



Alaska Industrial Development and Export Authority  
**BOARD MEETING MINUTES**  
**Thursday, August 9, 2012**  
Anchorage, Alaska

**1. CALL TO ORDER**

Vice Chair Bell called the meeting of the Alaska Industrial Development and Export Authority to order on August 9, 2012 at 10:02 a.m. A quorum was established.

**2. ROLL CALL: BOARD**

Members present in Anchorage: Vice Chair Susan Bell (Commissioner, Department of Commerce, Community, and Economic Development); Bryan Butcher (Commissioner, Department of Revenue); Wilson Hughes (Public Member); Robert Sheldon (Public Member); and Gary Wilken (Public Member).

**3. AGENDA APPROVAL**

**MOTION: A motion was made by Mr. Wilken to adopt amended agenda adding a new business item as 7B, Resolution No. G12-02A, Amendment to Resolution G12-02, Camp Denali Readiness Center Addition Project and move the Endeavour Jack-up Rig Update to Executive Session. Motion seconded by Mr. Sheldon. The motion was approved with Board members Sheldon, Wilken, Butcher and Bell voting yea.**

The agenda was approved as amended.

**4. ROLL CALL: STAFF, PUBLIC**

Staff present in Anchorage: Ted Leonard (Executive Director); Chris Anderson (Deputy Director-Commercial Finance); Mark Davis (Deputy Director-Infrastructure Development); Jim Hemsath (Deputy Director-Project Development & Asset Management); Valorie Walker (Deputy Director-Finance); Chris Rutz (Procurement Officer); Sherrie Siverson (Executive Assistant); and Teri Webster (Administrative Assistant).

Others attending in Anchorage: Brian Bjorkquist and Jerry Juday (Department of Law); Cory Borgeson, Interim President & CEO and Bill Nordmark, Chairman of the Board (Golden Valley Electric Association); Mark Gardiner and Pat Clancy (Western Financial Group); Theresa Obermeyer (Public); and Sunny Morrison (Accu-Type Depositions).

**5. PUBLIC COMMENTS**

**Theresa Obermeyer, Public:** Ms. Obermeyer discussed public meetings in Alaska. She stated Judge Morgan Christen is new on the Ninth Circuit Court of Appeals and is a breath of fresh air. There is another judicial selection at noon on August 9, 2012, and invited everyone to attend.

She distributed copies of a 1985 court document where she sued the University of Alaska. She said, "If we care about our home, we better start caring about what is going on around us."

## **6. PRIOR MINUTES**

June 28, 2012 AIDEA Board meeting minutes were adopted as presented.

## **7. NEW BUSINESS**

### **7A. Resolution No. G12-03 – Board Delegation of Authority to Executive Director regarding Procurement Protest Appeals under 3 AAC 100.**

Mr. Leonard said Resolution No. G12-03 delegates protest appeal procedures from the Board to the Executive Director. This amendment will allow the Executive Director to make preliminary considerations and conduct hearings on bids and protest appeals and then provide the Board with information and recommendations. The Board retains authority to a make final decision.

Mr. Rutz stated this resolution is an administrative cleanup in the regulation process. He didn't think the Board would want to conduct hearings when the Executive Director could do this on their behalf and then bring them a recommendation. The Board would then make the final decision.

Mr. Hughes asked how the process is conducted today. Mr. Rutz said when new regulations are adopted there has to be a sweeping delegation with the exception of protest appeals. Mr. Rutz stated the Department of Law advised, in protest appeals, there can be issues that are matters of regulation and authority needed to rest with the Board. Mr. Rutz said there haven't been any appeals to date.

**MOTION: A motion was made by Mr. Hughes to approve Resolution No. G12-03. Motion seconded by Mr. Wilken. The motion was approved with Board members Wilken, Sheldon, Hughes, Butcher, and Bell voting yea.**

### **7B. Resolution No. G12-02A – Camp Denali Readiness Center Addition Project**

Mr. Leonard stated Resolution No. G12-02A is an amendment to the original resolution giving the Executive Director the authority to enter into agreements to start construction of the Camp Denali Readiness Center Addition. Mr. Leonard said AIDEA has secured the license agreement with the Air Force and received approval from the Municipality of Anchorage. The Air Force wants to give one overarching license to the State of Alaska to be able to be on the base and so there is no need for AIDEA to obtain a sublicense. This resolution removes that condition. Mr. Leonard said if the Board approves this resolution, the contract will probably be issued this afternoon.

Mr. Leonard expressed his appreciation of Mr. Hemsath, his department and the help of the Assistant Attorney General as instrumental in moving this project forward in time so the Coast Guard can move in next year. Mr. Leonard met with the Commandant of the Coast Guard and several admirals who expressed their appreciation for AIDEA being flexible and moving so quickly on this project.

**MOTION:** A motion was made by Mr. Sheldon to approve Resolution No. G12-02A. Motion seconded by Mr. Hughes. The motion was approved with Board members Wilken, Sheldon, Hughes, Butcher, and Bell voting yea.

**MOTION:** Mr. Wilken made a motion to go into Executive Session to discuss proprietary and confidential information regarding the Endeavour Jack-up Rig, Healy Clean Coal Plant negotiations and the Delong Mountain Transportation System. Motion seconded by Mr. Hughes. Motion passed unanimously.

#### **7C. Executive Session**

The Board entered executive session at 10:22 a.m. Mr. Bjorkquist joined the executive session at 10:45 a.m. The Board reconvened its regular meeting at 12:04 p.m. Everything covered in executive session was appropriate to the motion.

#### **8. DIRECTOR COMMENTS**

##### **8A. Director's Status Report of AIDEA Programs and Projects**

Mr. Leonard referred Board members to the loans and projects reports in their packet and said a status update on division activity was emailed to the board yesterday.

There were no questions.

##### **8B. Next regularly scheduled board meeting is Wednesday, September 26, 2012.**

#### **9. BOARD COMMENTS**

Vice Chair Bell said Mr. Leonard had alerted the Board that an update related to the Jack-Up Rig will be sent on or about September 17, 2012. The Board looks forward to future information on permitting issues and the progress as the rig travels to Alaska.

Vice Chair Bell asked Mr. Leonard if there are any other key dates to be aware of. Mr. Leonard said, as of today, the operating team should be back from the Department of Military Veterans and Affairs and the contract for construction will hopefully be issued by the end of the week. Mr. Hughes asked how big the construction project will be. Mr. Leonard said the total projected cost of the project is approximately \$15 million dollars, including contingency.

#### **10. ADJOURNMENT**

There being no further business of the Board, the AIDEA meeting adjourned at 12:07 p.m.

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