

MINUTES
ALASKA INDUSTRIAL DEVELOPMENT and EXPORT AUTHORITY
Board of Directors
Thursday, June 12, 2008 10:00 a.m.
Anchorage, Alaska

1. CALL TO ORDER

Chairman John Kelsey called the meeting of the Alaska Industrial Development and Export Authority to order on June 12, 2008 at 10:34 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); and Commissioner Leo von Scheben (Department of Transportation & Public Facilities).

Commissioner Patrick Galvin (Department of Revenue) joined the meeting at 10:42am.

3. PUBLIC ROLL CALL

Staff Present in Anchorage: Sara Fisher-Goad (Acting AIDEA Executive Director); Ted Leonard (AIDEA Executive Director); Steve Haagenson (AEA Executive Director); Chris Anderson (Deputy Director-Credit); James Hemsath (Deputy Director-Development); Valorie Walker (Deputy Director-Finance); Karsten Rodvik (Project Manager); Chris Rutz (Procurement Manager); Mark Schimscheimer (Project Manager); Jim Strandberg (Project Manager); Leona Hakala (Loan Officer); Danita Martin (Loan Servicing Supervisor); Brenda Fuglestad (Administrative Manager); and Sherrie M. Siverson (Administrative Assistant).

Others Present: Charlie Cole (Attorney); Brian Bjorkquist and Mike Mitchell (Department of Law); Ken Vassar (Birch, Horton, Bittner & Cherot); Tim McLeod (AEL&P); Dick La Fever and Terry Stimson (Crossroads Leadership Inc.); Bob Pawlowski (Alaska Fisheries Development Foundation); Ed LaFleur (First National Bank); Lorna Knaus (Pacific Rim Board of Trades); Anne Southam (URS Corp.); Jan Sieberts (Washington Capital Management); Percy Frisby and Andrei Chakine (Tlingit & Haida Indian Tribes of Alaska, Central Council); Peter Stitzel (Montlake Mining Co.); and Paul D. Kendall (Public).

Participating by teleconference: Cynthia Weed (KL Preston Gates Ellis).

Mr. Leonard suggested that due to the tight schedule, the board address Item 7D after 7A, move into Executive Session and then return to the regular agenda order.

4. PUBLIC COMMENTS

VERBATIM

Mr. Peter Stitzel, Montlake Mining Company. We started this company about seven or eight months ago with the help of the Alaska Fisheries Development Foundation. The nation's second largest fishery and Alaska's second largest fishery throw away all the heads and guts, which is about four to six hundred thousand tons of fish. The problem is to be able to turn that into fish meal, which will eventually feed people, as the seasons are so short, the places are very remote, and the only way to get at it is to build very expensive fish-meal plants.

My partner in Seattle has developed a technology to stabilize fish paste with an organic acid. This will stabilize it for weeks so a much less expensive plant could operate longer days making the economics work for places like Bristol Bay and Cordova where this has never been feasible before. We've also been able to extract a wonderful component called chondroitin sulfate from the cartilage of salmon skulls. This is a great nutraceutical. A lot of people with arthritic conditions use chondroitin sulfate and glucosamine. If you can extract it in its final form, it is worth \$1000 a kilogram. We would do a crude extract, but that also helps make the economics feasible. We could do fish-meal production in Bristol Bay in the five-week season and of course, Prince William Sound and so forth. There are six hundred thousand tons of waste; we believe the prices right now make about half of that 300 thousand tons, mostly of salmon, economically feasible to get at. The other 300 thousand tons is done offshore. There are seven factory trawlers without fish-meal plants, 22 H&G boats, and a few factory long liners that don't have fish-meal plants, nor will they be able to. They will be able to produce, cook, decant and burn the oil off of it. Burn that and someday you could pump that overboard into floating bladder tanks with stabilized acid and have floating fish-meal factories go at that.

The markets have to go up and instead of \$1200 a ton; they would have to get to about \$1700-\$2000 a ton before that becomes feasible. The point is, all of this 600 thousand tons, 2 years from now we will not be throwing it away. Technologies like this and others will have to be employed. If we can get at all of this we could feed about a billion fish meals after you convert it. Through another fish and aqua culture you could feed one billion people for one day with the number of meals. That is what we are after. We met with staff yesterday and we talked about our business plan. The first plant design would cost about \$5 million dollars in cash plus some working capital to go up to Bristol Bay and into Cordova to do some audits of the plants and where the waste streams and so forth come from. We talked about a loan participation plan and others. We're scouring the state for other monies to build this first plant. That is my two bits.

Mr. Bob Pawlowski: I'd like to add three comments on why this is important. First off, most of our salmon processing runs up against the national pollution discharge system (NPDES) permits, so we cannot do value-added processing in Alaska beyond where we are now. By managing the waste stream we can recover that waste. Secondly, because we can't do value-added processing, we have to ship our fish to China and other countries. In the world of global climate change that puts a significant carbon footprint on our wild stocks. That's a national interest we can address, by addressing the waste stream. And third, we are seeing a major movement at the Federal level, both the USDA and NOAA on a national aqua-culture program, both offshore and onshore. We are able to provide an organic standard by having meals and oils from fish processed for human consumption, which is what Alaska does. Almost 99% of fish processed is for human consumption. We are able to provide that on an environmental friendly side, get national support, and ensure a low-contaminant, high-quality meal into the national aqua-culture program. AFDF is committed to this and we appreciate it very much.

Chairman Kelsey stated that Rob Dittman in Valdez has done research on the same matter and recommended they get in touch with him. Mr. Pawlowski stated they would provide Mr. Dittman with a copy of the RFP. Mr. Winther said that he asked Mr. Stitzel to give a short presentation

on this new technology because part of AIDEA's mission is economic development and this might be a good opportunity.

Chairman Kelsey asked Mr. Kendal to limit his public comments to five minutes.

Mr. Paul D. Kendall: Well, what I would rather do, through the Chair, with your permission is actually forego my testimony at this time, my comment, and wait until your business was concluded and then come back to you at the end of your business because I really am looking to a dialog here, a conversation, and I requested that heavily. So I would like to forego that if I could. I was going to forego both. There are two positions available as I understand it, one is AIDEA and the other is AEA and rather than approach the Board on both of those, what I want to do is to forego testimony now and then wait until all of your business was concluded and then approach the Board with a more open dialog.

Commissioner Galvin: At the second meeting, after AEA.

Chairman Kelsey: Any objection to that?

Mr. Winther: No objection.

Mr. Kendall: And, if I might, because I find myself in a bit of a dilemma here Chairman, through the Chairman, Mr. Galvin I didn't think I would see you here because I thought you would be tied up in other business, but I feel compelled to make a comment about your performances, rather than in private, I would like to do it in public. I have now seen you in many arenas. You and Tom Irwin and some of the other people at the DNR and other state facilities and I just can't compliment you enough. I have never seen such an exemplary behavior, a capacity, the image which you give to us as a general citizenry and I've seen you challenged in many different arenas, you'd be in small places outside the Marston theater, or large positions where you sit in a circle by those people in opposition and I just can't thank you enough as a general public and I felt I would bestow that upon you in the midst of your own peers and let them make the judgment, but it should not, it should not predisposition my testimony which might be different than yours. I thank you for what you and Mr. Irwin and those people around you by the way that help like bookends, help make you what you are.

Commissioner Galvin: Thank you Mr. Kendall.

END OF VERBATIM

5. PRIOR MINUTES – April 10, 23 & 29, 2008

The minutes were approved as presented.

6. OLD BUSINESS

There was no old business.

7. NEW BUSINESS

7A. Resolution No. G08-06 Appointment of Ted Leonard as Executive Director

Mr. Ted Leonard asked Brian Bjorkquist to present Resolution No. G08-06.

Mr. Bjorkquist provided a quick overview focusing on the sections pertinent to the resolution. Section 1 and 2 appoint Mr. Leonard to be Executive Director and Secretary/Treasurer of the Authority and this relates back to an effective date of May 19, 2008. Section 3 will reappoint Sara Fisher-Goad as Deputy Director-Operations and Assistant Secretary of the Authority and end her time as the Acting Executive Director. Sections 4 and 5 delegate to the Executive Director authority to sign documents on behalf of the Authority and also to sub-delegate signing authority and other Executive Director responsibilities to others within the organization. Section 6 is a provision to ratify any of the actions taken by the Executive Director or Acting Executive Director since May 19, 2008. This will authorize and ratify anything that's been done by either of them since May 19th.

Commissioner Notti asked if the By-Laws state that the Executive Director can appoint anybody else, not the Deputies, at least not appointing to the Board.

Mr. Bjorkquist said historically the Board has appointed all Deputy Directors. Because the current Deputy Directors and Assistant Secretaries have official roles with respect to the organization, it is more appropriate for the Board to appoint those rather than the Executive Director. The Executive Director has a hiring authority for individual staff members and dealing with the employment. He stated he would review the By-Laws for clarification. He suggested going forward with the Resolution as it is and changes could be made at a future meeting.

Commissioner Galvin asked if the actual assignment for delegation of authority in Section 5 is similar to what previous Executive Directors had in terms of the whole authority. Mr. Bjorkquist replied affirmatively stating this allows the Executive Director to sub-delegate if the Executive Director is on vacation or away from the office.

MOTION: Commissioner Galvin moved to approve Resolution G08-06. Seconded by Commissioner Notti. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

7D. Resolution No. G90-2D (Amended) *Cynthia Weed, KL Preston Gates Ellis* Amended and Restated Revolving Fund Bond Resolution

Mr. Leonard introduced Cynthia Weed from Preston Gates & Ellis who provided an overview of the change in the Revolving Fund Bond Resolution.

Ms. Weed said there is nothing in this resolution that makes a substantive change to the documentation. Resolution G90-2D was adopted at the April 23, 2008 Board Meeting and included a very good upgrade amending the requirement for the investment of certain liquid assets. The amendment permitted liquid assets to be invested in cash and revolving fund cash equivalents and the definition change was made in section 7-14. In section 7-13 there is a cross reference to the definition in section 7-14. This change was not reflected in the cross reference in section 7-13d. The sole purpose of this amendment is to change the words "cash and government obligations" to "cash and revolving fund cash equivalents," so the two definitions match each other. It is a correction of a typographical error in section 7-13d.

MOTION: Commissioner Galvin moved to approve Resolution G90-2D Amended. Seconded by Mr. Winther. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

MOTION: Commissioner Galvin moved to go into Executive Session to discuss litigation, the status of litigation and negotiations regarding Healy Clean Coal. Seconded by Commissioner Notti. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

EXECUTIVE SESSION: 10:57am

The Board reconvened its regular meeting at 12:13pm. Chairman Kelsey advised that the Board had not taken any formal action on the matters discussed.

A quorum was established.

7B. Loan Resolution No. L08-02 S.L.S., LLC; LINA, LLC; Scott L. and Lisa J. Laudon; John E. and Nancy A. Emmi

Mr. Kelsey recused himself from discussion of, or voting on, the loan resolution because he is on the Board of Directors and Chairman of the Audit Committee for the lending institution (First National Bank of Alaska). Mr. Bjorkquist said that because this statement is on the public record, it constitutes written disclosure for purposes of the Ethics Act. Mr. Winther, Vice Chair, assumed the position of Acting Chair.

Mr. Leonard stated this is a Resolution to John and Nancy Emmi and Lisa Laudon for the purchase of two car wash locations. The business name is Alaska Laser Wash. Chris Anderson and representatives from First National Bank of Alaska are present to provide an overview and answer any questions from the Board.

Ms. Anderson described the request before the Board. The borrowing entity is S.L.S., LLC, LINA, LLC, Scott & Lisa Laudon, and John and Nancy Emmi. They are acquiring the Alaska Laser Wash, two car wash locations, located at Old Seward & O'Malley and Minnesota & Spenard. First National Bank of Alaska submitted this request to AIDEA for a gross loan amount of \$5,130,000. AIDEA's participating portion is 70% in the amount of \$3,591,000. AIDEA's term on participating interest is 20 years and FNBA is at 10 years. There are related loans currently with AIDEA. The loans have been paying as agreed and are listed in the memorandum.

AIDEA approved an assumption of the Westmark Sitka Hotel for this borrowing entity from Yoo Jin Lodging Inc. in May 2008. AIDEA's participating interest in that assumption was \$4,320,000, which brings the overall total dollar exposure to these borrowers to \$12,330,300.

Scott Loudon is a local dentist. He has a successful practice here in town. He and his wife have ownership interest in several properties: multi-family apartments, retail malls, and the Black Angus. They recently sold some of their interests in 2007 gaining a figure of \$1,650,000 that they are using in a 1031 tax exchange as a down payment for these properties. John Emmi is a local businessman who owns several apartment buildings, rentals, hotels, a funeral home, hangars, and construction companies, heavily weighted in real estate. The new owners will retain their existing staff which leaves them with management that is ongoing, which is a plus to this transaction.

The combined loan to value is 75%, which is within AIDEA's guidelines. When an environmental analysis was done on the first location, which is at Old Seward & O'Malley, there were no signs of hazardous substances on this property. The second location is an older

property at Minnesota and Spenard. It is listed on the ADEC website as a contaminated site with leaking underground storage tanks. This property not only has a laser wash, but also a gas station. Williams Express hired an environmental consultant to excavate the soil and put in monitoring wells. Holiday purchased the property from Williams in 2004 and assumed responsibilities for the remediation and investigation activities. Legal responsibilities are divided between the two. There is actually no evidence that the sale property is contaminated. The contamination is on the westerly side of the property and the ground water flows to the southwest.

Approximately five jobs will be retained. This increases AIDEA's total car wash dollars in the Anchorage region from 2.29 to 3.89% and total statewide dollars from 1.34 to 2.29%. According to the covenants, financial information will be provided to AIDEA annually and the bank will establish a replacement reserve for ongoing future maintenance of the properties.

Car washes are considered *special purpose property*, but in this particular case, Alaska Laser Wash has been in business in these locations for over 10 years and have very strong guarantor financial strength. Existing management will be retained. The properties are at good locations, which is integral to the success of car washes. Borrower equity in this transaction is in excess of 26% and debt service coverage is at 1.77.

In response to Commissioner von Scheben, Ms. Anderson explained that the current loan request is for \$3,591,000. The exposure to the borrowers is composed of the loan request plus the three loans listed: Loan #1 \$576,987; Loan #2 \$1,196,205; Loan #3 \$2,646,108 and the assumption of \$4,320,000 for a total exposure to these borrowers of \$12,330,300.

Commissioner von Scheben asked how the Board could make a decision if they didn't know if the business was a going concern or what projected cash flow may be.

Ms. Anderson stated that in the past the Board has been provided with an overview memorandum that doesn't include extensive financial information. Mr. Bjorkquist added that AIDEA has a statute that certain information provided to AIDEA by customers is confidential and not subject to the public records act. If the Board wishes to discuss that type of information, they would need to go into Executive Session.

In response to Board members, Ms. Anderson stated that the net present value is inherent in the valuation and there was a positive. The debt service coverage was 1.77, which is substantially higher than AIDEA's required minimum. She said this is a self-contained appraisal.

Mr. LaFleur stated that they are co-borrowers on the note. Ms. Anderson stated Mr. LaFleur is either on the note or a guarantor, but yes, they are liable.

Deputy Commissioner Andrews asked why the loan term was 20 years, a long term for this kind of collateral and usage. Mr. LaFleur stated that if this was a brand new car wash, the Bank would go 25 years with a call at 12½ years. Per statute, AIDEA does 75% of economic life which is why it was reduced to 20 years. Any loss we'll have will be accelerated amortization, which was agreed to by the borrowers.

MOTION: Commissioner von Scheben moved to approve Resolution No. L08-02.. Seconded by Deputy Commissioner Andrews. There being no discussion, the question was called. A roll call vote was taken and the motion passed 4-0; one non-participating.

7C. Snettisham Hydroelectric Project

1. Resolution No. G08-07 Authorizing a Loan to AEL&P to finance Snettisham Repairs
2. Eligibility Resolution No. 08-01 Snettisham Transmission Line Repair Project

Tim McLeod gave a brief presentation to the Board showing damage to power lines caused by an avalanche at Snettisham. He also briefed the Board as to the excellent efforts of the construction crews to bring the power back on line.

Deputy Commissioner Andrews suggested that Mr. McLeod contact the Juneau Empire with this information.

Ken Vassar provided an overview of Resolution No. G08-07 which authorizes the AIDEA Executive Director to negotiate the terms of a loan up to \$8 million dollars, with the life not to exceed 20 years, and to negotiate the interest rate.

Mr. Vassar stated that in addition to the maximum principal amount of \$8 million dollars, there is language in the resolution that stipulates the loan can only be used to repair the avalanche related damages, or to reimburse AEL&P for the cost of those repairs. Reimbursement can occur in connection with any source of money that AEL&P may have to use for those purposes which may include money that is on hand in the repair and replacement fund under the indenture or the bond resolution that is in existence for the outstanding bonds. It also may include the cost of repairing inventory that AEL&P had on hand at the time that they used for those repairs so that their inventory stock won't be depleted as a result of this. Because there are bonds outstanding, the bonds are secured by interests in the project and revenues from the project. AIDEA will not be issuing a bond, at least not immediately, it may in the future, but will not be issuing a bond for this purpose. In the absence of AIDEA issuing a bond, AEL&P has the power to issue something called a parity obligation under the indenture and so AEL&P will take those steps to issue the parity obligation and that will give to AIDEA the same security interest that bond holders have under the bond resolution. Ms. Walker added that the \$7 million was the original estimate and Mr. McLeod said it is currently \$5.3, with the flexibility to go up the \$8 million.

In response to Commissioner von Scheben, Mr. Leonard stated that the interest rates are not set right now. The Resolution would authorize the AIDEA Executive Director to negotiate the interest rate and communicate to the Board that the rate for this loan was fair and equitable.

Deputy Commissioner Andrews asked Sara Fisher-Goad if there is any complication or impact with the Snettisham legislation that was passed last year. She stated that the legislation was limited strictly to the refunding. AIDEA is still under a sunset of general bonding authority. AIDEA would either need that addressed this next legislative session or would need legislative authorization to address bonds for this repair. It wasn't broad enough to do anything. It was not expected during session that a new issue would arise requiring AEL&P financing.

Ms. Walker added that AIDEA is not anticipating refunding the bonds as early as originally anticipated.

MOTION: Deputy Commissioner Andrews moved to approve Resolution No. G08-07. Seconded by Mr. John Winther. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

Mr. Vassar reviewed Eligibility Resolution No. 08-01 stating in order to preserve the option of issuing tax-exempt bonds in the future, it is important to adopt this resolution, which expresses the Authority's official intent of an expectation of issuing debt some time in the future for this purpose. By adopting the resolution, it makes the costs that are incurred to make these repairs eligible for financing with tax-exempt bonds in the future. If the resolution were not passed then that eligibility would not exist. The purpose of this resolution is to preserve the option for the Authority to issue tax-exempt bonds to reimburse itself for the money that it lends to AEL&P. It is important to point out that this is not an obligation to issue bonds. The Board always has the option to issue bonds or not, at its discretion. This preserves the option to do it. Under current AIDEA statutes there isn't an authority to issue bonds for this purpose. It would take legislation to authorize AIDEA to do it.

In response to Chairman Kelsey, Mr. Vassar stated that the requirement is that the bonds will have to be issued no later than 18 months after the later of the first expenditure to be reimbursed, or the date that the project is placed in service, but in all events, no more than 3 years after the date of the original expenditure.

Ms. Walker added that with this resolution bonds would be issued in conjunction with a refunding of the Snettisham Bonds or any other bonds that AEL&P might be liable for. Because the size, \$5.3 million, it would be probably uneconomic to issue bonds on a stand-alone bond issue. The Snettisham Bonds will be callable and therefore refundable in January 2009. It is anticipated that if the bonds are refunded, that there would be an addition for these repairs to make it tax exempt.

Mr. Jim Hemsath reiterated that although the amount requested is \$8M, it was mentioned earlier that the repairs were approximately \$5.2M. There still needs to be a post-mortem discussion on the valuation of the costs and what might be appropriate for the R&R fund. There has been a lot of discussion as it relates to the R&R fund. This amount gives AIDEA flexibility not only to replace the spare parts and the towers as Commissioner von Scheben has already noted, but make sure those spares are there and the R&R fund, if necessary, is appropriate as well.

MOTION: Commissioner Notti moved to approve Eligibility Resolution No. 08-01. Seconded by Deputy Commissioner Andrews. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

8. DIRECTOR COMMENTS

A discussion ensued about scheduling a reception so new staff and board members could meet members of the lending community. It was decided that the reception would be held on the evening before the August 14th board meeting.

In response to Mr. Winther and Commission von Scheben, Ms. Anderson stated that a delinquency percentage is calculated at a specific point in time and is not an average for the year. On June 30, 2007 there was a \$2.3 million dollar credit for Chandler Inc., the Puffin Inn on Spenard Road. They struggle with cash flows at certain times of the year and at this time they were entering into the summer season. The loan entered into delinquency and within two weeks of the percentage being calculated at year end, it was paid. So it was a spike and it is now at approximately .53. We tried to get them on a seasonal-based payment, but they preferred to maintain monthly payments.

Mr. Hemsath gave an overview of the project fact sheets, stating that the Ketchikan Shipyard Project was waiting for a federal language change relative to a grant. The language was changed in committee and the President signed the budget within the past two weeks, so those funds should be coming in. This will allow us to proceed with the initial phases of a larger development plan. In response to Mr. Winther, Mr. Hemsath said everything has been completed in terms of what's been granted. These new funds will be expended over the next three years.

Deputy Commissioner Andrews asked when the shipyard would be operational. Mr. Hemsath said the project had been on hold waiting for funding. The upper berth has been completed and the dry dock is on-site. Within the next two weeks the dredging where the dry dock will go should be complete, however, before that happens, the landing grids have to be built.

There is quite a bit of work to be done on the landing grid which will include replacement of a large fuel header for the City of Ketchikan. The fuel header was demolished during the dredging and the city has been moving fuel by truck. The civil work is expected to be completed this fall. The contract had not been awarded for the landing grid because the funds weren't available. This will now go out for bid and estimated completion is spring 2009.

Deputy Commissioner Andrews asked for a follow-up report at the next board meeting.

Mr. Winther said that the delivered price of the dry dock was \$9.7 million which included towing from China and it is worth considerably more today given the higher cost of steel.

Mr. Leonard said the March 31, 2008 Callan Report is in the packet for the Board's review. In response to a question from Mr. Leonard, Ms. Walker stated that the contract for investment counsel expires June 30, 2008 and may have to be extended for three months. During that time AIDEA will be working on an investment advisor contract. Once that is complete, a search will be made for two investment managers whose contracts are also expiring.

Deputy Commissioner Andrews asked if there was a policy in place that deals with under performance by investment managers. Can an investment manager be put on a watch list, or if performance becomes sub-par, is there a removal process? Ms. Walker said there is no official policy, but AIDEA does look at them. An investment performance summary was included with the Callan Report in response to the fact that the Dodge & Cox performance was not as good as in the past. Ms. Walker emailed Mike O'Leary, Callan & Associates, who explained that Dodge & Cox was using a spread product. A couple years ago it was just the opposite, they were doing very well compared to the Index. Although Dodge & Cox have been underperforming over the past 12 months, in mid-March they began to improve. As a matter of policy AIDEA communicates with and receives guidance from Callan and Mr. O'Leary. Several years ago a firm was put on watch and it took some time, but they took the necessary steps, including hiring additional personnel, to improve their performance. They were not put on formal notice, but there were enough conversations that they knew if their performance did not improve they would be removed. Within the next six months AIDEA will put the investment manager contracts out for proposals and select new ones, or the same ones if their performance is adequate.

Deputy Commissioner Andrews stated that there should be a formal policy so when a fund manager's performance decreases, it triggers a reaction and they go on a watch list. Ms. Walker stated she would consult with Mr. O'Leary and report back to the Board.

Mr. Leonard asked Chris Rutz to provide a status report on the Crossroads Leadership Institute survey. Mr. Rutz explained that the surveys were intentionally delayed until both Executive Directors were hired. The new Executive Directors provided input into the questionnaire and CLI will begin the interview process next week. After individual employee interviews, feedback will be provided to employee groups, to the Executive Directors, and the Board.

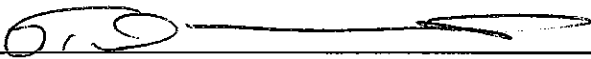
The next AIDEA Board Meeting is scheduled for August 14, 2008 at 10:30am.

9. BOARD COMMENTS

Commission von Scheben suggested that new board members might be interested in taking a tour of the Red Dog Mine in the future.

10. ADJOURNMENT

There being no objection and no further business of the Board, the meeting was adjourned at 1:47pm.



Ted Leonard, Executive Director/Secretary
Alaska Industrial Development and Export Authority