DATE: March 9, 2022 FOR IMMEDIATE RELEASE CONTACT: Tim Sullivan, 265-2357, cell 223-7372

## **ARRC** to Replace Seward Passenger Dock

Developing Long-Term Berthing Agreement with Royal Caribbean Group

ANCHORAGE, Alaska — With the introduction of authorizing legislation in Juneau, the Alaska Railroad Corporation (ARRC) is following through on a proposal to replace and construct a new passenger dock in Seward, Alaska, continuing a critical transportation link to interior Alaska and the Southeast Alaska cruise industry network.

Senate Bill 218, sponsored by Senate President Peter Micciche (R - Kenai) and companion legislation House Bill 366, sponsored by the House Transportation Committee, chaired by Representative Grier Hopkins (D - Fairbanks), will authorize ARRC to use the railroad's bonding authority to raise \$60 million for the project.

"The opportunity to finance this critical piece of Alaska's infrastructure without having to use state dollars is vitally important," said Senate President and Senate Bill 218 sponsor Peter Micciche. "ARRC has its own bonding powers and none of the \$60 million to be raised for the project will be carried by the people of Alaska. This dock is essential to a valuable part of my district, Seward, the Kenai Peninsula, and frankly, all of Alaska's tourism industry."

"While this dock will be built in Seward, thousands of visitors who arrive and depart from there spend time in Fairbanks," said Representative Grier Hopkins, Chair of the House Transportation Committee. "It is very important to my constituents that we keep every option open for people to visit Alaska."

As a longtime partner of the Seward Cruise Ship Terminal, Royal Caribbean Group is finalizing a multi-year berthing agreement with ARRC, which features an annual revenue guarantee. Completion of this agreement will be further validation of focused efforts to secure bond funds to improve capital infrastructure that benefits Alaska's vibrant cruise tourism industry. Royal Caribbean Group has three brands calling upon Alaska this 2022 cruise season — Royal Caribbean International, Celebrity Cruises and Silversea Cruises.

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"Our cruise ship brands have enjoyed operating out of Seward and working with ARRC for more than 20 years, as evidenced by our deep community relationships and support of local businesses. Guests view Seward as a great destination to build Alaska vacation memories that last a lifetime," said Joshua Caroll, vice president, Destination Development, Royal Caribbean Group. "We applaud ARRC for taking the initiative to obtain legislative approval securing the financing necessary to rebuild the Seward dock and we have no doubt that better cruise facilities will lead to increased railroad visitors benefiting Alaska communities."

"We appreciate the support of Senator Micciche, Representative Hopkins, Governor Dunleavy, and the City of Seward in moving this project forward," said ARRC President and CEO Bill O'Leary. "Seward has been the gateway for the railroad to bring people to Alaska for over 100 years. This new opportunity with Royal Caribbean Group will ensure we are able to show off Alaska to visitors for decades to come."

The existing passenger dock, built in 1966, is owned and operated by ARRC. While currently safe to operate, the dock will reach the end of its functional life span soon and should be replaced within the next five years.

In 2019, nearly 230,000 visitors made their way across the passenger dock in Seward, more than 30,000 of whom rode on Alaska Railroad "Cruise Trains" along with thousands more who traveled further into Alaska on the Alaska Railroad as independent travelers.

Total project costs are estimated to be close to \$80 million for the removal of the existing dock and terminal facility and construction of a new dock and facility. Revenue bond debt service will be met from dock user fees once the new dock is operational. The remaining costs will be paid through existing dock fees and ARRC capital funds.

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ARRC is an Equal Opportunity Corporation. People needing special assistance (including language) to participate in any ARRC service, program, or activity should contact the Alaska Railroad Corporation; P.O. Box 107500; Anchorage, AK 99510; Attention: Legal Department, zappasj@akrr.com, (907) 265-2461; via Alaska Relay Service for hearing impaired - dial 7 11 from inside Alaska, OR dial toll-free from anywhere outside the state 1-800-770-8255 (voice); 1-800 770-8973 (TTY). Upon request, printed materials can be made available in alternate format.