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Description of document: **Correspondence between the Governor of Alaska (or the Governor's Office) and the Alaska Railroad Corporation August 2007 – September 2008**

Requested date: 13-September-2008

Released date: 01-October-2008

Posted date: 05-October-2008

Date/date range of document: 15-August-2007 – 05-September-2008

Source of document: Alaska Railroad Corporation
P.O. Box 107500
Anchorage, Alaska 99510

Note: Updated: one additional record added supplied 08-October-2008 as a supplemental document in response to the above records request made to the Alaska Railroad Corporation. New record append to the end of this file.

Updated: one additional record added supplied 20-October-2008 as a supplemental document in response to the above records request made to the Alaska Railroad Corporation. New record append to the end of this file.

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From: Phyllis Johnson <JOHNSONP@akrr.com>
Date: Wed, 01 Oct 2008 14:06:43 -0800
Subject: Public Records Request made to Alaska Railroad Corporation

Attached please find the records we have found responding to your request dated September 13, 2008 and received here on September 18.

We do not have many communications with the Governor or the Governor's Office. The bulk of them are emails and related materials pertaining to the ARRC's president and CEO Pat Gamble's recent trip to China to appear at a rail conference and meet with various people regarding coal development. This was arranged in coordination with the Governor's Office, thus the email traffic. I have taken the liberty of only including two cover emails on this topic to illustrate the subject but omitting the color prints of attachments, most of which are Powerpoint and might overwhelm your email server. After you've reviewed the attached, if you think those are pertinent to your concern please let me know and I can mail them instead.

One of the items you will note is an unsigned copy of a letter relating to an ethics inquiry, which was cc'd to the Governor's Office. We could not find the original file copy showing signature but are confident this letter was sent. Individual names have been redacted, as is permitted under our state ethics law.

Sincerely,

Phyllis C. Johnson
Vice President & General Counsel
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, Alaska 99510
Phone: 907-265-2461
Fax: 907-265-2443
Email: johnsonp@akrr.com

Cheryl Sautel - Pat Gamble to Asia

From: "James, Shelley A (GOV)"
To: Cheryl Sautel , James Blasingame
Date: 9/5/2008 2:56 PM
Subject: Pat Gamble to Asia
CC: "Eckert, Patricia F (GOV)"
Attachments: "Eckert, Patricia F (GOV)"

Hi Cheryl and Jim,

I spoke with our Beijing and Taipei Trade Reps last night. Both will meet Pat at his airport arrival and travel with him during his stay in their city. Beijing itinerary is attached. We are still waiting to hear from the Consulate General's Office in San Francisco, and will coordinate with Yingdi if additional coal meetings materialize.

In Taipei, Erick or Chien Kish will greet at the airport. With the change in Taipei arrival time, they will need to adjust the schedule. Taipei activities to include: Tour of HSR station, ride on bullet train, dinner or lunch with Taiwan tour operators (approx 3-5).

Note: Bring plenty of business cards. If there is ever a question of how many gifts to give in a meeting, or if do not have enough, simply give only one to the senior person in the meeting. The exception would be the meetings with the tourism operators from different companies. Easy to provide promotional materials and brochures.

Shanghai Gifts:

As determined. Probably a few pens for head or co chairs, or hosting organization

Beijing Gifts:

Thursday:

1. Travel meetings, Mr. SUN, Ms. JIANG. Pen or railroad promotional item. Tourism packets and dvds (bring a few extra incase a few more attend)
2. Mr. WANG, China Minmetals Corporation, pen

Friday

3. Mr. JIN, Dept. of American and Oceanian Affairs, Ministry of Foreign Affairs
4. Possible additional meeting to include one on coal, perhaps one in tourism

Taipei Gifts:

Saturday/Sunday

1. HSR Station Manager, pen
2. Tour operator lunch/ dinner, 3-5 pens or railroad promotional items. Tourism packets and dvds.

Any additional updates will be given to Pat upon his arrival in either Beijing or Taipei.

Best regards,
Shelley

Shelley James

Office of the Governor, International Trade

State of Alaska

Tel: 907.269.8119

**Please note new email address: Shelley.James@alaska.gov

Tentative Itinerary for Mr. Gamble visit to Beijing
September 10-13, 2008

Contact:

Yingdi Wang, Alaska Trade Representative in China

Cell phone: 13901106291

Office phone: 8591-2130, 8591-2131 Office fax: 8591-2132

Wednesday, September 10

21:10 Arrive Beijing Airport by Air China, flight#156
Yingdi Wang to greet at airport and guide to hotel
Beijing New Plaza Hotel
No.26 Jianguomen Nei Ave., Beijing
Phone: 8610-65211188 Fax: 8610-85201166

Thursday, September, 11

9:00 Yingdi to meet in hotel lobby
Depart for China Youth Travel Service (CYTS), www.cytsonline.com
Address: CYTS Mansion, F1.17, No.5 Dongzhimen Nan Street
Phone: 58158358

9:30 Meeting with Mr. SUN, Simon, the Executive General Manager of CYTS Outbound Travel Service; Ms. JIANG, Skylar General Manager of North & South America Travel Center at CYTS Outbound Travel Service

10:30 End of meeting

14:00 Depart for China Minmetals Corporation, www.minmetals.com
Address: D207, 5 Sanlihe Road, Haidian District, Beijing
Tel: 88821763

14:30 Meeting with Mr. WANG Jionghui, General Manager, Mining Resources Division, China Minmetals Corporation

15:30 End of meeting

Friday, September 12

9:30 Yingdi to meet in hotel lobby
Depart for Ministry of Commerce, www.mofcom.gov.cn
Address: No.2 Dong Changanjie, Beijing
Phone: 65198626

10:00 Meeting with Mr. JIN, Xu, Deputy Director General, Department of American & Oceanian Affairs, Ministry of Foreign Affairs

10:30 End of the meeting

Afternoon TBA – PRC San Francisco Consulate General to advise of any additional meetings

Saturday, September 13

tbd Check out of hotel, Yingdi to advise

09:25 Depart Beijing for Hong Kong, Air China flight#111

**State of Alaska Trade Representatives
Contact Information**

Beijing, China

Mr. Yingdi Wang, Alaska Trade Representative in China

Cell phone: 13901106291

Office phone: 8591-2130, 8591-2131 Office fax: 8591-2132

Email: ywang54@263.net.cn

Taipei, Taiwan

Mr. Erick Kish, Alaska Trade Representative in Taiwan

Ms. Chien Kish, Deputy Trade Representative

Cell Phone: +886.9.5307.3030

Office phone: +886.2.8786.2227 Office fax: +886.2.8786.2221

Email: evkish@alaska.org.tw

Cheryl Sautel - Alaska Railroad President's visit to China

From: "Eckert, Patricia F (GOV)"
To: , , , Tiger Hwang
Date: 8/28/2008 3:29 PM
Subject: Alaska Railroad President's visit to China
CC: "Perry, Kristina Y (GOV)" , "James, Shelley A (GOV)"
Attachments: "Perry, Kristina Y (GOV)" , "James, Shelley A (GOV)"

Tiger Huang
Deputy Consul
Consulate General of the People's Republic of China
1450 Laguna Street
San Francisco, CA
415.674.2949

Dear Tiger,

Unfortunately, my email to you yesterday bounced back because of the size of the attachments. I am trying again today several times after compressing one of the files. So here is the information again. By the way, thanks for calling—I look forward to talking to you next week about the other project.

Re the Alaska Railroad President's trip to China to participate in the rail conference in Shanghai, attached is info about the conference. AKRR President Pat Gamble will speak at this conference. Attached is the bio for Mr. Gamble as well as a State of Alaska Department of Natural Resources summary of Alaska coal resources.

Please let us know as soon as possible your recommendations for best contacts re China's coal imports for Mr. Gamble to talk with in Beijing on September 11 and 12. We are working now with our state rep in China, Yingdi Wang, on Mr. Gamble's schedule and would like to have your assistance for the meeting schedule.

We appreciate your help. Thank you.

Patricia Eckert
Trade Specialist
Governor's Office of International Trade
550 W 7th Avenue, Anchorage, Alaska 99501 USA
Telephone (907) 269-8118 Fax (907) 269-7450



Executive Office
Telephone: 907-265-2403
Facsimile: 907-265-2312

August 23, 2007

Mr. Don Callahan
Member
Rail Safety and Development Group
P.O. Box 71114
Fairbanks, AK 99707

Dear Mr. Callahan:

Thank you for your letter requesting an opportunity to meet with the Board of Directors regarding the Fort Wainwright Rail Realignment project. It is rare that a group of private citizens who have no personal vested interest in a project get as involved as your group has. I applaud the time and effort that each of you has put in for the betterment of our community and appreciate your willingness to travel to Anchorage to meet with the Board.

I have scheduled our next Board meeting for September 26, 2007, at 9:00 a.m. in Fairbanks at the Princess Riverside Lodge. This is an important issue for Fairbanks, North Pole, and the interior and I feel that as a Board, we should be as accessible as possible to the people affected. We will make certain that we schedule time on the agenda to have an open, honest, and frank discussion about the project and your concerns.

Again, thank you for your involvement and let me assure you that I believe that all of our Board members will listen to your concerns with an open mind.

Sincerely

John Binkley
Chairman, ARRC Board of Directors

cc: Alaska Congressional Delegation
The Honorable Sarah Palin, Governor
John Winkle, Federal Railroad Administration
Interior Legislative Delegation
The Honorable Jim Whitaker, Fairbanks North Star Borough
The Honorable Steve Thompson, City of Fairbanks
The Honorable Doug Isaacson, City of North Pole

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RAIL SAFETY AND DEVELOPMENT GROUP

P. O. BOX 71114, FAIRBANKS, AK. 99707 email hobt38@gci.net

August 15, 2007

Mr. John Binkley, Chairman and Members
The Alaska Railroad Board of Directors
327 W Ship Creek Avenue
Anchorage, AK. 99501

Dear Mr. Chairman:

The Rail Safety and Development Group, a group of concerned citizens, was formed because we believe the ARRC is making a serious mistake with the Fort Wainwright Alaska (FWA) Track Realignment Project. We think there is a much better alternative that will benefit both FWA and the entire Fairbanks community.

We request an opportunity to meet with the ARRC Board of Directors to present our alternative. We believe this is such an important matter we will gladly travel to Anchorage if that would help expedite a meeting. We look forward to this opportunity and will anxiously await your reply.

Sincerely,



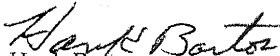
Don A. Callahan
Member, Rail Safety and Development Group

Cc: Alaska Congressional Delegation ✓✓✓
Governor Sara Palin ✓
John Winkle, Federal Railroad Administration ✓
Interior Legislative Delegation ✓
Mayor Jim Whitaker, FNSB ✓
Mayor Steve Thompson, City of Fairbanks ✓
Mayor Doug Isaacson, City of North Pole ✓

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RAIL SAFETY AND DEVELOPMENT GROUP

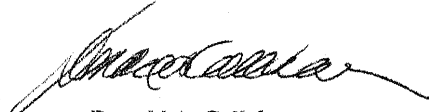
8 August 2007


Hank Bartos

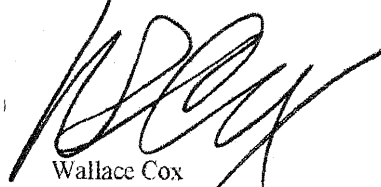
Lt. Col., USAF, retired. Realtor, Real Estate Broker; Fairbanks North Star Borough Assemblyman.
452-2100 347-4498 hbartos@pci.net


Richard Brickley

Lt. Col., U. S. Army, retired, previous Director of Logistics, Fort Wainwright; Owner, Fairbanks Ice Museum; Member, Board of Directors, Ice Alaska.
388-6675 iceart@alaska.net


Donald A. Callahan

Alaska Registered Engineer and Land Surveyor; Asst. Borough Engineer 1971; Fairbanks City Engineer, 1971-74; Fairbanks Public Works Director 1974-76; Firefighter and Nationally Registered Paramedic.
388-1658 479-2678 caltec@mosquitonet.com


Wallace Cox

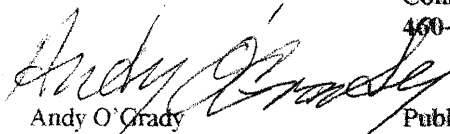
Colonel, U. S. Army, retired. Former Fort Wainwright Post Commander; Former President, Chamber of Commerce, Fairbanks, Alaska.
457-9000 flattop@mosquitonet.com

Richard Kruckenberg

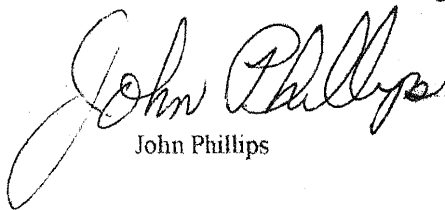
Fairbanks Businessman; Owner/President of OK Lumber/Ace Hardware, Fairbanks.
322-7757 456-6270 rkruckenberg@okace.com


Donald Lowell

Maintenance Director, State DOT, retired; Broker/Real Estate Developer; Transportation Consultant; Community Development Consultant.
460-8021 490-7366 dlowell@alaska.net


Andy O'Grady

Public Works Director, City of Fairbanks, retired; Board of Directors, Ice Alaska; Manager, Ice Alaska, International Ice Carving venue, Fairbanks.
388-6646 raogrady@pci.net


John Phillips

Alaska Registered Engineer and Land Surveyor, retired; Fairbanks City Engineer 10 years; Public Works Director, Louisville, Kentucky, 3 years.
347-3471 457-1269 j_c_phillips_iii@yahoo.com

Urban Rahoi

Pilot, Contractor, Trailer Park Owner, and Land Developer.
456-6967


Bob Thomas

Alaska Registered Civil Engineer and Land Surveyor; Manager, Interior Region, Alaska Department of Transportation, retired; Transportation Planner and Consultant, retired.
378-9894 bobt38@acsalaska.net

The Honorable Lisa Murkowski
United States Senate
709 Hart Building
Washington, DC 20510-0202

The Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, DC 20510-0201

The Honorable Donald E. Young
House of Representatives
2111 Rayburn House Office Building
Washington, DC 20515-0201

The Honorable Sarah Palin
Governor, State of Alaska
Third Floor, State Capitol
P.O. Box 110001
Juneau, AK 99811-0001

Mr. John Winkle
Federal Railroad Administration
400 Seventh Street SW
Washington, D.C. 20590

The Honorable Jim Whitaker
Mayor, Fairbanks North Star Borough
P.O. Box 71267
Fairbanks, AK 99707-1267

The Honorable Steve Thompson
Mayor, City of Fairbanks
800 Cushman Street
Fairbanks, AK 99701-4615

The Honorable Doug Isaacson
Mayor, City of North Pole
125 Snowman Lane
North Pole, AK 99705

The Honorable Gary Wilken
Senator, State of Alaska
1851 Fox Avenue
Fairbanks, AK 99701

Executive Office
Telephone: 907-265-2403
Facsimile: 907-265-2312

October 22, 2007

Ms. Julia B. Bockman
Assistant Attorney General
State of Alaska, Department of Law
1031 West 4th Avenue, Suite 200
Anchorage, AK 99501-5903

Re: Letter to Governor Sarah Palin
AGO File No. 661-07-0391

Dear Ms. Bockman:

As Ethics Supervisor for the Alaska Railroad I have carefully gone over each of the anonymous allegations presented in the referenced letter. To summarize, the allegations are:

- 1.) [REDACTED] hiring is unethical.
- 2.) [REDACTED] hiring is unethical.
- 3.) Cronyism exists in management hiring.
- 4.) The railroad is in bad financial straits and is spending unnecessarily on bond payments, and on a project called "collision avoidance."
- 5.) The Railroad is unnecessarily buying four locomotives.

Most of the fault for the alleged unethical actions on the part of the railroad is placed on [REDACTED], who has served for nearly seven years.

I will address the allegations in order:

- [REDACTED] I personally sought out and approved use of the [REDACTED] to facilitate a badly needed wholesale cultural change to our railroad safety program. They are a leading transportation industry safety consultant. They have assisted us over the past five years nearly a dozen times. Results are incontrovertible. The past four years have seen us successively set the best ever safety statistics.
- [REDACTED] was a highly respected member of the railroad Board of Directors for several years, serving in the position (required by ARCA statute) of

the Board member with "ten years of railroad management experience." When his Board term was up, I personally asked him to remain on with us as a technical and safety consultant. Since we have no one in the company with his broad experience and expertise, his trusted advice over the past five years on safety, locomotive purchases, freight car utilization and maintenance has been invaluable to corporate decision making. He is widely regarded by labor and management alike for his technical knowledge and his ability to work well with employees. He remains an important part of the Alaska Railroad team.

- Cronyism. This is a common allegation that I have handled a few times before, usually from disgruntled union employees. The pattern is familiar. They typically lobby for all Alaskan hiring, all promotions to be from within the corporation, and less corporate management. I personally watch this quite carefully. Out of our nearly 800 employees, we average about 90% Alaskan hire. Because there are no other railroads in Alaska, promotions naturally predominate from within. That said, a certain "freshness" and new experience is needed from the outside. The Burlington Northern Santa Fe (BNSF) is one of the two largest United States railroads in the lower 48. Of the 180 management hires we have made during the past 7 years, only 8 have come from BNSF. As for hiring spouses, that is not unusual at all. The Alaska Railroad has always had, of necessity, a higher percentage of extended family participation than typically found in the lower 48, mostly on the union employee side. In the ARRC, there are 17 employed couples, as well as 11 occurrences where both parents and their children are working for ARRC. I do not have a problem with that if they are qualified applicants. I also make sure they do not supervise one another.
- Poor Financial Shape. Our anonymous writer obviously has not taken the time to assess the corporation through the use of annual financial reports, which are a public document and published on our website as well. This allegation simply falls apart in light of audited reporting data, sent each year directly to our legislature (by law). Regarding unwise spending, both the Railroad Board and the Legislature approved the bonds in question in 2006 and the proceeds are now at work rebuilding several hundred miles of badly worn rail and ties left over from Federal ownerships' deferred maintenance. "Collision avoidance" (CAS) is also being partially funded by the bond proceeds. It is an emerging technology based train control program. CAS is the number one implementation priority for United States railroads on the National Transportation Safety Board (NTSB) list of safety priorities, and has been for several years. We will implement CAS within two years ... more than likely the first railroad in the country to do so. Besides the sale of bonds and the expenditure of bond funds on capital projects being approved by the ARRC Board of Directors on an item by item basis, they continue to follow progress every two weeks in my written financial update reports, and every six weeks in our public Board meetings. Employees and the public are welcome to become informed at our Board meetings.

Ms. Julia B. Bockmon

October 22, 2007

Page 3

- Four Unnecessary Locomotives. In 2003 I personally petitioned Senator Stevens in a meeting in Washington, D.C. for locomotives and flat cars to accommodate the growth in train capacity ARRC needed to meet the Department of Defense (DOD) Stryker Brigade requirements. We are taking delivery of that equipment at the present time, funded by DOD.

To summarize, I have personal detailed knowledge of almost all these alleged "disgusting ethics." The additional data I collected (some contained within) where I did not already have detailed personal knowledge revealed nothing close to what the allegations stated were the unexaggerated "truth." In fact, every one of the allegations were totally and completely baseless ... more like pure fabrications. Considering that, and lacking any other evidence whatsoever, I chose not to pursue further the remaining claim that there has been some sort of "cozy arrangement" ethical breach on the part of Mr. [REDACTED]. If at some point in the future I am made aware of new evidence, I shall take appropriate action to follow up. I recommend this file be closed.

Sincerely,

Patrick K. Gamble
President and Chief Executive Officer

cc: Lydia Ver, Attorney General's Office, Juneau
Katie Provost, Office of the Governor



Executive Office
Telephone: 907-265-2403
Facsimile: 907-265-2312

December 21, 2007

The Honorable Sarah Palin
Governor
State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Palin:

On November 13, 2007, the Alaska Railroad Board of Directors adopted the enclosed resolution recommending amendments to the National Historic Preservation Act. It is important for me to provide you with some background on this action.

Certain elements of the National Historic Preservation Act are being interpreted by state historic preservation officers nationwide, including Alaska, to support or even require designation of an entire operating railroad corridor as eligible for inclusion on the National Register of Historic Places. The Alaska Railroad is deeply concerned that designation of the entire Alaska Railroad corridor could severely hamper our operations, delay necessary projects and maintenance, and be problematic and costly in many other ways.

We have joined railroads and railroad organizations throughout the country in the effort to revise federal law in order to protect operating railroads and our essential transportation infrastructure.

We are also working on a state solution with Deputy Commissioners Marty Rutherford and Dick LeFebvre in the Department of Natural Resources. In addition we have briefed Commissioner Tom Irwin on the matter. Your staff has been extremely helpful in recognizing the challenge we face and committed to working with us and the Alaska State Historic Preservation Office in finding a mutually acceptable solution that will complement any federal resolution.

Please contact me if you have any questions or would like additional information.

Warm regards,

John E. Binkley
Chairman
Alaska Railroad Board of Directors

Enc. as stated



Adopted: 11/13/07

Resolution No. 2007-63

Relating to the State Historic
Preservation (SHPO)

WHEREAS, the Alaska Railroad is owned by the State of Alaska and provides essential year-round passenger and freight transportation services to both the citizens of the State and visitors to Alaska; and

WHEREAS, the Alaska Railroad was built by the U.S. Government for economic development of the Territory of Alaska and was purchased by the State of Alaska in 1985 to ensure its continued viability as an important tool for the economic growth and development of the State and to allow the continued use and future expansion of its right-of-way as a vital transportation corridor into rich mineral resource areas; and

WHEREAS, certain elements of the National Historic Preservation Act are being interpreted by state historic preservation officers nationwide, including in Alaska, to support or even require designation of an entire operating railroad corridor as eligible for inclusion on the National Register of Historic Places; and

WHEREAS, the Alaska Railroad is an active and independently managed State-owned business enterprise whose operations would be severely hampered if the entire Alaska Railroad were designated as, or deemed eligible for inclusion on the National Register as, an "historic district"; and

WHEREAS, no other operating railroad in the nation has been declared to be "historic" on a system-wide basis, with the possible exception of small tourist and historic sightseeing railroads that are ineligible for Federal Transit Administration funds; and

WHEREAS, the Alaska Railroad has always supported, and continues to support, the historic designation of key individual elements of the railroad, such as historic depots, bridges, and other unique facilities for inclusion on the National Register of Historic Places.

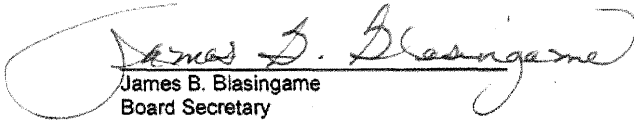
NOW, THEREFORE, BE IT RESOLVED by the Alaska Railroad Board of Directors that:

1. The Alaska Railroad strongly opposes any attempt to designate the entire Alaska Railroad as "historic" under the National Historic Preservation Act.
2. The Alaska Railroad supports a revision to the federal legislation to clarify that only certain particularly important elements of railroads, and not entire operating corridors, warrant consideration for eligibility on the National Register of Historic Places.
3. A copy of this resolution shall be provided to Alaska's Congressional delegation, the Governor of the State of Alaska, the Commissioner of the Alaska Department of Natural Resources, and such other persons as may be appropriate.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2007-63 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its regular meeting on November 13, 2007.

Date

Nov. 13, 2007


James B. Blasingame
Board Secretary

Corporate Seal

The following record was supplied 08-October-2008 as a supplemental document in response to the recent records request made to the Alaska Railroad Corporation.



OFFICE OF THE GENERAL COUNSEL
TELEPHONE: (907) 265-2461
FACSIMILE: (907) 265-2443
EMAIL: johnsonp@akrr.com

cc: JBS
2/6/07

February 23, 2007

Done
2/23/07

Linda Perez, Administrative Director
Division of Administrative Services
State of Alaska
P.O. Box 110001-0001
Juneau, Alaska 99811-0001

Dear Ms. Perez:

Please find enclosed the Annual Disclosure Statement of Alaska Railroad Corporation Chairman John Binkley, which is submitted to you as the Governor's Designated Ethics Supervisor (DES) for members of state boards and commissions. Because this is the first time you will have seen this particular form, we thought some background information would be helpful to you.

As you know, the Alaska Railroad Corporation (ARRC) was created to take over ownership and operation of the Alaska Railroad upon purchase by the State of Alaska from the U.S. in 1985. ARRC employees are not employees of the State, and the Alaska Railroad Corporation Act originally exempted ARRC employees from all provisions of Alaska Statutes (AS) Title 39. It did, however, impose conflict-of-interest standards on board members and also required the corporation to adopt a code of ethics for directors and employees substantially equivalent to that contained in AS 39. The corporation did so, adopting Board Rule 6 in May 1985 and several personnel rules over the years. Then, in the 1998 legislative session, the statutes were amended to subject both ARRC employees and directors to the provisions of the Executive Branch Ethics Act, AS 39.52. The change became effective on January 1, 1999. For ARRC employees, the ARRC President and CEO is the DES. For Board members, the Board chairman is the DES, and for the Board Chairman, of course, you are the DES. ARRC provides the President's and the Chairman's quarterly ethics reports to the Attorney General's Office and, from time to time, seeks guidance from that office. That process has evolved over the years and, from ARRC's perspective, works fairly and smoothly.

Perhaps because of the original legislative intent for ARRC to operate as a quasi-public, quasi-private entity, ARRC's Board members were not listed in the definition of "state commission or board" in AS 39.50.200(b). That was not changed in 1998 when ARRC became subject to the Executive Branch Ethics Act. ARRC Board members have therefore never been required to file public official financial disclosure statements with the Alaska Public Offices Commission. Under the original ARRC statute, Board Rule 6, and personnel policies, Board members were obligated to disclose to the full Board potential conflicts of interest as and when they arose. They were also required to file an annual "code of ethics disclosure statement". Once ARRC became subject to the Executive Branch Ethics Act, we modified that disclosure form and suggested that directors submit it annually to the Board chairman and ARRC's General

Ms. Linda Perez
February 23, 2007
Page 2 of 2

Counsel. With minor variations over the years, that is the form in use today and submitted herewith to you.

Please contact Chairman Binkley directly if you have any comments or questions regarding his disclosures on the enclosed form. I will be happy to answer any questions about the history of the ethics process at ARRC. If you deem Mr. Binkley's disclosure form approved, we would appreciate a copy so indicating for the Board Secretary's records.

Sincerely,



Phyllis C. Johnson
Vice President & General Counsel

Enclosure as stated

cc: Judy Bockman, State Ethics Attorney
John Binkley, ARRC Board Chairman
James Blasingame, ARRC Board Secretary
Patrick Gamble, ARRC President & CEO

bcc: SUSAN L.

ETHICS DISCLOSURE FORM
Alaska Railroad Corporation
Board Chairman's Annual Disclosure Statement

To: Governor of the State of Alaska
Designated Ethics Supervisor for Alaska Railroad Corporation Board Chairman

I have read and understand summaries of the Executive Branch Ethics Act and have referred to the Act itself when required by the situation. I am not currently engaged in, nor am I contemplating any transaction of activity that may constitute an actual or potential violation of the Ethics Act.

* * * * * OR * * * * *

While I do not believe that I am currently engaged in, nor am I contemplating any transaction or activity that may constitute an actual or potential violation of the Ethics Act, I have entered below any fact of which the Corporation should be aware for review. [describe any matter in detail, attach separate sheet as needed]

Conducting Business with Corporation (through grants, contracts, leases or loans, etc.)

Self: See attached
Spouse or Other Member of Immediate Family: _____

Details: _____

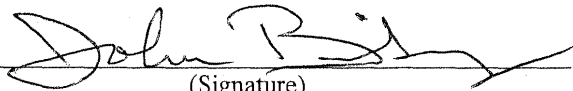
Participating in Outside Activities (officer, consultant, director, or other managerial employee, etc.)

Outside Position: See attached
Organization: _____
Duties: _____

Benefiting from Position with the Corporation

Describe: N/A

Additional Comments/Facts: _____


(Signature)
John Binkley
(Printed Name)
2-5-07
(Date)

____ Approved _____ Disapproved
_____ Governor / Designee
_____ (Date)

Chairman: Please note that any change in the above statement must be reported when it occurs, and also on or before March 15 of each year.

Attachment to Ethics Disclosure Form

Item #1

- A shareholder and director for both Alaska Riverways, Inc. and Little El Dorado Gold Camp, Inc.
 - Alaska Railroad sells tickets for both of these attractions, as do many travel and ticket agents, and they (ARRC) are paid a commission on those sales.
- The Alaska Cruise Association is a member based trade association that is a non-profit.
 - Some of its members have contractual relationships with the Alaska Railroad. Also, as with Alaska Riverways and El Dorado, ARRC sells tours of some A.C.A. members. The Railroad receives commissions from those sales.

Item #2

- Alaska / Siberian Research Institute
 - Non-Profit
 - Honorary Board Member
- Enstar Energy
 - Advisory Board Member
 - No fiduciary responsibility
- Alaska Riverways, Inc.
 - Board Member
 - Shareholder
- Little El Dorado Gold Camp, Inc.
 - Board Member
 - Shareholder
- Alaska Cruise Association
 - Non-Profit
 - President / Board Member
- Alaska Airlines
 - Advisory Board Member
 - No fiduciary responsibility

The following record was supplied 20-October-2008 as a supplemental document in response to the recent records request made to the Alaska Railroad Corporation.



OFFICE OF THE GENERAL COUNSEL
TELEPHONE: (907) 265-2461
FACSIMILE: (907) 265-2443
EMAIL: johnsonp@akrr.com

cc: JBS
2/6/07

February 23, 2007

JBS
2/23/07

Linda Perez, Administrative Director
Division of Administrative Services
State of Alaska
P.O. Box 110001-0001
Juneau, Alaska 99811-0001

Dear Ms. Perez:

Please find enclosed the Annual Disclosure Statement of Alaska Railroad Corporation Chairman John Binkley, which is submitted to you as the Governor's Designated Ethics Supervisor (DES) for members of state boards and commissions. Because this is the first time you will have seen this particular form, we thought some background information would be helpful to you.

As you know, the Alaska Railroad Corporation (ARRC) was created to take over ownership and operation of the Alaska Railroad upon purchase by the State of Alaska from the U.S. in 1985. ARRC employees are not employees of the State, and the Alaska Railroad Corporation Act originally exempted ARRC employees from all provisions of Alaska Statutes (AS) Title 39. It did, however, impose conflict-of-interest standards on board members and also required the corporation to adopt a code of ethics for directors and employees substantially equivalent to that contained in AS 39. The corporation did so, adopting Board Rule 6 in May 1985 and several personnel rules over the years. Then, in the 1998 legislative session, the statutes were amended to subject both ARRC employees and directors to the provisions of the Executive Branch Ethics Act, AS 39.52. The change became effective on January 1, 1999. For ARRC employees, the ARRC President and CEO is the DES. For Board members, the Board chairman is the DES, and for the Board Chairman, of course, you are the DES. ARRC provides the President's and the Chairman's quarterly ethics reports to the Attorney General's Office and, from time to time, seeks guidance from that office. That process has evolved over the years and, from ARRC's perspective, works fairly and smoothly.

Perhaps because of the original legislative intent for ARRC to operate as a quasi-public, quasi-private entity, ARRC's Board members were not listed in the definition of "state commission or board" in AS 39.50.200(b). That was not changed in 1998 when ARRC became subject to the Executive Branch Ethics Act. ARRC Board members have therefore never been required to file public official financial disclosure statements with the Alaska Public Offices Commission. Under the original ARRC statute, Board Rule 6, and personnel policies, Board members were obligated to disclose to the full Board potential conflicts of interest as and when they arose. They were also required to file an annual "code of ethics disclosure statement". Once ARRC became subject to the Executive Branch Ethics Act, we modified that disclosure form and suggested that directors submit it annually to the Board chairman and ARRC's General

Ms. Linda Perez
February 23, 2007
Page 2 of 2

Counsel. With minor variations over the years, that is the form in use today and submitted herewith to you.

Please contact Chairman Binkley directly if you have any comments or questions regarding his disclosures on the enclosed form. I will be happy to answer any questions about the history of the ethics process at ARRC. If you deem Mr. Binkley's disclosure form approved, we would appreciate a copy so indicating for the Board Secretary's records.

Sincerely,



Phyllis C. Johnson
Vice President & General Counsel

Enclosure as stated

cc: Judy Bockman, State Ethics Attorney
John Binkley, ARRC Board Chairman
James Blasingame, ARRC Board Secretary
Patrick Gamble, ARRC President & CEO

bcc: SUSAN L.

ETHICS DISCLOSURE FORM
Alaska Railroad Corporation
Board Chairman's Annual Disclosure Statement

To: Governor of the State of Alaska
Designated Ethics Supervisor for Alaska Railroad Corporation Board Chairman

I have read and understand summaries of the Executive Branch Ethics Act and have referred to the Act itself when required by the situation. I am not currently engaged in, nor am I contemplating any transaction of activity that may constitute an actual or potential violation of the Ethics Act.

* * * * * OR * * * * *

While I do not believe that I am currently engaged in, nor am I contemplating any transaction or activity that may constitute an actual or potential violation of the Ethics Act, I have entered below any fact of which the Corporation should be aware for review. [describe any matter in detail, attach separate sheet as needed]

Conducting Business with Corporation (through grants, contracts, leases or loans, etc.)

Self: See attached
Spouse or Other Member of Immediate Family: _____

Details: _____

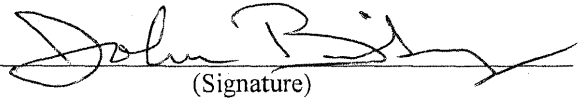
Participating in Outside Activities (officer, consultant, director, or other managerial employee, etc.)

Outside Position: See attached
Organization: _____
Duties: _____

Benefiting from Position with the Corporation

Describe: N/A

Additional Comments/Facts: _____


(Signature)
John Binkley
(Printed Name)
2-5-07
(Date)

_____ Approved _____ Disapproved
_____ Governor / Designee
_____ (Date)

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