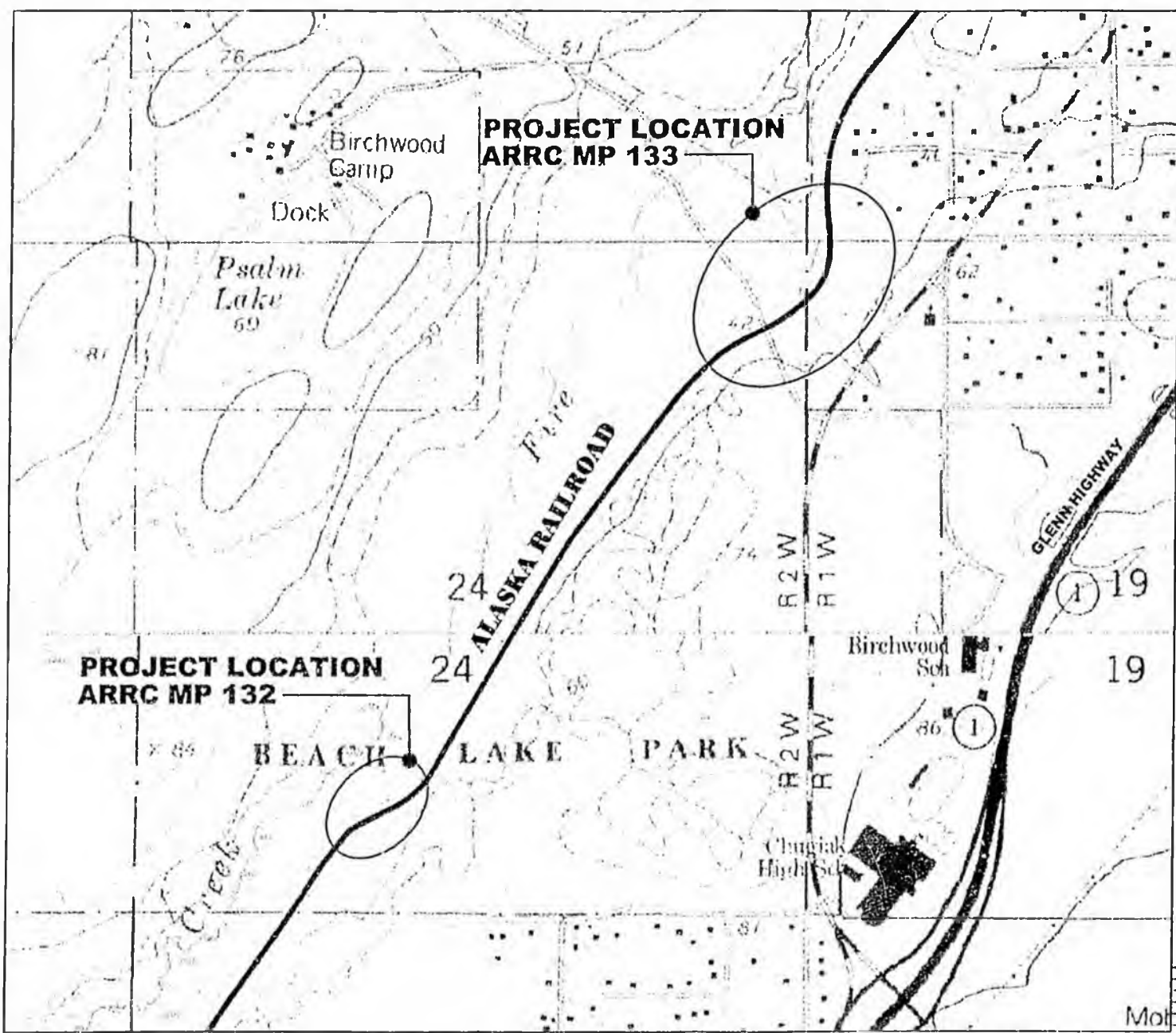
In addition to the road underpass, the ARRC will enhance pedestrian safety by building a pedestrian underpass. The underpass will connect the Beach Lake Trail system on either side of the tracks. With a ten-foot clearance, this underpass will accommodate dog mushers, skiers and other user groups.


Part of the overall project will include working with the adjacent property owners at mile post 133 to define use and ownership of the old railroad right-of-way. Once the Municipality of Anchorage determines the proper course of action for making the proposed new right-of-way available to ARRC, the ARRC will negotiate a reciprocal agreement with the adjacent private property owners.

Finally, the proposed project at this vicinity also includes obtaining enough land in the new right-of-way to allow Eklutna, Inc. access to its nearby property. Eklutna is proposing to build a gravel road from Beach Lake Road to their property. This road will run adjacent to the proposed new track alignment on the north side.

VICINITY MAP

NO SCALE



 ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (507) 265-2458		
EAGLE RIVER TO WASILLA CURVE REALIGNMENTS		
VICINITY MAP		
DESIGNED BY: J.R.H.	SCALE: NONE	FILE NO. 4-1026
DRAWN BY: J.M.F.		DWG. NO.
APPROVED BY: R.J.L.	DATE: DEC. 1993	1 OF 3

REV. DATE BY: REMSCH

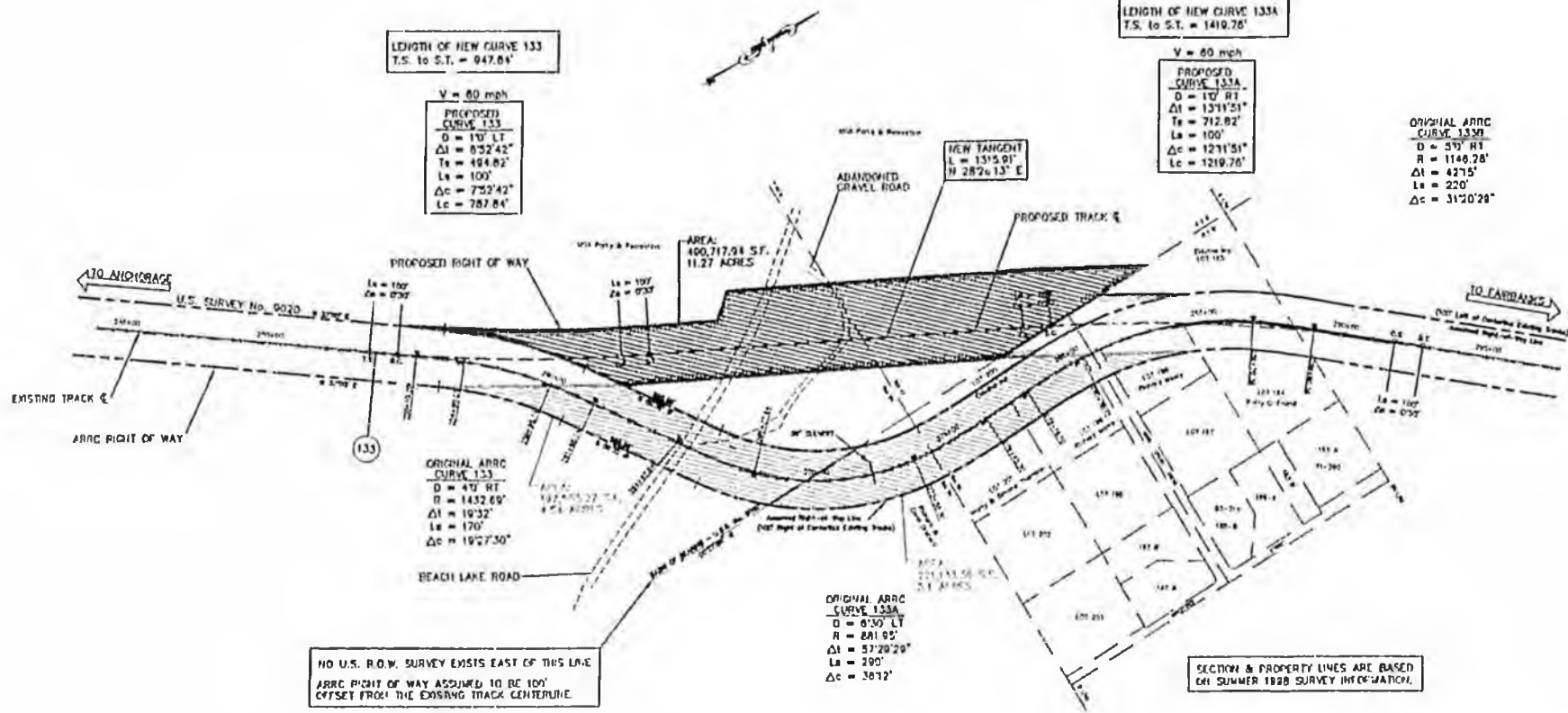
LENGTH OF NEW CURVE 133
T.S. to S.T. = 947.64'

V = 60 mph
PROPOSED CURVE 133
D = 130' LT
ΔI = 852'42"
T_s = 494.82'
L_s = 100'
ΔC = 752'42"
L_c = 787.84'

LENGTH OF NEW CURVE 133A
T.S. to S.T. = 1419.76'

V = 60 mph
PROPOSED CURVE 133A
D = 130' RT
ΔI = 1211'51"
T_s = 712.92'
L_s = 100'
ΔC = 1211'51"
L_c = 1219.76'

ORIGINAL ARRC CURVE 133B
D = 50' RT
R = 1146.28'
ΔI = 4275'
L_s = 220'
ΔC = 3120'29"

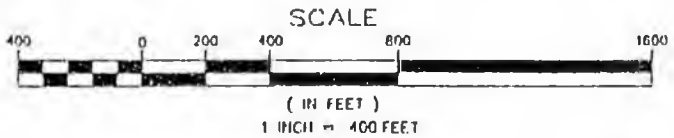


NO U.S. R.O.W. SURVEY EXISTS EAST OF THIS LINE
ARRC RIGHT OF WAY ASSUMED TO BE 100'
OFFSET FROM THE EXISTING TRACK CENTERLINE.

ORIGINAL ARRC CURVE 133A
D = 6'50' LT
R = 281.95'
ΔI = 57'29'29"
L_s = 290'
ΔC = 3812'

SECTION & PROPERTY LINES ARE BASED
ON SUMMER 1928 SURVEY INFORMATION.

CURVATURE REDUCTION
THIS SHEET: 97.12'



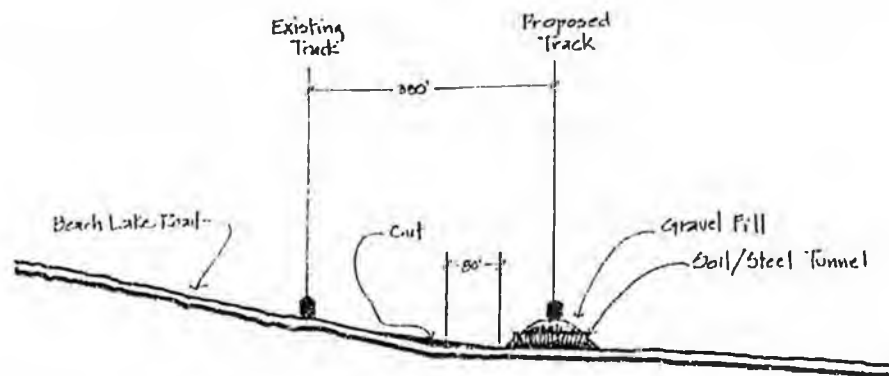
ALASKA RAILROAD CORPORATION
OFFICE OF THE CHIEF ENGINEER
P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 263-2416

EAGLE RIVER TO WASILLA

PROPOSED REALIGNMENTS TO CURVES 133 & 133B

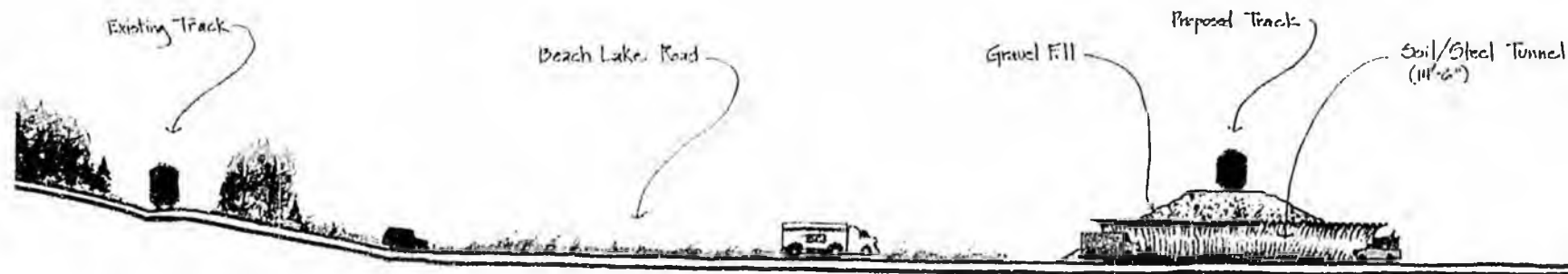
DESIGNED BY C.J.	SCALE: 1"=400'	FILE NO. 2-33300
DRAWN BY C.J.S.	DATE: Jan 1999	DWG. NO. 000-710
CHECKED BY R.H.H.		3 OF 3

REV.	DATE	BY	REVISION



Section Through \oslash Beach Lake Road Realignment

Scale Horiz: 1"=100'-0"
Vert: 1"=50'-0"



Section Through \oslash Beach Lake Road Realignment

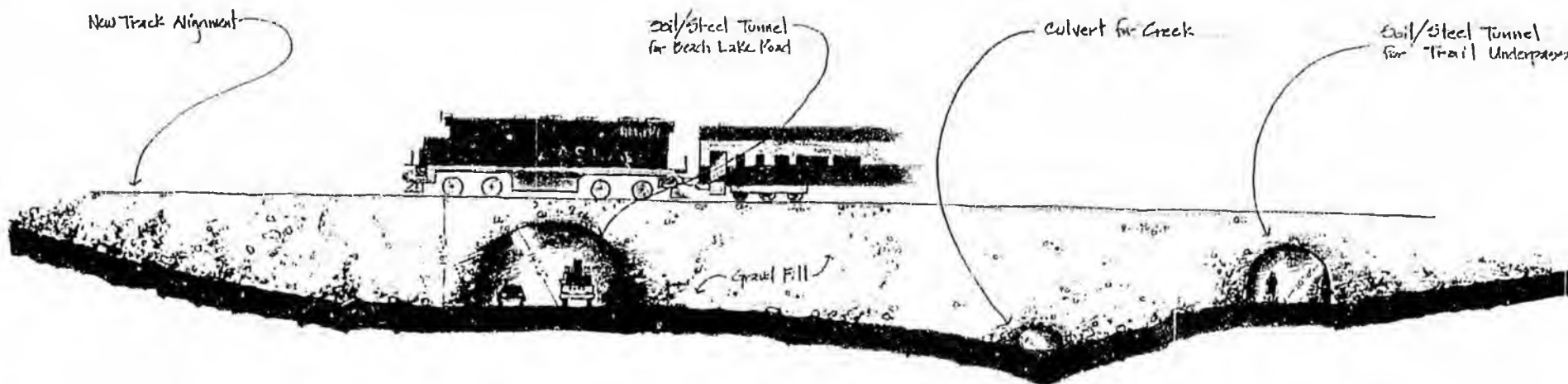
Scale 1"=20'-0"

Alaska Railroad Corporation
Realignment MP 133

Typical Section /Elevation
Proposed \oslash Beach Lake Road Alignment

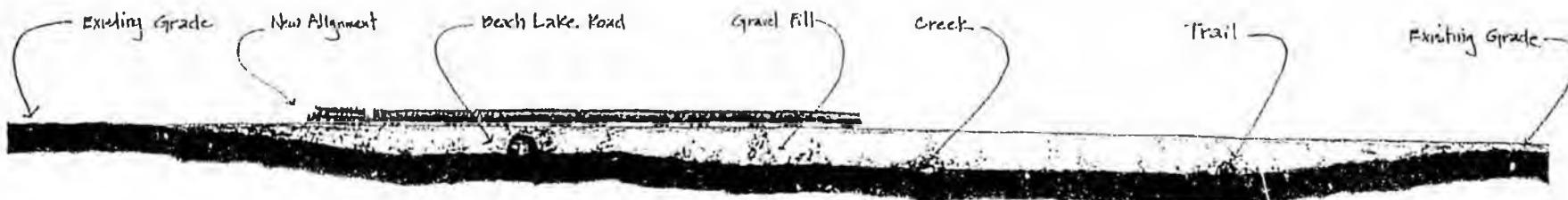


Sheet
1 of 2



Section / Elevation Looking at Proposed Track Realignment

Scale 1"=10'-0"



Section / Elevation Looking at Proposed Track Realignment

Scale Horiz: 1"=100'-0"
Vert: 1"=50'-0"

Alaska Railroad Corporation
Realignment MP 133

Typical Section / Elevation
Proposed \bar{C} Beach Lake Road Alignment



Sheet
2 of 2

Project Benefits:

- 1) Improves public safety.
 - a) includes upgrades to vehicle crossings.
 - b) adds pedestrian safety amenities including a pedestrian underpass at Beach Lake Park.
 - c) adds fencing to discourage trespassing, where necessary.
 - d) utilizes longer rail segments to reduce noise and vibration.
- 2) Improves safety of operations.
 - a) adds consistency in train handling.
 - b) increases engineer's line of sight.
 - c) reduces potential derailment at sharp curves.
- 3) Reduces running time by approximately 40 minutes between Anchorage to Wasilla. (from 95 minutes to about 55 minutes)
 - a) railroad passengers spend more time at their destinations, increasing income to these communities and enjoyment for visitors to our state.
 - b) railroad would be in a better position to offer rail commuter service, which would in turn play an important role in reducing Glenn Highway congestion.
 - c) faster trains will lead to more trains, leading to more jobs for Alaskans.
 - d) railroad will provide more competitive and efficient freight service.
 - e) increased train efficiency from Anchorage to Fairbanks will help ARRC better meet its schedules and deadlines.
- 4) Reduces track and equipment wear and tear.
 - a) decreasing curvature increases rail life. (for example, rail on a ten degree curve has 90% less rail life than rail on tangent track.)
- 5) Reduced impact on the Glenn and Park Highways = long-term state savings.
 - a) heavy freight loads damage roads but not rails. Freight on roads contributes approximately 80% of road degradation nationally.
 - b) increased railroad passenger traffic may lessen some demand for future road maintenance and capital improvement needs due to increased visitors and residents use. Alaska Railroad shares in the cost of this growth because it maintains its own tracks.
- 7) Improves asset base of the Alaska Railroad, which enhances the State's ownership of the railroad for all Alaska shareholders.
- 8) Military benefits include:
 - a) Elmendorf Air Force Base gains additional operating space between the railroad tracks and its airfield allowing for an adequate clear zone as an increased safety buffer.
 - b) safer railroad crossings including a new grade separated crossing at Vandenberg Avenue on Elmendorf Air Force Base.
 - c) potential commuter stop near the Base.

Project Impacts and Mitigation:

- 1) Increased potential conflicts at railroad crossings

Mitigation: Improve crossings

- a) a Diagnostic Team is studying each crossing. The team includes railroad employees, a traffic safety engineer from ADOT, and a representative from the local governing body involved. Other stakeholders are invited to participate.
- b) a formal engineering evaluation will be produced for each crossing that will recommend the acceptable level of warning devices needed.

- 2) Noise & vibration

Residential areas impacted along the realignment section:

Mile post 133-137 * Birchwood residential area near the airport

Mile post 141-142 * Eklutna Village

Note: noise disturbance not an issue for military bases

Mitigation:

- a) noise study at Birchwood has been conducted as part of the right-of-way acquisition. Study includes specific local data at area of impacts.
- b) track improvements will be made.
 - better ballast (track foundation).
 - longer rails -- 80 feet (average is 39 feet). This eliminates half of the rail joints responsible for clickity-clack noise. Longer rail also reduces vibration.

- 3) Trespass incidents may increase

Mitigation:

- a) fencing: selected areas
- b) additional pedestrian underpasses being considered
- c) public relations safety campaign: Operation Lifesaver includes school education efforts and public service announcements

Note: Track realignment will give the train engineers a greater line of sight giving them more time to react.

MEMORANDUM OF UNDERSTANDING

ALASKA RAILROAD CORPORATION

AND

EKLUTNA, INCORPORATED

WHEREAS, the Alaska Railroad Corporation (referred to hereafter as "ARRC") and Eklutna, Incorporated (referred to hereafter as "Eklutna") entered into the "Agreement of the Alaska Railroad Corporation and Eklutna, Inc. Settling Claims of Valid Existing Rights to Rail Properties of the Alaska Railroad and Providing for Conveyances Pursuant to the Alaska Native Claims Settlement Act and the Alaska Railroad Transfer Act of 1982" on January 8, 1987, and as subsequently amended (referred to hereafter as "the 1987 Agreement"); and

WHEREAS, ARRC and Eklutna affirm and acknowledge that the 1987 Agreement remains in full force and effect, except as may be supplemented or modified as set forth herein; and

WHEREAS, ARRC has decided to realign its route to improve service and efficiency and is no longer in need of the property formerly identified as Parcel C of the Powder Reserve in the 1987 Agreement, currently identified as Tract 39, Township 15 North, Range 2 West, Seward Meridian; and

WHEREAS, Eklutna has initiated development of the area known in the 1987 Agreement as Parcel A of the Powder Reserve, and desires to develop the rest of the Powder Reserve in an efficient and orderly manner; and

WHEREAS, ARRC wishes to preserve its option to locate a switching yard in the area near the Birchwood Airport and has found that all or portions of Tract 38, Township 15 North, Range 1 West, Seward Meridian, owned by Eklutna, meet its needs; and

WHEREAS, Eklutna considers the possible location of a switching yard to the property described above and currently owned by Eklutna as compatible with its corporate goals for other land it owns near Birchwood Airport; and

WHEREAS, ARRC wishes to realign trackage through Eklutna lands in Anchorage and the Matanuska Susitna Borough; and

WHEREAS, ARRC and Eklutna have met periodically for several months, have considered numerous alternatives, and have each appraised their respective interests;

THEREFORE, be it resolved, that ARRC and Eklutna do hereby enter into this Memorandum of Understanding, and state their intentions as follows:

1. Land Exchange. ARRC agrees to exchange title to Tract 39, Township 15 North, Range 2 West, Seward Meridian, to which ARRC currently has an exclusive license (BLM File AA 55129), for a portion of Tract 38, Township 15 North, Range 1 West, Seward Meridian, to which Eklutna has title via United States Patent 50-93-601, excepting approximately 17.99 acres located at the north end of ARRC's parcel which are being reserved for ARRC operational needs.

a. For the purposes of this exchange, the parties agree that the value of Tract 39, Township 15 North, Range 2 West, Seward Meridian is \$2,500 per acre or \$0.06 per square foot and the value of Tract 38, Township 15 North, Range 1 West, Seward Meridian is \$9,333 per acre or \$0.21 per square foot.

b. The parties agree that the exchange shall be for equal value, and that the amount of Tract 38, Township 15 North, Range 1 West, Seward Meridian to be conveyed from Eklutna to ARRC will be adjusted to equal values. The general configuration of the land to be conveyed to ARRC is shown on Exhibit 1, attached hereto and incorporated by reference herein. The proposed north-south line between the land to be exchanged with the ARRC and to be retained by the Eklutna shall be moved east or west to equalize values.

c. The parties agree that costs will be shared as follows: ARRC will bear all its costs in acquiring title from the United States and securing the approval of the Alaska Legislature, if required. Each party shall convey title to its interest by warranty deed and shall bear the cost of preparing its own conveying documents and title reports and insurance. The parties will equally divide the cost of surveying and replatting both Tract 38, Township 15 North, Range 1 West, Seward Meridian and the northern portion of Tract 39, Township 15 North, Range 2 West, Seward Meridian. Each shall bear the cost of recording the conveyances they receive.

d. Because it does not yet have patent from the United States to Tract 39, Township 15 North, Range 2 West, Seward Meridian, ARRC agrees to: (1) immediately identify this tract as its highest conveyance priority to the Bureau of Land Management and to do everything in its power to ensure its prompt conveyance; (2) consult with Eklutna regarding the creation of any third party interests in said Tract 39; (3) issue a no-fee permit to Eklutna or its agents to enter on the land for planning, managing, and surveying in advance of conveyance; and, (4) forebear from withholding approvals as requested by Eklutna as may be required by the Municipality of Anchorage, the Bureau of Land Management, and other public or private institutions and agencies for activities involving that tract.

e. Eklutna agrees that it will: (1) consult with ARRC regarding the creation of any third party interests in Tract 38, Township 15 North, Range 1 West, Seward Meridian in advance of conveyance; (2) issue a no-fee permit to ARRC or its agents to enter on its portion of the tract as show in Exhibit 1 for planning, managing, and surveying in advance of conveyance; and, (3) forebear from withholding approvals as requested by ARRC as maybe required by the Municipality of Anchorage, the Bureau of Land Management, and other public or private institutions and agencies for activities involving that tract.

f. The parties agree and acknowledge that this specific land exchange is occurring totally outside the provisions of the 1987 Agreement, and further outside the provisions of ANCSA and/or ANILCA, is not made in partial satisfaction of any outstanding selection rights or any claims to entitlement that Eklutna may yet have under those acts. Any interest in properties acquired by Eklutna pursuant to this exchange shall be acquired subject to the land exchange provisions of those acts. The provisions of P.L.105-333 regarding land bank protections are intended to apply to this exchange.

g. Eklutna acknowledges and understands that ARRC cannot transfer its entire interest in land without prior legislative approval under AS 42.40.285, and that final consummation of the land exchanges contemplated by this agreement cannot occur until ARRC receives such approval. ARRC shall exercise its best efforts to obtain the necessary approval at the earliest possible opportunity and continue such efforts until the legislative authorization is obtained. Eklutna will in good faith support ARRC's request before the legislature.

2. Realignment of ARRC Track

a. The parties agree to facilitate the realignment of ARRC track as reflected on the plans shown on **Exhibit 2**, attached hereto and incorporated by reference herein. The proposed realignment at the curve at Mile 129, Drawing 1 dated Feb. 1999 in Exhibit 2, satisfies the realignment envisioned in Paragraph 12 of the 1987 Agreement. Eklutna agrees to convey the lands needed by ARRC in exchange for other consideration as set forth below. ARRC will pay for any surveys and replatting needed to effect the realignment. The cost of appraisal will be split equally. ARRC will propose three appraisers and Eklutna will select one from that proposed group. ARRC will also be responsible for obtaining an archaeological study at the site of the proposed Eklutna Village area realignment. ARRC will be responsible for negotiating directly with Cook Inlet Region, Inc., any necessary or desired permits for the work planned by ARRC and will negotiate a non-development covenant directly with CIRI in the area of the curve at Mile 146, Drawing 13A dated Feb. 1999 in Exhibit 2, if necessary.

b. ARRC will convene and Eklutna will join and participate in a diagnostic team review conducted under the "Alaska Railroad/Highway Crossing Policy" (a jointly adopted ARRC/Department of Transportation and Public Facilities policy) regarding all existing and proposed or potential crossings in the area between Anchorage and Wasilla. The parties recognize that other entities beside themselves, such as adjacent municipalities and the State of Alaska, may have legitimate concerns regarding such crossings and will be participants in the diagnostic team review pursuant to the Policy. The exact location and configuration of each crossing in **Exhibit 3** shall be decided and/or negotiated on a case-by-case basis, and it is recognized that other parties, such as the developer, the Municipality of Anchorage, the Department of Transportation and Public Facilities, etc., may be required participants in the funding plan.

c. Notwithstanding the above paragraph, the parties agree that, upon notice by Eklutna, ARRC will provide and build a minimum of one (1) grade-separated roadway crossing in the Powder Reserve in accordance with the requirements of Paragraph 8 of the 1987 Agreement and

will allow other roadway crossings between Anchorage and Wasilla as generally shown in Exhibit 3. Construction of the grade-separated crossing in the Powder Reserve will be completed within 5 years of notice by Eklutna. The exact locations and configurations of all crossings will be identified as required to provide adequate access to Eklutna lands.

3. Further Actions.

ARRC and Eklutna shall work diligently to fulfill the requirements of the above paragraphs, which complement some aspects of, and the intentions underlying, the 1987 Agreement. The parties further commit to review, consider, and identify the parties' remaining outstanding obligations under the 1987 Agreement such that they may be implemented in a more expeditious manner.

4. Miscellaneous.

a. The parties understand that each must secure the approval of their respective Boards of Directors and that this agreement is not binding upon the parties until both Boards have approved this agreement.

b. The parties agree that time is of the essence, and that both parties will bring this agreement to their Boards at the earliest opportunity, but in no case more than 60 days from the date of last signature.

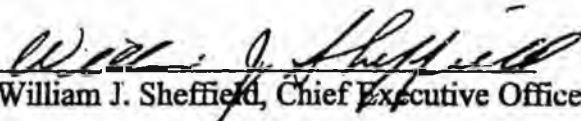
c. If ARRC fails to obtain patent to Tract 39, Township 15 North, Range 2 West, Seward Meridian within two years of the date of the last signature, this agreement is null and void. No transfers will occur until patent to tract 39 has been received by the ARRC.

d. Neither party has an obligation to replat or survey until ARRC has acquired patent to Tract 39, Township 15 North, Range 2 West, Seward Meridian.

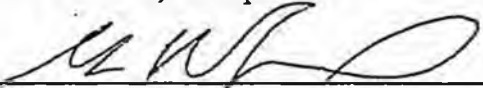
e. This agreement expires automatically and without further action of any kind upon the fifth anniversary of the date it was last signed if the exchanges anticipated herein have not been completed.

Agreed this 4 day of August, 1999.

For the Alaska Railroad Corporation:

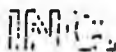

William J. Sheffield, Chief Executive Officer

For Eklutna, Incorporated:


George W. Easley, Chief Executive Officer



16618 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 898-2828 FAX: (907) 898-2845



William J. Sheffield
Chief Executive Officer
Alaska Railroad Corporation
P.O. Box 107500
Anchorage
AK 99510

September 10, 1999

Re: Memorandum of Understanding

Dear Bill:

It gives me great pleasure to send you this copy of resolution 99-17 passed today by the Board of Directors of Eklutna, Inc. I look forward to bringing this agreement to completion for the benefit of both the Alaska Railroad Corporation and Eklutna, Inc.

Very Truly Yours,

George W. Easley
Chief Executive Officer
Eklutna, Inc.



14515 CENTERFIELD DRIVE, SUITE 201
 EAGLE RIVER, ALASKA 99577
 (907) 696-2028 FAX: (907) 696-2845 **INC.**

Resolution 99-17

WHEREAS, Eklutna, Incorporated owns Parcels A and B of the Powder Reserve (S.M. T15N, R2W, Tracts 37, 38 and 40) under Patent Number 50-93-0601; and

WHEREAS, Eklutna, Incorporated wished to acquire Parcel C of the Powder Reserve (S.M. T15N, R2W, Tract 39) to consolidate its holdings, facilitate development, and reach efficiencies of scale; and

WHEREAS, the Alaska Railroad Corporation wants to acquire land needed for realignments and for other industrial purposes in the Birchwood area; and

WHEREAS, the Board of Directors has reviewed the Memorandum of Understanding dated August 4, 1999 and signed by the Chief Executive Officers of both the Alaska Railroad Corporation and Eklutna, Incorporated;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of Eklutna, Incorporated that they find that the land exchange outlined in the Memorandum of Understanding is in the best interest of the Corporation and the Chief Executive Officer, George W. Easley, is authorized to negotiate details of the exchange, to require such conditions as he finds in the best interest of the Corporation, to sign required plats, and to execute conveyances.

Brought to a meeting at which a quorum was present and passed by a majority vote of 4 yea and 0 nay and 0 abstention votes on September 10, 1999.

Kim L. Zello

 Kim L. Zello, President

Daniel Alex

 Daniel Alex, Secretary



Message

Date: Tuesday Apr 11, 2000

Time: 8:59 AM

To: JUNEAU

From: JEAN MILLER

TC Number: 10735

Message: Craig Hughes/Anchorage with the AK RR is on line to answer questions on SB 235. Jean/Bridge

Close Window

Print



Teleconference Participants

TCN: 10735

Participant Lists

View List for

ALL



Testifiers



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Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1

Name: Mr. Blair McCune Ans ?s

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 26: FALSE INFORMATION/REPORT TO POLICE