
MINUTES
ALASKA INDUSTRIAL DEVELOPMENT and EXPORT AUTHORITY
Board of Directors
Thursday, April 10, 2008 11:44a.m.
Anchorage, Alaska

1. CALL TO ORDER

Chairman John Kelsey called the meeting of the Alaska Industrial Development and Authority to order on April 10, 2008 at 11:44 a.m. A quorum was established.

2. BOARD OF DIRECTORS ROLL CALL

Members present in Anchorage: Chairman John Kelsey (Public Member); Vice Chair John Winther (Public Member); Deputy Commissioner Brian Andrews (Designee for Department of Revenue); Emil Notti (Department of Commerce, Community and Economic Development).

Participating by Teleconference: Commissioner Leo von Scheben (Department of Transportation and Public Facilities); and Commissioner Patrick Galvin (Department of Revenue).

3. PUBLIC ROLL CALL

Staff Present in Anchorage: Sara Fisher-Goad (Acting Executive Director); Chris Anderson (Deputy Director-Credit); Mike Harper (Deputy Director-Rural Energy); James Hemsath (Deputy Director-Development); Valorie Walker (Deputy Director-Finance); Chris Mello (Program Manager); Karsten Rodvik (Program Manager-External Affairs); Chris Rutz (Procurement Manager); Mark Schimscheimer (Project Manager); Jim Strandberg (Project Manager); Brenda Fuglestad (Administrative Manager); and Sherrie M. Siverson (Administrative Assistant).

Others Present: Brian Bjorkquist and Mike Mitchell (Department of Law); Eric Lidji (Petroleum News); Steve Pratt (Contractor, APA & ANGDA Consultant); Greta Goto (Co-Man Services); Paul D. Kendall (Public); Christine Vecchio (MEA Ratepayers Alliance).

Participating by Teleconference: Steve Haagenson (AEA Executive Director); Herb Hoyt (Public).

4. PUBLIC COMMENTS

VERBATIM

Mr. Paul D. Kendall. Well, I'll always seize an opportunity if I might. You know, if I might, Mr. Chairman, in a housekeeping mode, it would be nice to see a clock. I find that most men will curtail themselves. By the time I look at that second hand I'd forget everything I had to say. It's difficult for men to be judged by other men and watch a second hand, but if there was a nice six-inch LED clock, about 30 of them scattered around the state, we would have no excuse for just rambling on.

I tried to move a message to Mr. Haagenson, by the way, my absolute congratulations. Everywhere I've gone and the quiet streams of people I've asked about the content of the man's

character, and everyone's had nothing but praise for him, and if there's anything I can do to help, please, please call me. And having said that, there is something that I had asked for and that is you need to make an acetate layover of the state. If you look in the packet of information I hope you take, every one of you get a copy of the packet that gentleman has there, there is an article by Google, who is now looking quickly into new energies and that's very important. That's a very powerful entity if you could form an alliance with them. And I think that if you take an acetate or computer overlay of the state and you look at a broad cross section of mines, streams, rivers, roads, interconnect lines, existing power, resources, communities, I actually think, it's an intuitive position I hold, but I think that you will see clusters and those clusters, they indicate a great capacity to make islands of recurring energy, viable energies as opposed to just sending this unbelievable amount of money into helping the poor and the distressed, but in an ever continuing increase, in price increases. So if you'll make this acetate and get a partnership with Google and you offer them an opportunity to be with the great state who has a great future that might be a bright light for the rest of the world with their energy capacity, I think that overlay will show you, and I'm talking a very complex overlay that shows a great deal of detail.

Let's see and then just sum up here if I might I think that's about, that's about it, except I can't tell you enough that I saw a big thing in Las Vegas where Sierra Pacific seized Nevada Power. They did a billion dollar energy deal with Enron and some of their associates and when they closed that deal President Bush brought in FERC. When FERC came in all the markets collapsed and the people of Las Vegas lost a billion dollars overnight because these, these few gentlemen wanted to make \$200 million dollars. And I saw those people conserve and conserve, Mr. Chairman, I saw them do without food, without entertainment, without the kids, without transportation, and they came back again and again and again with rate increase, rate increase, rate increase, rate increase. It was unbelievable the assault that occurred. So when I see people who promote conservation, you need to understand that conservation simply delays the ability for us to take charge and resolve this like we should have done a long time ago. All that money is doing, is in essence, compensating those corporate economic....who really don't care about holding stability in our societies. What they really care about is their profits. So when I see this conservation and weatherization, those monies are minimal amounts of impacts and they simply go to feed the -- to stop the tipping point to the general public and it keeps Alaska from developing its great great just huge potential of energy that you have and I thank you and I'll, I'm sure my time was up a long time ago and I'll sit down and thanks again for the ability to come before such a distinguished and accomplished group such as yourself.

5. PRIOR MINUTES

- AIDEA Board Meeting, February 14, 2008
- Joint AIDEA and AEA Continuation of February 14, 2008 Board Meeting, February 18, 2008
- AIDEA Board Meeting, March 20, 2008

The minutes were approved as presented.

6. OLD BUSINESS

There was no old business.

7. NEW BUSINESS

AIDEA Resolution No. G08-03, Hire of AEA Executive Director

Mr. Bjorkquist stated the Alaska Energy Authority Board adopted Resolution No. 2008-03, the first step of a two-step process. The second step, AIDEA Resolution G08-03 is the actual hiring of Steve Haagenson as Executive Director of the Alaska Energy Authority effective March 10, 2008. It also includes authorization for the AIDEA Executive Director to negotiate the contract with AEA for reimbursement of costs associated with the employment of the AEA Executive Director.

MOTION: Commissioner Notti moved to approve Resolution No. G08-03. Seconded by John Winther. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

Ms. Fisher-Goad outlined items for an Executive Session. (1) Discussions with regard to the Executive Director Search; (2) Healy Clean Coal Project litigation update that involves negotiations and strategy; (3) Discussion of the Northwest Arctic Borough offer for DMTS, a financial matter that affects the Authority; and (4) Skagway Ore Terminal potential litigation. She said that for the record that there has been tremendous interest in the Skagway Ore Terminal from other users.

MOTION: Commissioner Pat Galvin moved to go into Executive Session to discuss the AIDEA Executive Director search; HCCP litigation update, negotiations and strategy; DMTS-NWAB offer, and Skagway Ore Terminal environmental issues regarding litigation. Seconded by Commissioner Leo von Scheben. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

EXECUTIVE SESSION: 11:55 a.m.

The Board reconvened its regular meeting at 3:02 p.m.

A quorum was established. Chairman Kelsey advised that the Board had not taken any formal action on the matters discussed.

8. DIRECTOR COMMENTS

Ms. Fisher-Goad referred the Board to their packets for current reports on Loan Activity, Delinquencies, and AIDEA Project updates.

Mr. Chris Rutz, Procurement Manager, said that the contract for an employee survey has been awarded to Crossroads Leadership. After completion of the employee survey, they will work in conjunction with the AEA and AIDEA Executive Directors to disseminate the results.

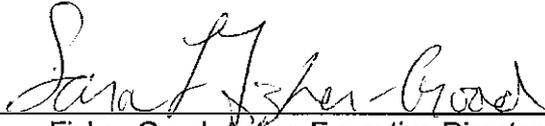
The next scheduled AIDEA Board Meeting is Wed. April 23, 2008 at 1:00pm to consider refunding of the existing 2007 refunded bonds to remove AMBAC as the insurer. An AIDEA Special Board meeting will be held on Tue. April 29, 2008 at 10:00am. At the April 29 meeting, the AIDEA Board will convene and immediately enter into executive session for the purpose of conducting interviews and deliberating about the qualifications of the candidates for the AIDEA Executive Director position.

9. BOARD COMMENTS

There were no board comments.

10. ADJOURNMENT

There being no objection and no further business of the Board, the meeting was adjourned at 3:06 p.m.



Sara Fisher Goad, Acting Executive Director/Secretary
Alaska Industrial Development and Export Authority