



Alaska Industrial Development and Export Authority SPECIAL BOARD MEETING MINUTES

Wednesday, April 8, 2020

Anchorage, Wasilla, Fairbanks and Juneau, Alaska

1. CALL TO ORDER

Chair Pruhs called the meeting of the Alaska Industrial Development and Export Authority to order at 3:00 p.m. on April 8, 2020. A quorum was established.

2. ROLL CALL: BOARD MEMBERS

Members present: Chair Dana Pruhs (Public Member).

Members present via teleconference: Vice-Chair Bernie Karl (Public Member); Julie Anderson (Commissioner, Department of Commerce, Community, and Economic Development [DCCED]); Albert Fogle (Public Member); Bill Kendig (Public Member); Anna McKinnon (Department of Revenue [DOR]); and Julie Sande (Public Member)

3. ROLL CALL: STAFF, PUBLIC

Staff present: Alan Weitzner (Chief Investment Officer, Project Finance & Asset Management [PFAM]); Karsten Rodvik (External Affairs Officer); Curtis Thayer (Executive Director, AEA); Sherrie Siverson (Executive Assistant); and Aimee Sudbeck (Administrative Assistant).

Staff present via teleconference: Tom Boutin (CEO/Executive Director); Chris Anderson (Commercial Finance Director); Brenda Applegate (Chief Financial Officer); and Mark Davis (Chief Infrastructure Development Officer).

Public present via teleconference: Jim Clark (public); John DeVore, Christy Garrett, and Elizabeth Ross (Birch Horton Bittner & Cherot); Lois Epstein (The Wilderness Society); Jerry Juday (Department of Law); Jennifer Summers (KTVA); and Nancy Wainwright (public).

4. AGENDA APPROVAL

The agenda was approved as presented.

5. PUBLIC COMMENTS

Chair Pruhs informed public comments are limited to agenda Items 6B and/or 6C.

Nancy Wainwright commented regarding Resolution No. G20-13. She noted it is confusing that AIDEA is adopting this regulation when AIDEA adopted Resolution No. G20-08 two weeks ago allowing the Authority to “waive or modify the requirements of the regulations for its loans, guarantee, and financing programs.” Resolution No. G20-13 addresses loan guarantees and it is not clear whether this regulation may also be waived. Section 104.020c requires a person who applies for a loan to also apply for a loan under the CARES Act. This creates an unduly

burdensome requirement, especially when the CARES Act process is cumbersome and has numerous document problems. AIDEA can reduce the burden on small business by administering its loan program without that requirement.

Ms. Wainwright informed she has attended many AIDEA meetings in the past five years and was always impressed with the respect that the Body had afforded public comments, but that has all changed. She has great concern for the direction AIDEA is now taking to suppress public comment and to abuse the executive session rules by making tacit agreements on issues outside of public scrutiny, and essentially giving no notice of its regulation changes. The change in tenor is best exemplified by the on-the-record remarks of one Board member on March 26, 2020, who used an expletive about public testimony during the ill-planned public comment portion of the meeting. These changes do not reflect well for Resolution No. G20-13 or any other resolutions before AIDEA. Ms. Wainwright advised she attempted to get a copy of Resolution No. G20-13 yesterday in preparation for today's Wednesday meeting that was called on Monday. Ms. Wainwright reported she was told the document that was posted was wrong and the regulations and resolutions were being amended at that time.

Ms. Wainwright believes there should have been an extra effort by AIDEA to be transparent, open to the public, and not take specific action in violation to the public's right to know, given the negative spotlight over the last week. Ms. Wainwright inquired as to the provision that was included in yesterday's version of Resolution No. G20-13 in which AIDEA was going to create a nonprofit agency. She inquired if AIDEA intends to move forward with that at a later time. Ms. Wainwright inquired if AIDEA will provide any notice if such an action is taken. She urged AIDEA to respect the public process, to provide adequate public notice, and requested copies of proposed regulations are provided more than one day before a meeting.

6. NEW BUSINESS

6A. EXECUTIVE SESSION: Discuss confidential financial matters relating to economic stabilization and AIDEA's programs; Emergency Regulations; and SBED Program

MOTION: Mr. Fogle moved to enter into Executive Session to discuss confidential financial matters relating to economic stabilization and AIDEA's programs; Emergency Regulations; and SBED Program. Motion seconded by Ms. Sande.

The Board entered Executive Session at 3:11 p.m. Participants included board members Dana Pruhs, Bernie Karl, Julie Anderson, Albert Fogle, Bill Kendig, Anna MacKinnon, and Julie Sande. AIDEA staff and guest invited to join the session at different times for related topics: Tom Boutin, Alan Weitzner, Brenda Applegate, Jerry Juday, and Stefan Saldanha.

The Board reconvened its regular meeting at 7:05 p.m. Chair Pruhs advised the Board did not take any formal action on matters discussed while in executive session.

6B. Resolution No. G20-13 Adoption of Emergency Regulations related to AIDEA Emergency Loan & Guaranty Program

Chair Pruhs requested the Board table Resolution No. G20-13. There was no objection.

6C. Resolution No. G20-14 Providing for the Transfer of Funds from the Revolving Fund to the Small Business Economic Development Revolving Loan Fund (SBED)

Tom Boutin recommended the Board adopt Resolution No. G20-14. The Small Business Economic Development Revolving Loan Fund (SBED) program is handled efficiently by DCCED on behalf of AIDEA. The resolution leverages \$5 million in additional funding. He recommends expeditious approval.

Chair Pruhs asked Brenda Applegate if she had additional comments. Ms. Applegate explained the resolution requests AIDEA transfer \$1 million out of the revolving fund to the SBED, which will be used to leverage potentially \$5 million in economic development and administration grant funding, providing \$6 million in capitalization to the loan program.

Commissioner Anderson commented on the importance of providing as much capital as possible to help businesses during this period. This is a wonderful opportunity to leverage funds with the Economic Development Administration (EDA) to get the money to private entities. She expressed support for the resolution.

MOTION: Mr. Kendig moved to approve Resolution No. G20-14 Providing for the Transfer of Funds from the Revolving Fund to the Small Business Economic Development Revolving Loan Fund (SBED). Motion seconded by Vice-Chair Karl.

The motion was approved with members Pruhs, Karl, Anderson, Kendig, MacKinnon, and Sande voting yea. There was no response from Mr. Fogle.

7. DIRECTOR COMMENTS

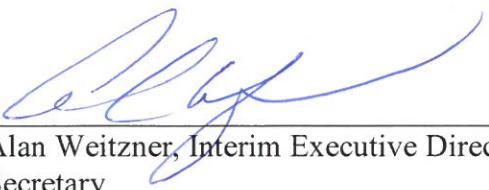
None.

8. BOARD COMMENTS

None.

9. RECESS

Chair Pruhs requested the Board meeting be recessed and reconvened at the call of the Chair. There was no objection. The meeting was recessed at 7:15 p.m.


Alan Weitzner, Interim Executive Director
Secretary