



## News Release

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FOR IMMEDIATE RELEASE

### **Alaska Railroad seeks to replace Seward Passenger Dock with \$137 million purchase in new infrastructure**

*New state-of-the-art dock and terminal building will replace aging infrastructure and support next 50 years of industry growth*

**ANCHORAGE, Alaska** – The Alaska Railroad Corporation (ARRC) seeks to replace the passenger dock and terminal building in Seward with the purchase of \$137 million in new infrastructure proposed by local developer the Seward Company. The existing dock, which has been owned and operated by the railroad since it was built in 1965, is approaching the end of its useful lifespan. The proposed grand opening of the new dock is scheduled for Spring of 2026.

“This dock is a vital piece of Alaska’s transportation infrastructure, not just for the community of Seward, but for Alaska’s visitor industry across Southeast, Southcentral, and the Interior,” said ARRC President and CEO Bill O’Leary. “As maintenance becomes more challenging, it’s imperative we replace the old dock. This new, state-of-the-art infrastructure will serve Alaskans for the next fifty years.”

Last year, 87 ships called on the dock, Seward’s only cruise port. The calls represented 188,000 passengers traveling on a cross-gulf itinerary, linking Seward with multiple ports of call in Southeast Alaska and Vancouver, Canada. Many of these cruise guests extend their time in the state by touring in and around the Kenai Peninsula or onward to Anchorage, the Mat-Su Valley, Denali, Fairbanks or other destinations. The travel industry has been a bright spot in Alaska’s economic landscape, drawing over \$5.6 billion in total economic impact from 2022-23.

“The new Seward passenger dock is an important investment in Alaska’s long-term ability to welcome visitors to Southcentral Alaska and beyond,” said Governor Mike Dunleavy. “We’re proud that Alaska is rightfully known as a world-class destination, and our strong visitor industry is ready to continue providing incredible experiences for guests, and benefits to our local communities.”

ARRC received a sale offer for a proposed replacement dock from the Seward Company, a local developer that worked with Royal Caribbean Group to develop plans for the proposed dock. The new 748-foot dock will be the most robust floating double-berth pier in Alaska. Designed as a turn-port, the double-barge hull features a concrete deck with ample space to safely embark passengers while simultaneously supporting efficient provisioning. By designing for Royal Caribbean’s Quantum class specifications, the modernized facility can easily accommodate all classes of cruise vessels sailing in the Alaska market, as well as potential winter cargo shipments in coordination with ARRC’s adjacent freight dock. The dock will also accommodate electrification to allow for shore power on both sides of the pier – an important new feature to meet future regulations and objectives for low emission solutions.

The infrastructure also includes a new 60,000 square foot terminal building, featuring an innovative open floor plan designed for safe and efficient boarding. Checked-in and transiting guests will be able to easily exit and reboard the ship, making Seward more accessible to cruise visitors during their time in port. During the winter months, the workstations and dividing walls of the terminal can be moved, making the new facility the largest flex-space in the region.

“This dock is hugely important to our community,” said Seward Mayor Sue McClure. “In addition to the economic importance of bringing summer visitors to local businesses, the terminal building is used for community events over the winter months. We are excited about the revitalization of this infrastructure, and Royal Caribbean’s long-term commitment to Seward as a premier destination.”

ARRC plans to purchase the new dock and terminal facility primarily through bonding. While ARRC must receive authorization from the legislature to issue bonds, the debt is solely an obligation of the railroad and not that of the state. In this case, the bond debt will be secured by a long-term agreement with Royal Caribbean Group - a thirty-year contract emphasizing the cruise line’s investment in Seward.

“Royal Caribbean Group remains strongly committed to the future of Seward and the State of Alaska,” said Preston Carnahan, Regional Vice President for Royal Caribbean Group, noting that the homeport agreement will be the state’s largest, featuring an unprecedented 30-year revenue agreement to the port. “We are excited to continue to collaborate with the Alaska Railroad and watch as Seward energizes opportunity across Alaska.”

In addition to Royal Caribbean Group, several other cruise lines currently call on Seward. “It’s our hope and expectation that the new passenger dock will serve our current customers while attracting new cruise lines to Seward as well,” said O’Leary. The railroad plays a key role in transporting passengers to and from Seward in the summer months, operating the daily Coastal Classic Train route from ARRC’s downtown Anchorage Depot as well as regular chartered rail transfers between the Anchorage Airport Depot and the Seward passenger dock.

The project timeline requires that ARRC receives bond authorization before the close of this legislative session, enabling the developer to break ground in fall 2025 to be ready with the new facility for the 2026 summer season.

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The ARRC is an Equal Opportunity Corporation. If you need special assistance (including language) in order to participate in any ARRC service, program, or activity, please contact the Alaska Railroad Corporation; P.O. Box 107500; Anchorage, AK 99510; Attention: Legal Department, [zappasj@akrr.com](mailto:zappasj@akrr.com), (907) 265-2461; via Alaska Relay Service for hearing impaired - dial 7 11 anywhere 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 formats.

**Additional Facts**

- Photo and video assets are available at [www.sewardcompany.com/media](http://www.sewardcompany.com/media).
- Senate Bill 105, sponsored by Senate Transportation, and House Bill 122, sponsored by Rep. Frank Tomaszewski, relate to the Alaska Railroad's passenger dock in Seward. The bills would authorize ARRC to issue up to \$135 million in revenue bonds to purchase a new Seward passenger dock and terminal building. SB105 has passed out of Senate Transportation, and been heard and held in Senate Finance; HB122 has passed out of House Transportation, and is awaiting a scheduled date for a hearing in House Finance.
- Once agreements are finalized, the Seward Company will undertake construction on the project with Turnagain Marine, an Alaskan company with extensive experience in building cruise ports across the state. Upon completion of the new facility, the Seward Company will sell the new dock and terminal building to ARRC for a fixed price of \$137 million. To purchase the assets, ARRC will contribute \$30 million in internal funds generated through port improvement fees assessed to current Seward dock customers, with the balance funded through revenue bonds secured by a 30-year pier usage agreement with Royal Caribbean Group.
- The passenger dock is one of three marine assets owned by the railroad in Seward, which include the directly adjacent mooring dock and freight dock. ARRC is also undertaking a \$25 million expansion of the freight dock that will both lengthen and widen the current infrastructure; that project is fully funded, largely through a federal Port Infrastructure Development Program grant, and expected to be completed in 2027.
- In the event that ferry service returns to Seward in the future, the proposed design includes the ability to accommodate side-loading Alaska Marine Highway System vessels.