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SENATOR LOREN LEMAN

Northwest Anchorage

716 W 4th Ave, Ste 540, Anchorage AK 99501 258-8189

Session: State Capitol, Juneau AK 99801 465-2095

Sponsor Statement – SB 235

Senate Bill 235 authorizes the Alaska Railroad Corporation (ARRC) to enter into several land exchange 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 certain lands in exchange for equivalently valued land owned by the Air Force and Army on Elmendorf and Fort Richardson; Eklutna, Inc.; Chugach Alaska Corporation; and the Municipality of Anchorage. The land exchanges 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, making future commuter service more viable.

Reduced transit time between Anchorage and Wasilla will mean a potential reduction in the traffic growth on the Glenn Highway. Ultimately, fewer automobiles will reduce the impact on the Glenn and Parks Highways. Increased railroad passenger traffic 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. But more important to the communities neighboring the Alaska Railroad, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the tracks. It will also improve service to the northern end of the railbelt.

The proposed track improvements are supported by the Alaska Visitors Association, 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.



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SB 235 Sectional Analysis

- **Section 1:** Allows the Alaska Railroad Corporation (ARRC) to participate in a land exchange with Eklutna, Inc. for the purpose of realigning the 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 United States Department of the Air Force for the purpose of track realignment to improve operating efficiency and enhance safety.
- **Section 3:** Allows the ARRC to exchange land with the Chugach Alaska Corporation. The conveyances in this section are for the purpose of the realignment of 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 in order to realign the track to improve operating efficiency and enhance safety.
- **Section 5:** Provides an immediate effective date.

1-LS1282I
Utermohle
2/8/00

Leman
2/8/00

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; and providing for an effective date."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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

10 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO EKLUTNA, INC. (a)
11 The Alaska Railroad Corporation is authorized to convey the corporation's entire interest in
12 approximately 384 acres of rail land within Tract 39 of Dependent Resurvey of Rectangular
13 Survey of Township 15 North, Range 2 West, Seward Meridian, officially filed November 10,

1 1992, to Eklutna, Inc., in exchange for the conveyance to the corporation by Eklutna, Inc., of
2 approximately 65 acres of land adjacent to the railroad utility corridor at railroad mileposts
3 129, 130, 133, 140, 142, 146, and 151 and sufficient additional acreage east of Birchwood
4 Airport and adjacent to the railroad between miles 134.5 and 136.3 to equalize the value of
5 lands exchanged.

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

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

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

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

14 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO THE UNITED
15 STATES DEPARTMENT OF THE ARMY AND THE UNITED STATES DEPARTMENT
16 OF THE AIR FORCE. (a) The Alaska Railroad Corporation is authorized to convey the
17 corporation's entire interest in approximately 229 acres of railroad utility corridor between
18 railroad mileposts 118 and 127.5, within Township 13 North, Range 3 West, Seward Meridian,
19 Township 14 North, Range 3 West, Seward Meridian, and Township 14 North, Range 2 West,
20 Seward Meridian to the United States Department of the Army and the United States
21 Department of the Air Force in exchange for the conveyance of approximately 227 acres of
22 land in the same vicinity to the corporation by the United States.

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

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

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

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

31 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO CHUGACH ALASKA

1 CORPORATION. (a) Contingent upon the conveyance to the Alaska Railroad Corporation
2 by the Chugach Alaska Corporation of an equivalent interest in real property onto which the
3 railroad utility corridor may be relocated, the Alaska Railroad Corporation is authorized to
4 convey the corporation's entire interest in approximately 6.4 acres of railroad utility corridor
5 between railroad mileposts 14 and 15, within Township 2 North, Range 1 East, Sections 6 and
6 7, Seward Meridian, to the Chugach Alaska Corporation.

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

10 (c) Land conveyed by the Chugach Alaska Corporation to the Alaska Railroad
11 Corporation shall be held and managed by the Alaska Railroad Corporation in accordance with
12 AS 42.40.

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

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

17 APPROVAL OF THE TRANSFER OF REAL PROPERTY TO THE MUNICIPALITY
18 OF ANCHORAGE. (a) The Alaska Railroad Corporation is authorized to convey the
19 corporation's entire interest in approximately 9.6 acres of railroad utility corridor between
20 railroad mileposts 133 and 134, within Township 15 North, Range 2 West, Sections 13 and
21 24, Seward Meridian, to the Municipality of Anchorage in exchange for the conveyance of
22 approximately 13.6 acres of land in the same vicinity to the corporation by the Municipality
23 of Anchorage.

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

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

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

30 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).



EXPLANATION OF DIFFERENCES BETWEEN SB 235 (1-LS1282\G) & BLANK CS FOR SB 235 (1-LS1282\I)

[Page & line numbers refer to Blank CS for SB 235 (1-LS1282\I)]

Page 2, lines 1-5, after "Eklutna, Inc.":

New language added:

"in exchange for the conveyance to the corporation by Eklutna, Inc., of approximately 65 acres of land adjacent to the railroad utility corridor at railroad mileposts 129, 130, 133, 140, 142, 146, and 151 and sufficient additional acreage east of Birchwood Airport and adjacent to the railroad between miles 134.5 and 136.3 to equalize the value of lands exchanged."

Explanation:

This language more precisely defines the area and value of the land that will be conveyed to the Alaska Railroad Corporation (ARRC) by Eklutna, Inc.

Page 2, line 18, after "of approximately":

Change: Delete [225], insert 227

Explanation:

A reassessment of the land proposed for conveyance to the ARRC by the United States Department of the Army and the United States Department to the Air Force indicates that 227 acres is the more precise figure.

Resolutions of Support



ALASKA VISITORS ASSOCIATION

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

1999-2000

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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

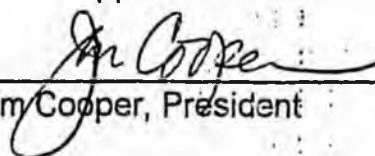
Whereas, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

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



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.

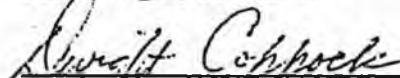
Now, Therefore Be it Resolved that the Greater Wasilla Chamber of Commerce supports the ARRC's efforts to upgrade and realign its tracks between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset,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

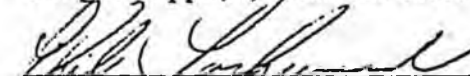
Hereby, adopted by the Greater Wasilla Chamber of Commerce this 15th day of December, 1999.



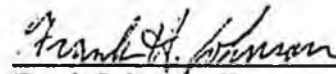
Karl Sleight, President



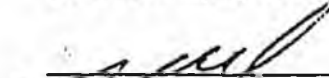
Dwight Coppock, President-Elect



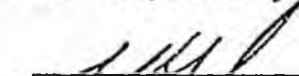
Phil Lockwood, Vice-President



Frank Johnson, Treasurer



Bill Moll, Secretary



ATTESTED: Bill Moll, Secretary



Anchorage Economic Development Corporation
The Center of Opportunity

**AEDC Executive Committee 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 more 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 ARRC 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 of the state owned 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 Economic Development Corporation 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 Economic Development Corporation seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Passed and approved this 20th day of December, 1999.



Mel Nichols, Chairman

MATANUSKA-SUSITNA

CONVENTION & VISITORS BUREAU

A Resolution Supporting the Alaska Railroad's Track Upgrade and Realignment Project

MSCVB Resolution FY2000-04

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.

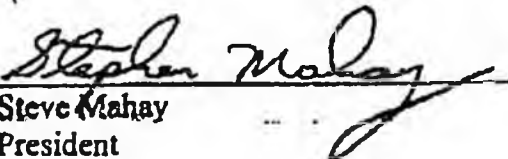
NOW, THEREFORE BE IT RESOLVED that the Mat-Su Convention & Visitors Bureau supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset,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

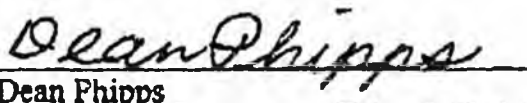
MSCVB Resolution FY2000-04
Supporting the Alaska Railroad's Track Upgrade and Realignment Project

BE IT FURTHER RESOLVED that the Mat-Su Convention & Visitors Bureau seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Passed and approved by a majority of those voting at the regular board meeting on January 8, 2000.

Approved:


Steve Mahay
President


Dean Phipps
Secretary

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

ANCHORAGE CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS



ANCHORAGE
Convention &
Visitors Bureau

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

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John "Chris" Swalling CPA
Swalling & Associates PC

Tom Tierney
Municipality of Anchorage

Chris von Imhof
Alyeska Resort

524 W. Fourth Avenue
Anchorage, Alaska
9 9 5 0 1 - 2 2 1 2

9 0 7 - 2 7 6 - 4 1 1 8
Fax 9 0 7 - 2 7 8 - 5 5 5 9
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

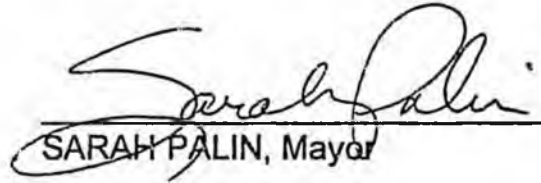
WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

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

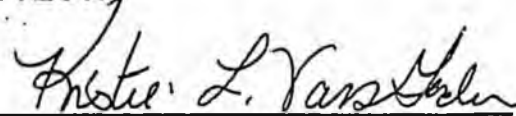
BE IT FURTHER RESOLVED, that the City of Wasilla seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

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]



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



18515 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 696-2829 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

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

TED STEVENS, ALASKA, CHAIRMAN

THAD COCHRAN, MISSISSIPPI
PETE V. DOMENICI, NEW MEXICO
CHRISTOPHER S. BOND, MISSOURI
SLADE GORTON, WASHINGTON
MITCH MCCONNELL, KENTUCKY
CONRAD BURNS, MONTANA
RICHARD C. SHELBY, ALABAMA
JUDD GREGG, NEW HAMPSHIRE
ROBERT F. BENNETT, UTAH
GEN NIGHTHORSE CAMPBELL, COLORADO
LARRY CRAIG, IDAHO
LAUCH FAIRCLOTH, NORTH CAROLINA
KAY BAILEY HUTCHISON, TEXAS

ROBERT C. BYRD, WEST VIRGINIA
DANIEL K. INOUE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
PATRICK J. LEAHY, VERMONT
DALE BUMPERS, ARKANSAS
FRANK R. LAUTENBERG, NEW JERSEY
TOM HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HARRY REID, NEVADA
HERB KOHL, WISCONSIN
PATTY MURRAY, WASHINGTON
BYRON DORGAN, NORTH DAKOTA
BARBARA BOXER, CALIFORNIA

STEVEN J. CORTESE, STAFF DIRECTOR
JAMES H. ENGLISH, MINORITY STAFF DIRECTOR

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
SAB		JWK
RBS		EMR
ACTION INFO FILE		CAS

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

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.

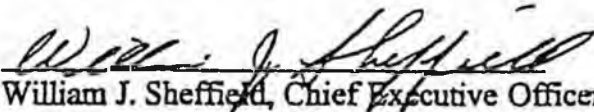
c. If ARRC fails to obtain patent to Tract 39, Township 15 North, Range 2 West, Seward Meridian within two years of the date of the last signature, this agreement is null and void. No transfers will occur until patent to tract 39 has been received by the ARRC.

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.

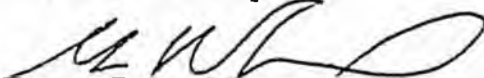
e. This agreement expires automatically and without further action of any kind upon the fifth anniversary of the date it was last signed if the exchanges anticipated herein have not been completed.

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



16515 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 696-2828 FAX: (907) 696-2645

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 yeas and 0 nays and 0 abstention votes on September 10, 1999.

Kim L. Zello

Kim L. Zello, President

Daniel Alex

Daniel Alex, Secretary



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

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.

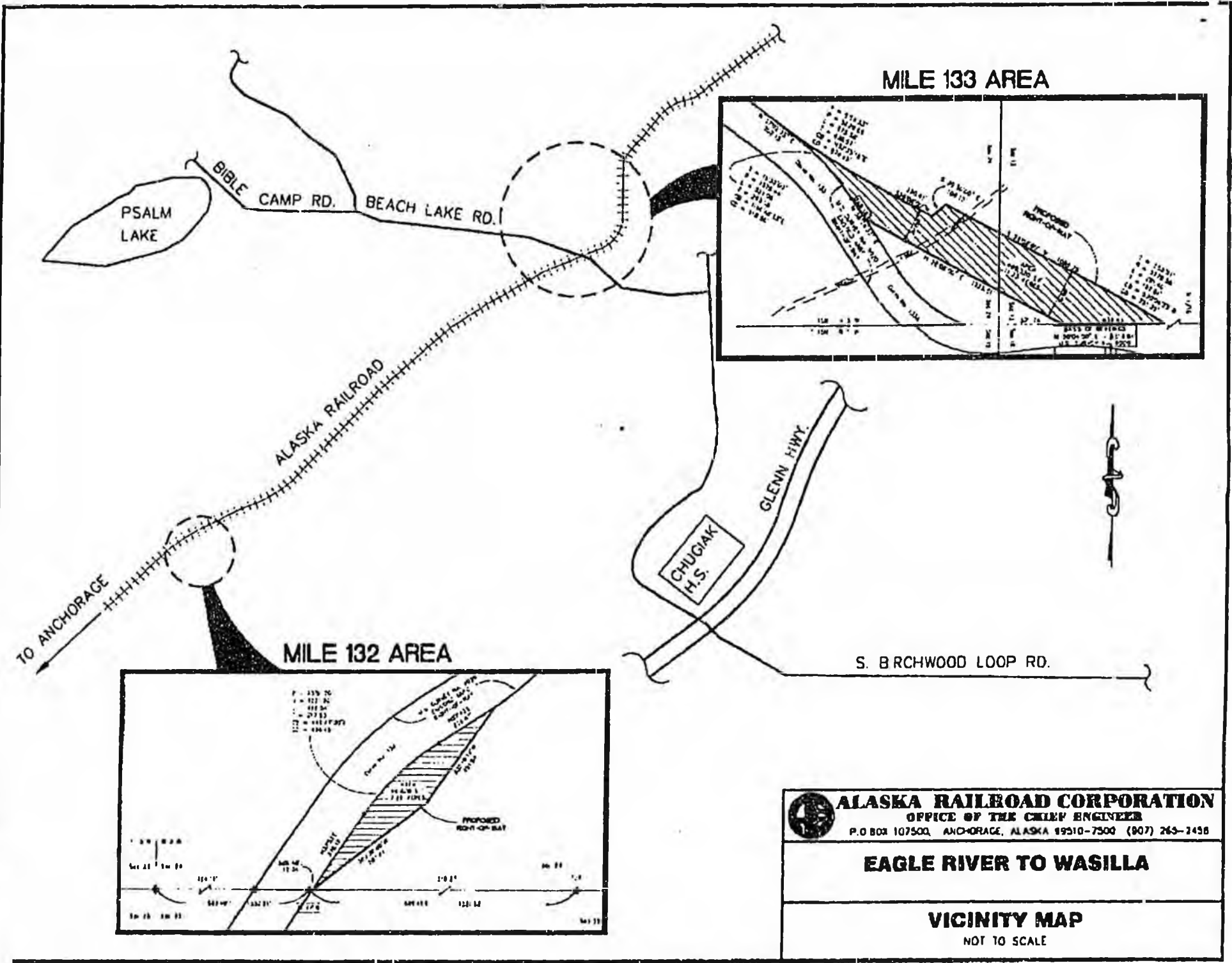
Section 5: The Proposition set forth in Section 3 of this ordinance shall become effective upon certification of the election at which presented if, but only if, said Proposition is approved by a majority of the qualified voters voting on the Proposition. All other Sections of this ordinance shall become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

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

Chair of the Assembly

ATTEST:

Municipal Clerk



Appendix A
Page 1 of 1

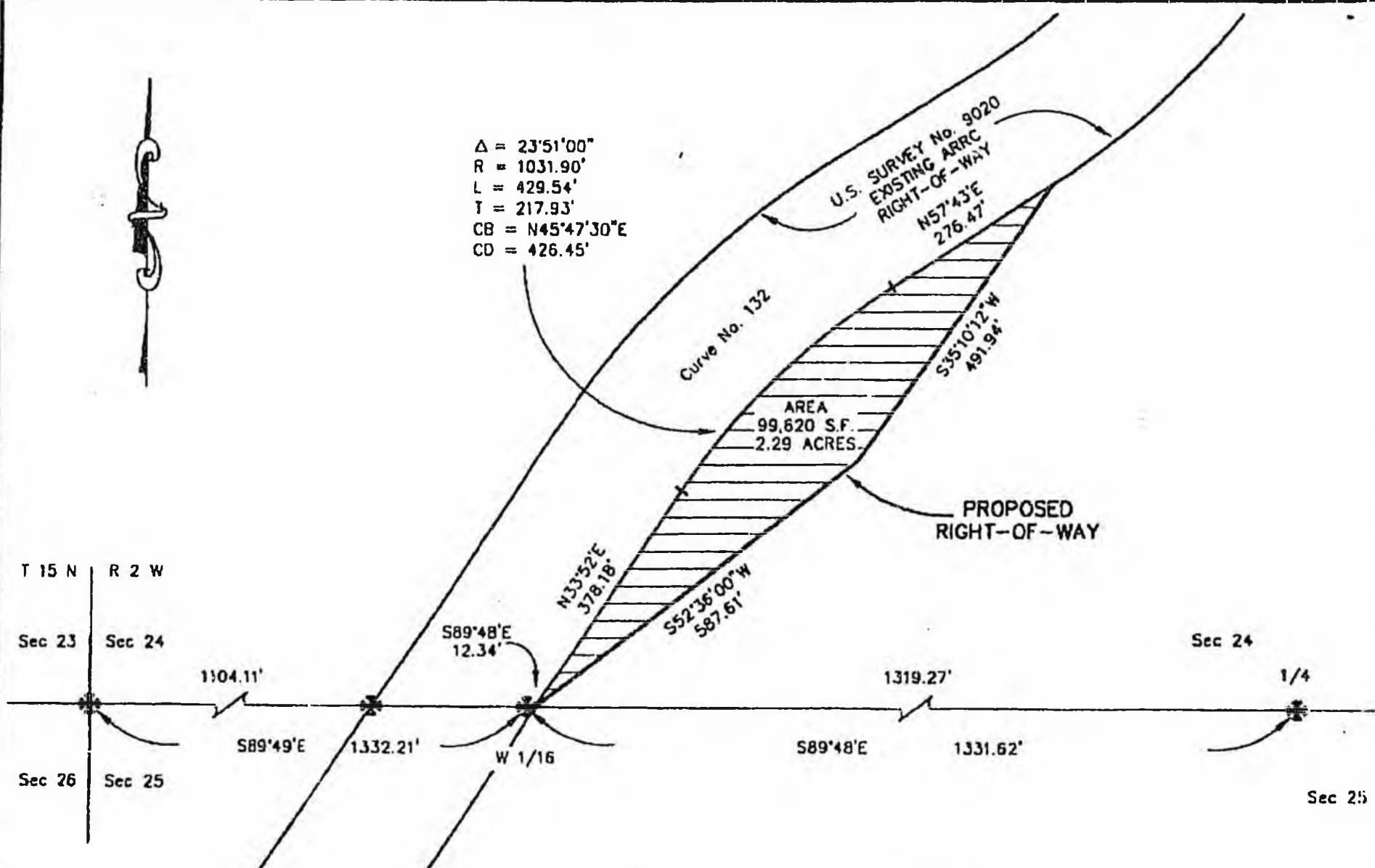
ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 263-2438

EAGLE RIVER TO WASILLA

VICINITY MAP
 NOT TO SCALE



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



T 15 N R 2 W

Sec 23 Sec 24

Sec 26 Sec 25

Sec 24


1/4

Sec 25

SCALE



(IN FEET)
1 INCH = 200 FT.

 **ALASKA RAILROAD CORPORATION**
OFFICE OF THE CHIEF ENGINEER
P O BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 285-2456

EAGLE RIVER TO WASILLA

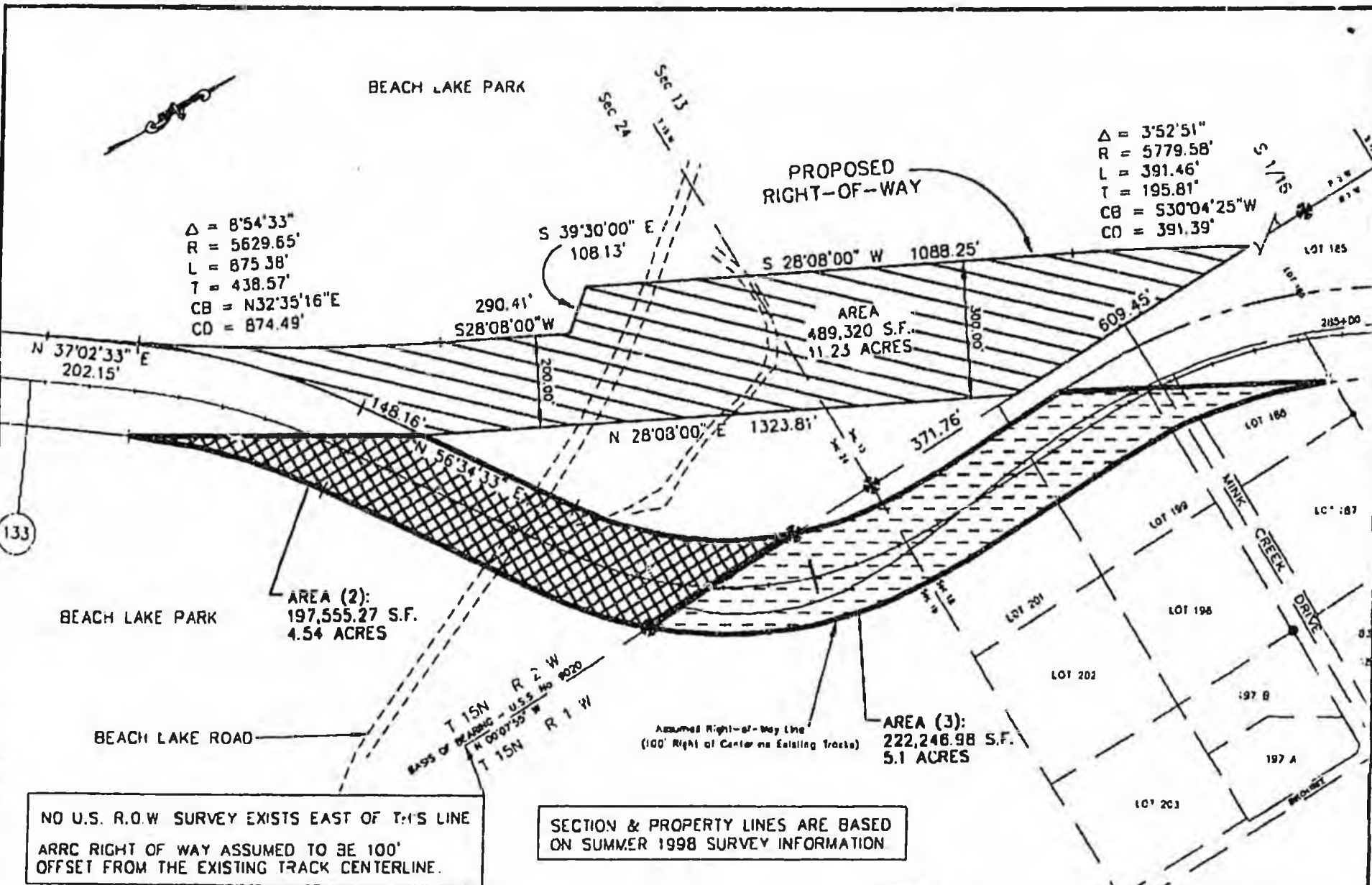
**PROPOSED REALIGNMENTS TO
CURVE 132**

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 99,620 square feet (2.29 acres) more or less.



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

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

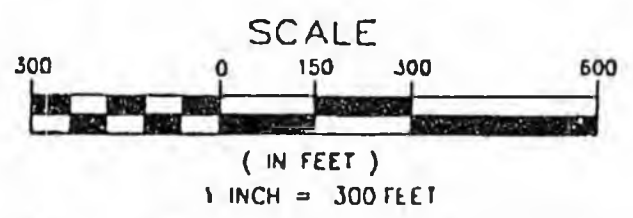
AREA (2):
 197,555.27 S.F.
 4.54 ACRES


AREA
 489,320 S.F.
 11.25 ACRES

AREA (3):
 222,246.98 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 99510-7300 (907) 265-2454

EAGLE RIVER TO WASILLA

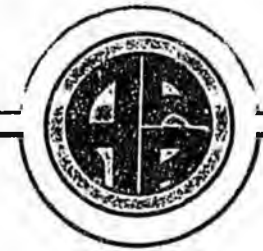
PROPOSED REALIGNMENTS TO CURVE 133

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 S 28°08'00" W a distance of 1088.25 feet; Thence S 39°30'00" E a distance of 108.13 feet; Thence S 28°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

January 13, 2000

JAN 18 2000

Loren Leman
Alaska State Senate
State Capitol Room 115
Juneau AK 99801

Dear Loren Leman:

Last month, 15 Alaska Railroad tanker cars and three locomotives derailed near Talkeetna. Thousands of gallons of fuel spilled out of five cars, contaminating an area of approximately 75 feet in diameter near the tracks. It was, to say the least, a low point in the 76-year history of the Alaska Railroad, a personal disappointment for me and for all of our employees.

First, let me explain how the derailment occurred. Rail Sciences, a firm from Atlanta specializing in rail transportation investigation, eliminated out-of-tolerance track conditions, mechanical conditions of the locomotive and crew actions as direct causes in this derailment. The firm's preliminary report states, "It appears that this derailment primarily resulted from a lifting action due to a sudden and heavier than expected accumulation of snow and ice under the locomotive wheels. As the train proceeded southward, the rear wheel on Unit 3004 (the locomotive) rode up and over a solid block of snow/ice and derailed to the west."

I assure you we do not take the causes and effects of this derailment lightly. We consider it serious business and believe we must further investigate what happened and our response in order to improve all aspects of our operation.

Since the spill, we have removed the wreckage and all of the contaminated snow. In addition, we have drilled several wells in order to extract fuel where possible. We have also dug a trench to find out how far the fuel has soaked into the soil. Our exploratory and assessment investigations show that fuel is moving downward but has not migrated beyond the boundaries of the railroad right-of-way. This is a serious but slow moving problem and I assure you we are putting the necessary resources and the right professionals on the task.

To make the excavating as effective and environmentally sound as possible, we joined the Department of Environmental Conservation in organizing a committee made up of geologists, hydrologists and civil engineers that will formulate the best plan possible for removing the contaminated soil.

We have undertaken these duties with the full understanding that the cleanup will take months, perhaps even years, before the area is fully restored to its natural state.

The Alaska Railroad has also instituted immediate changes in our operations to help prevent further derailments and promote rail safety in general. They are:

- All loaded fuel trains now have top priority in riding the main line at all times. This will reduce the number of activities a loaded fuel train will conduct while completing its route, thus reducing the chances of a derailment.

- Additional response equipment has been restocked at our current response caches and new caches have been created at strategic locations along the railbelt to increase response time and capability in any future efforts.
- Track and equipment inspections, snow fleet call-outs and switch maintenance have been increased.
- Conditions at sidings will be more frequently assessed during harsh weather conditions and roadmasters have been empowered to order sidings out of service.
- A plan for a night duty officer and a daily operations session has been implemented and supervisors will ride trains daily between Healy and Talkeetna.

In recent years, our trains have grown heavier, larger and longer and we operate more of them each day. We must change the way we operate through better communication, track effort and tougher standards.

In addition to our immediate actions, the Railroad is developing long-term improvements to our response and prevention capabilities. Specifically, I have directed that we undertake the following steps:

- Prepare an oil spill contingency plan that mirrors, as much as possible, plans required of other regulated entities. We have had, for more than six years, a comprehensive emergency response plan. But in light of the recent derailments, we are stepping up our response and prevention measures.
- Implement a formal risk assessment similar in focus and process to the one developed for the State of Alaska regarding crude oil shipping in Prince William Sound.
- Begin Incident Command System training for key operating Alaska Railroad personnel.

I am confident these procedures will improve the overall safety of the Railroad. As a public corporation, we should be leaders in setting the highest standards for safety, going beyond compliance with regulations. There is no greater area in which we can pour our best efforts than into making the Alaska Railroad the safest and most environmentally secure form of transportation in Alaska.

I also hope that your confidence in this important public institution has not waned. We recognize the seriousness of the current situation and understand how important it is that we take every precaution to prevent such an occurrence in the future.

Please be assured that we will continue to keep you apprised of our efforts during the cleanup. If you have any questions about our efforts, please don't hesitate to call or write. Thank you.

Sincerely,



Governor Bill Sheffield
President & Chief Executive Officer

Secretary of Agriculture, as appropriate, shall consult with the Secretary. Approval of an application for a right-of-way, permit, lease, or conveyance described in subsection (a) of this section shall be pursuant to applicable law. Rights-of-way, grounds, and sites granted pursuant to this section and other applicable law shall conform, to the extent possible, to the standards provided in the Act of March 12, 1914 (43 U.S.C. 975 et seq.) and section 603(6) of this title. Such conformance shall not be affected by the repeal of such Act under section 615 of this title.

(c) Reversion to the United States of any portion of any right-of-way or exclusive-use easement granted to the State or State-owned railroad shall occur only as provided in section 610 of this title. For purposes of such section, the date of the approval of any such right-of-way shall be deemed the "date of transfer".

REVERSION

SEC. 610. (a) If, within ten years after the date of transfer to the State authorized by section 604 of this title, the Secretary finds that all or part of the real property transferred to the State under this title, except that portion of real property which lies within the boundaries of the Denali National Park and Preserve, is converted to a use that would prevent the State-owned railroad from continuing to operate, that real property (including permanent improvements to the property) shall revert to the United States Government, or (at the option of the State) the State shall pay to the United States Government an amount determined to be the fair market value of that property at the time its conversion prevents continued operation of the railroad.

45 USC 1209.

(b) If, after the date of transfer pursuant to section 604 of this title, the State discontinues use of any land within the right-of-way, the State's interest in such land shall revert to the United States. The State shall be considered to have discontinued use within the meaning of this subsection and subsection (d) of this section when:

(1) the Governor of the State of Alaska delivers to the Secretary of the Interior a notice of such discontinuance, including a legal description of the property subject to the notice, and a quitclaim deed thereto; or

(2) the State has made no use of the land for a continuous period of eighteen years for transportation, communication, or transmission purposes. Notice of such discontinuance shall promptly be published in the Federal Register by the Secretary, the Secretary of the Interior, or the Secretary of Agriculture, and reversion shall be effected one year after such notice, unless within such one-year period the State brings an appropriate action in the United States District Court for the District of Alaska to establish that the use has been continuing without an eighteen-year lapse. Any such action shall have the effect of staying reversion until exhaustion of appellate review from the final judgment in that action or termination of the right to seek such review, whichever first occurs.

Publication in
Federal
Register.

(c) Upon such reversion pursuant to subsection (b) of this section, the Secretary of the Interior shall immediately convey by patent to abutting landowners all right, title and interest of the United States. Where land abutting the reverted right-of-way is owned by different persons or entities, the conveyance made pursuant to this

subsection shall extend the property of each abutting owner to the centerline of the right-of-way.

(d) If use is discontinued (as that term is used in subsection (b) of this section) of all or part of those properties of the Alaska Railroad transferred to the State pursuant to this title which lie within the boundaries of the Denali National Park and Preserve or the Chugach National Forest, such properties or part thereof (including permanent improvements to the property) shall revert to the United States and shall not be subject to subsection (c) of this section. Upon such reversion, jurisdiction over that property shall be transferred to the Secretary of the Interior or the Secretary of Agriculture, as appropriate, for administration as part of the Denali National Park and Preserve or the Chugach National Forest.

(e) Except as provided in subsections (a) through (d) of this section, if, within five years after the date of transfer to the State pursuant to section 604 of this title, the State sells or transfers all or substantially all of the State-owned railroad to an entity other than an instrumentality of the State, the proceeds from the sale or transfer that exceed the cost of any rehabilitation and improvement made by the State for the State-owned railroad and any net liabilities incurred by the State for the State-owned railroad shall be paid into the general fund of the Treasury of the United States.

(f) The Attorney General, upon the request of the Secretary, the Secretary of the Interior, or the Secretary of Agriculture, shall institute appropriate proceedings to enforce this section in the United States District Court for the District of Alaska.

OTHER DISPOSITION

45 USC 1210.

SEC. 611. If the Secretary has not certified that the State has satisfied the conditions under section 604 within one year after the date of delivery of the report referred to in section 605(a) of this title, the Secretary may dispose of the rail properties of the Alaska Railroad. Any disposal under this section shall give preference to a buyer or transferee who will continue to operate rail service, except that—

(1) such preference shall not diminish or modify the rights of the Cook Inlet Region, Incorporated (as that term is used in section 12 of the Act of January 2, 1976 (Public Law 94-204; 89 Stat. 1150)), pursuant to such section, as amended by section 606(d) of this title; and

(2) this section shall not be construed to diminish or modify the powers of consent of the Secretary or the State under section 12(b)(8) of such Act, as amended by section 606(d)(5) of this title.

Any disposal under this section shall be subject to valid existing rights.

DENALI NATIONAL PARK AND PRESERVE LANDS

45 USC 1211.

SEC. 612. On the date of transfer to the State (pursuant to section 604 of this title) or other disposition (pursuant to section 611 of this title), that portion of rail properties of the Alaska Railroad within the Denali National Park and Preserve shall, subject to the exclusive-use easement granted pursuant to section 604(b)(1)(D) of this title, be transferred to the Secretary of the Interior for administration as part of the Denali National Park and Preserve, except that a

Ante, p. 2564.