

Alaska Industrial Development and Export Authority
BOARD MEETING MINUTES
Wednesday - Thursday, September 10-11, 2025
Teleconference

1. CALL TO ORDER

Chair Pruhs called the meeting of the Alaska Industrial Development and Export Authority to order on September 10, 2025, at 9:08 am.

2. ROLL CALL BOARD MEMBERS

Members present: Chair Dana Pruhs (Public Member); Vice-Chair Bill Kendig (Public Member); Julie Sande (Commissioner, DCCED); Llewellyn Smythe (Policy Director, DOR)(arrived late); Albert Fogle (Public Member); Randy Eledge (Public Member); and Ely Cyrus (Public Member).

A quorum was established.

3. AGENDA APPROVAL

Randy Ruaro, Executive Director, indicated that Item 6B. should be deleted from the agenda, as the Resolution G25-06 will not be addressed today. The Item 6B. should be placed on the agenda for the October meeting. There was no objection.

Chair Pruhs indicated that today's meeting will not adjourn under Item 10. The meeting will recess until tomorrow's meeting with the Alaska Railroad Corporation Board. Item 10 Adjournment will occur tomorrow. There was no objection.

MOTION: A motion was made by Vice-Chair Kendig to approve the agenda, as amended. Motion seconded by Mr. Fogle.

There was no objection to approving the agenda, as amended.

4. PRIOR MINUTES – July 7, 2025, July 31, 2025 & August 15, 2025

MOTION: A motion was made by Vice-Chair Kendig to approve the Minutes of July 7, 2025, July 31, 2025, and August 15, 2025, as presented. Motion seconded by Mr. Fogle.

There was no objection to approving the Minutes as presented.

5. PUBLIC COMMENT

There were no members of the public online or in-person who wished to make a public

comment. Chair Pruhs closed the public comment period. There was no objection.

6. NEW BUSINESS

Chair Pruhs requested that the Board reverse the order of the agenda and discuss Item 6C. prior to Item 6A. There was no objection.

6C. FY2026 Draft AIDEA Board Meeting Dates

Mr. Fogle commented that March 11, 2026 is during spring break for Anchorage School District.

Chair Pruhs asked Raymie Hamann, AIDEA, if the schedule was similar to prior years. Ms. Hamann agreed. There were no other comments. There was no objection to the adoption of the FY2026 Draft AIDEA Board Meeting Dates.

MOTION: A motion was made by Vice-Chair Kendig to enter into executive session for the purpose of discussing the following: ANWR, Ambler, HEX Furie, Far North Digital, LLC, financial, and other matters related to AIDEA and matters that are subject to specific legal advice, which is subject to the attorney-client privilege. These matters, which if discussed publicly, could have an adverse effect on the finances of AIDEA, are matters that are attorney-client privileged, and matters involving consideration of issues and that by law are not subject to public disclosure due to the executive or deliberative process, privilege, or other law. The executive session and matters discussed therein are proper subjects for an executive session under the Alaska Open Meetings Act, reference Alaska Statute 44.62.310 (C)(1), (3), and (4), and the Alaska Public Records Act. Motion seconded by Mr. Fogle.

A roll call was taken, and the motion to enter into Executive Session passed unanimously.

Chair Pruhs recommended that at future meetings during which the agenda is concise, similar to today, that the agenda item for Director's Comments is placed prior to the Executive Session. There was no objection.

6A. EXECUTIVE SESSION: 9:08 am. Confidential and deliberative matters related to: ANWR, Ambler, HEX Furie, Far North Digital, LLC, and other AIDEA projects. Financial and other matters of AIDEA will also be discussed. All of these are subject to the deliberative process privilege, executive process privilege or other legal exemptions from the Open Meetings Act. Also, matters related to AIDEA and subject to the attorney-client privilege will be discussed.

The Board reconvened its regular meeting at 11:51 am. Chair Pruhs advised the public that the Board did not take any action on matters discussed while in Executive Session. The session was limited to discussion of matters directly protected from public disclosure by the Open Meetings Act.

6B. Resolution G25-06 Far North Digital, LLC - Moved to the October meeting.

7. DIRECTOR COMMENTS

7A. Project Updates

Mr. Ruaro discussed that the Arctic National Wildlife Refuge (ANWR) project continues to advance at the administrative level with the Department of Interior (DOI) per President Trump's Executive Order direction to the agency, and the agency's exercise of its own discretion to review the decision by President Biden's Administration and DOI to issue a Record of Decision (ROD) that had terms and conditions that were so severe that it would have been almost impossible to develop ANWR. In AIDEA's view, this is contrary to federal statute which says there shall be development of oil and gas in ANWR under the 2017 Tax Cut and Jobs Act. AIDEA is awaiting that decision. Additionally, staff is working internally to identify the best strategy to advance development of ANWR, which is estimated to produce as much as \$2 billion a year to the State in royalties and production tax. This estimated amount has increased by \$250 million, due to the change in the Big Beautiful Bill and Reconciliation Act that changed the split on the royalty sharing to 70/30. Mr. Ruaro indicated there is much potential in ANWR, billions of barrels of oil and trillions of cubic feet of gas, which is the potential for royalties to the State.

Mr. Ruaro noted that Ambler Road is in a similar position. AIDEA is waiting for the agency to act on the direction from President Trump to revisit PLO 5150 limits, including the prevention of the right-of-way from vesting in the State, and other administrative actions that will assist in obtaining the rights-of-way and permits needed to develop the Ambler Road project. The revenue to the State is estimated at \$1 billion over 20 to 30 years. The revenue is from corporate income tax, mining license tax, royalties, and other revenue inputs. Additionally, thousands of jobs will be created at a time when the Red Dog Mine is projecting their end-of-life in 2031. Mr. Ruaro discussed that there may be a gap between the 2031 timeframe and when the next deposit on State lands, an underground mine, can be developed. Mr. Ruaro believes that Ambler Road and the mines look to fulfill an important gap for the Northwest Arctic Borough that will keep many residents working.

Mr. Ruaro indicated that AIDEA has submitted the Army Corps of Engineers' (Corp) permit for the West Susitna Project. That permit is under review by the agency in Alaska. AIDEA applied the post Sackett for wetlands definition from the U.S. Supreme Court case in 2023. That definition is extremely narrow compared with the previous definition, which Mr. Ruaro described as almost anywhere that it rains. The workable definition is based on the presence of a navigable waterbody that has visible surface water. The Supreme Court moved a long way from the previous definition. AIDEA looks forward to working with the Corp and implementing the Supreme Court's narrow definition. This should accelerate permitting and allow AIDEA to advance on the project fairly quickly. There were no comments or questions.

7B. Loan Dashboard Report

Mr. Ruaro gave the high-level overview that the loan participation starting balance is \$364 million. As of July 1, 2025, the total principal payments received was \$4 million. The ending balance is \$360 million. He noted that there are two interesting projects in the pipeline in the Ketchikan area with significant loan amounts. One of the prospects relates to a power project for

Southeast Alaska Power Agency (SEAPA), and the other prospect relates to a cruise ship tourism facility. Mr. Ruaro requested that Tiffany Jansen, Chief Financial Officer AIDEA, continue the report. Ms. Jansen discussed that the updated pipeline includes approximately \$75 million in different potential and preflight projects. Work continues on modifications for the projects in the pipeline.

Vice-Chair Kendig asked Ms. Jansen to provide additional information regarding the one delinquency on the books since July 2025. Ms. Jansen explained that the delinquency began in May of 2025. Staff is working on inspections for that loan in order to create modifications.

Mr. Ruaro noted that staff is expecting to receive a memorandum from the Division Director of the Small Business Economic Development Loan Program regarding the demand for the program, which is managed by the Department of Commerce. The memorandum is also expected to contain strategies for increased loan participation.

Chair Pruhs asked what the default rate is for the Small Business Economic Development (SBED) Loan Program. Mr. Ruaro does not believe there are any loans in default. The program is not making many loans due to capitalization of the program. He indicated that the performance rate is pretty solid. There were no other comments or questions.

7C. Board Resolution Report

Chair Pruhs indicated that the Board Resolution Report is included in members' packets. There were no questions or comments.

7D. Statistics Summary

Mr. Ruaro noted that the Statistics Report relates to the SBED Program and the Rural Development Initiative Fund (RDIF). The SBED Program has 33 outstanding loans with approximately \$9 million in principal amounts outstanding. The average loan amount is \$250,000 per borrower. There are no delinquencies and no foreclosures. The RDIF has 25 outstanding loans with approximately \$2.6 million in principal amounts outstanding. The average loan amount is \$85,000 per borrower. There are no delinquencies and no foreclosures. There were no comments or questions.

8. BOARD COMMENTS

Vice-Chair Kendig thanked staff for preparing the information given at today's meeting. He commented that it is easier to make decisions with the information that is provided.

Mr. Fogle expressed appreciation to Mr. Ruaro and to the staff for their daily work efforts. He commented that staff is doing great work for the State and for the people of Alaska.

An unidentified member echoed the previous comments recognizing staff's diligence on matters discussed today.

Mr. Eledge commented that tomorrow is September 11th, and to remember the country. He noted

that today's meeting will recess and begin again tomorrow at the Railroad.

Chair Pruhs thanked everybody for attending today's meeting. He explained that a recess of the meeting will be called until tomorrow morning at 9:00 a.m., at which point the joint Work Session with the Alaska Railroad Corporation will begin. The goal is to collaborate on economic projects for the State of Alaska. A portion of the discussion may be held in executive session to address confidential and legal matters. Chair Pruhs indicated that Governor Mike Dunleavy has committed to call in tomorrow at 9:00 a.m. to address his vision. There were no other comments or questions.

9. Recess to 9:00 am., September 11, 2025, Joint Work Session with Alaska Railroad Corporation Board – Collaborative Economic Projects for the State of Alaska. A portion of this discussion may be held in Executive Session to address confidential and legal matters.

Chair Pruhs called the joint work session to order at 9:00 a.m. An unidentified speaker indicated that AIDEA Board and the Alaska Railroad Board are in a joint session. He noted that the Governor of the great state of Alaska, Mike Dunleavy, is also in attendance. This meeting was called because of Governor Dunleavy's discussion and direction. Governor Dunleavy thanked everyone for their efforts for the State of Alaska. He noted that this is a critical period of time in the State's history. Governor Dunleavy gave a broad perspective that the largest natural gas conference in the world is occurring now in Milan, Italy. He noted that the participants who attended have been providing good feedback from the conference. Governor Dunleavy discussed that one of the largest gas-fired power plants in Japan, JERA, has signed on to a letter of intent (LOI) to move quickly in terms of offtakes. Governor Dunleavy indicated that the large Korena firm, POSCO, announced they want to purchase offtakes and provide steel for the project. He noted that good news continues to come each week, and the updated cost for the pipeline is due in December. The preliminary indications show that cost is expected at or below the anticipated amount. Governor Dunleavy discussed that the Final Investment Decision (FID) is expected in January. If the go-ahead occurs, then pipe is anticipated to be delivered to Alaska in the late summer or early fall of 2026. The idea is that in-state gas will be flowing by 2028 or 2029. The project is moving rapidly, according to plan, and exceeding many expectations.

Governor Dunleavy discussed that the Trump Administration continues to support the project, and as a result of tariff negotiations and trade, more and more Asian concerns move toward this pipeline. Governor Dunleavy highlighted the tremendous opportunity between AIDEA and the Railroad Corporation to help support the pipeline project. As a state, Governor Dunleavy indicated that all of the resources available should be utilized. The world is highly competitive for gas, data farms, bitcoin mining operation, and others. Alaska could be ground zero for the Pacific and the Arctic in terms of looking at the future. The gas pipeline is crucial.

Governor Dunleavy asked AIDEA and the Alaska Railroad to utilize any and every possible tool that is available. The determination has not yet been made by the U.S. Department of Treasury regarding tax-free bonding authority for the Railroad. Governor Dunleavy will visit with the Department of Treasury soon to follow-up to ensure the decision is forthcoming. He believes that it will be beneficial for the gas line project and for the State of Alaska to see that the rail

extension and the port upgrades occur. Governor Dunleavy discussed that the gas line project has three phases, consisting of the pipe, the liquefaction export plant in Nikiski, and the gas condition plant on the Slope. He noted the importance of the ports being ready in 2031 for the module for the gas conditioning plant. Governor Dunleavy expressed that the Trump Administration is doing everything they can for the project, and Governor Dunleavy wants to ensure that he can demonstrate to the Trump Administration that Alaska is doing everything it can for the project.

Governor Dunleavy noted there is risk involved in everything, but he guarantees that if Alaska does not act in a forward manner on a whole host of these projects, beginning with the gas line, Alaska increases the possibility of losing out to other localities across the world. Currently, the alignment in the State of Alaska is favorable with great people in AIDEA, great people on the Alaska Railroad Board, and a great relationship with the Trump Administration. Gas in Alaska is running out, and the bases in Alaska and the utilities in Alaska need gas. Additionally, Governor Dunleavy indicates he has had multiple meetings with AI and bitcoin operations that are considering Alaska for their locations. He has been invited to speak at a very important investor conference on bitcoin operations that could be located in Alaska. Governor Dunleavy reiterated the importance that Alaska is utilizing all options to support rail extension, port build-outs, landing yards in Fairbanks, and more.

Governor Dunleavy stated that he appointed the Board members for this inflection moment in time. This moment in time is similar to the Trans-Alaska Pipeline System undertaking. The opportunity does not come very often, and Governor Dunleavy does not want to miss it. He strongly urged the members of AIDEA Board and the members of the Alaska Railroad Board to take this project seriously and to demonstrate to the State of Alaska and to the world that Alaska, who pioneered LNG export in 1969, and built the Trans-Alaska Pipeline System in two years, is not done completing big projects with big goals. Governor Dunleavy asked the Railroad to do everything they could to be part of the rail extension and future port build-outs. He believes the Railroad can do a number of things in the future regarding energy, critical minerals, and more.

Governor Dunleavy discussed that AIDEA is working very hard on many projects, including Ambler Road, West Susitna Road, and other enhancements that will revolutionize Alaska. He emphasized that the next four months will be the most important four months in Alaska's future. Governor Dunleavy wants to ensure that the State corporations understand this and are ready to do the work that needs to be done. He requested that the Alaska Railroad and AIDEA discuss and help support the work that has been completed on the rail extension. Additionally, he would like the discussions to continue regarding ports and landing yards.

Governor Dunleavy noted that the Department of Transportation will do its part in terms of the haul road. Staff is working to ensure that the road is prepared for the pipe to be staged and welded for the trenches. Governor Dunleavy entreated AIDEA and Alaska Railroad to operate well ahead of Governor Dunleavy and President Trump. Governor Dunleavy reiterated that the members on the Boards were selected for a reason, and the reason is making important decisions today and in the next four months. Governor Dunleavy commented there is always risk involved, and that there is no gain without risk. He has requested his staff to provide reports and updates on a weekly or biweekly basis. Governor Dunleavy emphasized this project needs to be taken

seriously, and that AIDEA, Alaska Railroad, and all of the other State corporations need to demonstrate their purpose to Alaskans.

Governor Dunleavy thanked AIDEA and Alaska Railroad for their time, and urged members to take this message seriously. He will be touching base with respective principals in the organizations to ensure the goal of moving Alaska forward, reflecting the motto “North to the Future.”

An unidentified speaker expressed appreciation for Governor Dunleavy’s vision, leadership, and clear message. He commented that today’s joint entity meeting is a direct result of Governor Dunleavy’s mission given to himself and to Chair John Shively.

Chair Pruhs expressed appreciation to Governor Dunleavy for his guidance and the importance of the focus. Chair Pruhs believes the collaborative effort between AIDEA and the Alaska Railroad is significant. He believes there are many tools in the box that can be used to facilitate progressing Alaska and its residents towards this project and future projects. Chair Pruhs hopes to see good progress. The State has numerous great assets to contribute, and it is up to AIDEA and the Alaska Railroad to make a positive impact for Governor Dunleavy’s diligent efforts.

An unidentified speaker echoed Chair Pruhs’ comments. He noted that he watched the gas line for a decade. Given the support from Washington, D.C. to make this trade policy and the opportunities in Alaska, including mining projects and a processing plant, he believes this is a great time for building the future of the state. He looks forward to working with AIDEA and the Administration on this great opportunity.

Governor Dunleavy gave the analogy that this is like a football game, and his Administration is on the 12-yard line in the fourth quarter with a minute remaining, and the goal is a touchdown. This means that the tempo has to be picked up as the end of the game gets closer, and risks have to be taken as the end of the game gets closer. He noted that if they play conservatively, they may not score the touchdown. Governor Dunleavy noted he will be exhorting his Administration to remember the analogy and to move quickly on a number of the potential decisions to make the goals actually happen. Governor Dunleavy reiterated that he will be in contact with many of the members on a weekly basis, and will keep members apprised of the events in the gas world, as well as the AI data farming prospects. Governor Dunleavy discussed that Alaska’s ambient temperatures, copious amounts of fresh water, tax regime, and the large continuous acreage of land positions Alaska well to be a leader for the next 30 to 40 years in hosting AI data farms and bitcoin operations. This would then make Alaska not just the resource state, but actually the leader in intelligence in the United States over the next several decades. Governor Dunleavy urged the Boards forward. There were no other comments or questions. Governor Dunleavy left the meeting.

An unidentified speaker noted that he will now turn the meeting over to Chair Shively and Chair Pruhs to discuss the terms of the format and how to move forward on the mandate.

Chair Shively commented that Governor Dunleavy met with the Alaska Railroad Corporation about a month ago and encouraged the Railroad to think broader than just their own operations to

determine action plans with other organizations. He believes that AIDEA is certainly the most logical organization since the Railroad and AIDEA are both interested in the economy of the state and both have opportunities to build things. He suggested establishing a working group made up of a couple of Board members from each organization, and the two CEOs. The working group could meet on a monthly basis and could keep each other informed. If developments occur, then the working group could meet more often. He is also open to reviewing other working structure models that AIDEA may suggest.

Chair Pruhs commented that AIDEA has a lot of tools in its toolbox with the ability to finance and the ability to own and operate entities. Additionally, AIDEA has the ability to conduct joint venture operations with entities. Chair Pruhs indicated that future development opportunities with the Railroad could be joint venture opportunities with the Railroad. Chair Pruhs supports the idea of a working group. Based on the speed of the potential opportunities, Chair Pruhs suggested the working group meet every other week in order to develop concepts, ideas and a path forward. He noted that staff could be added to facilitate between the two-week meetings.

Chair Pruhs discussed that AIDEA facilitated the Interior Gas Utility. He noted that AIDEA saw the opportunity in which two utilities were not going to be very successful because of the volume in Fairbanks. However, combining the two utilities made sense. AIDEA had the wherewithal and the patience to combine the utilities to service the Interior. Chair Pruhs stated that AIDEA has patient capital. AIDEA's mission statement includes full-time, long-term jobs. Each project is reviewed based on return on investment to the shareholder residents of the state of Alaska and full-time, long-term jobs. Chair Pruhs believes that the pipeline opportunity with the gas line is a foundation for a long-term investment that extends beyond just the pipeline. He discussed the common structure of peaks and valleys, and noted that the valleys can be devastating. Chair Pruhs expressed the importance of focusing on what is sustainable, what makes sense, and capitalizing on this tremendous opportunity that the State has with the gas line.

An unidentified speaker commented that a current focal piece is what to do with Port MacKenzie and the railroad extension. There are a variety of ways to provide that infrastructure. He believes that discussion should occur early in the process.

Chair Pruhs agreed. He noted that AIDEA is undergoing a study to ensure it is the right port. This relates to the resource development for the Ambler Mining District. The Ambler Road is approximately 200 miles long. Chair Pruhs views the process as a 700-mile transportation corridor that involves AIDEA, the road, DOT, and the Railroad. The Red Dog model includes dry storage at the port and a point to load ships. Chair Pruhs noted that discussion about Point MacKenzie reminds him of the critical need of a masterplan to invest in areas that make sense. There is more than one opportunity for the MacKenzie facility.

An unidentified speaker believes it is important to begin coordinating quickly, and to review AIDEA's Port MacKenzie study to understand long-term opportunities. The unidentified speaker requested that Commissioner Anderson and Commissioner Sande comment on behalf of the State.

Commissioner Anderson noted that he liked Chair Pruhs' comment regarding the 700-mile

corridor. The State is thinking in those terms for development across the state. Time is of the essence. It is important to find ways to answer the questions quickly and to take risks because of the current opportunities. He noted that DOT is looking for ways to help leverage funding in different ways. He believes that the holistic approach with all the entities is worthwhile and that all ideas are welcome to get to the next phase.

Commissioner Sande expressed her gratitude that Governor Dunleavy was willing to address both Boards today. She believes that each Board has the propensity to focus on their individual goals, whereas, the Governor has the opportunity to utilize a more global vision for Alaska. Commissioner Sande agreed that members serve on the Boards to provide leadership and to charge forward. She believes that the members of the Boards are the people that can make this happen for the State. Commissioner Sande noted that the work with the previous Administration was sluggish and had a chokehold on Alaska's resources. There is currently a window of time and opportunity to help make this transportation corridor a reality. She offered encouragement to the Boards to move as fast as possible. She believes it is their opportunity to lose for generations to come.

An unidentified speaker agreed with Commissioner Sande, noting that the Boards have had to play defense in the past. He reiterated the football analogy that the Governor used. The current opportunity is to be on offense with the ball and to take calculated risks, if necessary. He asked if Mr. Ruaro or Bill O'Leary, CEO ARRC, would like to comment.

Mr. Ruaro commented that Port MacKenzie is an important focus because it is the most critical piece of land and real estate for the State's future, along with the North Slope. The Port MacKenzie aspect is the whole transportation corridor, as Chair Pruhs mentioned, for mines, with ore going out or pipe and materials coming in. Mr. Ruaro noted that Port MacKenzie is central to Alaska's future and is bigger than just the rail piece. There is the West Susitna Road, the ore terminals, possibly a refining facility, and the possibility of a solar panel plant. The land is flat and good to build on. The area is unique and affects so many different agencies. Mr. Ruaro believes that the working group is critical. He recommended adding DNR to the working group. Under their statutes, they can contribute gravel for free to agencies and corporations. Mr. Ruaro noted that Commissioner Anderson has worked with DNR on those issues.

Mr. O'Leary echoed the previous points. He noted that the Railroad is fully supportive of the ideas discussed today. He supports the idea of a working group and meeting more frequently. He believes that a significant push in the short-term will provide a long-term asset to the State. The gas line is critical and there are tremendous benefits to increasing the transportation network in the state. Mr. O'Leary believes that it has been said for years and decades that what is holding Alaska back is the inability to bring resources to market through efficient transportation. He commented that AIDEA and the Railroad are the two entities that are well-positioned. He cautioned against letting the working group get too big. He would rather it stay small and focused.

An unidentified speaker asked Chair Shively or Chair Pruhs if they had additional comments.

Chair Pruhs suggested another alternative to be considered is the Port of Valdez, which plays a

role in Alaska. He noted that much pipe came up through the Port of Valdez during the Pipeline days. From a resource development standpoint, the question could be asked why the transport could not go from Fairbanks to Valdez. Chair Pruhs believes this option needs to be addressed.

An unidentified speaker commented that would mean substantial tunnels for the Railroad. An unidentified speaker noted that during the Trans-Alaska Pipeline, the pipe was railed out of Seward, and the pipe was trucked out of Valdez.

Chair Pruhs asked for the Railroad's capability on Seward or Whittier for pipe to get to the Interior. An unidentified speaker responded that is one of the difficulties in terms of the AK LNG project. This challenge makes Port MacKenzie a critical component. He said there are three tidewater rail port connections at Seward, Whittier, and Anchorage. The Railroad is contributing \$140 million into a new passenger terminal at Seward for cruise ships. This has become the focus of the rail transportation in Seward. However, the Railroad continues to haul pipe and supplies out of Seward for existing North Slope operations. The Railroad in Seward has its challenges, including space to lay pipe, traveling over mountains, icing in tunnels, and avalanches in the winter. Additionally, once the Railroad gets to Portage, that is the most congested area of the Alaska Railroad, which is the Wasilla and Portage corridor. He noted that Whittier has no lay-out space for pipe and large volumes of material, and then there is the challenge of the tunnel which has to accommodate vehicle traffic as well as train traffic. Likewise, the train ends at the same congested corridor at Portage. He discussed that the claim from the Port of Anchorage is that 90% of the material that supplies Alaskans comes through the Port of Anchorage. It is a very busy and congested port. He commented that Port MacKenzie is the remaining port, which will need to accommodate millions of tons of not only pipe, but equipment and supplies, and modules that will come by ocean to Alaska and need to be hauled. This is why Port MacKenzie is so critical in his opinion. The area of 9,000 acres for storage, laydown, and warehouses is necessary to handle the amount of volume in the port. He reiterated the importance of expediting to ensure that Port MacKenzie is available for this project and the longer-term projects of Ambler, West Susitna, and others.

An unidentified speaker discussed that the bridges across the state are getting old. Much investment and work is focused on bridges right now. He noted that the ore haul up north has had to shift resources to focus on bridges. These are normal activities for a highway system, but the bridges are old. Moving forward, having those issues relieved by a rail system is a benefit and advantageous to the entire transportation system regarding moving pipe.

Chair Pruhs asked if Chair Shively wanted to appoint the subcommittee now or later. Chair Shively indicated that the Railroad is prepared to agree to the structure that he outlined earlier. The Railroad has an Executive Committee meeting later today. He agreed with Chair Pruhs that meeting every two weeks is beneficial. Chair Shively suggested that the first meeting could occur next week or early the week after.

Chair Pruhs indicated that he will discuss with AIDEA's Board members and will relay the information to Chair Shively promptly. Chair Pruhs expressed appreciation to the Railroad for hosting AIDEA today. Chair Pruhs stated that he is a long-time Railroad customer, and appreciates all that the Railroad does.

An unidentified speaker thanked Chair Pruhs and AIDEA for extending their Board meeting to attend today.

Chair Pruhs asked the AIDEA Board if they have any comments.

Mr. Fogle commented that this is an amazing opportunity for Alaska to strengthen the economy, support jobs, and promote infrastructure for the next generation and their children. He believes this generational opportunity is an exciting moment in history that needs to be seized and continued forward.

Vice-Chair Kendig echoed the comments. He is encouraged by today's meeting and by the Governor's request to expedite this project.

John Reeves asked Mr. O'Leary for an update and status on the permitting for completing the rail extension at Point MacKenzie. Mr. O'Leary agreed that all of the permitting is completed. Mr. Reeves asked if any more work is necessary for the completion of the EIS. Mr. O'Leary discussed that the Surface Transportation Board conducts the EIS. The Corps of Engineers, Coast Guard, State of Alaska, and FRA are cooperating in the EIS with the intent that any sort of decision, a ROD, that had to be completed would have the environmental work done. The Corps of Engineers issued a 404 permit, and the Surface Transportation Board issued the ROD. The FRA participated, but did not act on the ROD. If federal funding comes from anything other than the Surface Transportation Board or the Corps of Engineers, a ROD will have to occur. The EIS is now 15 years old. Mr. O'Leary expects that any federal agency would want to review the EIS and true it with existing regulations. There is a risk that additional environmental work will need to occur. Currently, the dirt work could begin tomorrow with non-federal funding. However, with federal funding, the project becomes more complicated.

Mr. Reeves expressed support for beginning the dirt work tomorrow. He reiterated that the Governor said that risks must be taken on occasion. Mr. Reeves is in favor of risks because of the rewards. He noted that Alaska has a mega project about every 50 years, and this is the opportunity now. Mr. Reeves discussed that permitting is the biggest deterrent to free enterprise in the state. It could take years to get a permit. It takes 29 years to get a mine permitted from discovery to the beginning of production. Mr. Reeves encouraged any action to expedite the permitting determination. He asked if there is any way to request clear guidance from the feds on what information is needed now to move forward.

An unidentified speaker commented that two schedules have been created, and at least two summer seasons are needed to complete the build-out. He noted there is a model that begins operations in the spring of 2027. The cost estimates includes contingencies, but the amounts are unknown. The issue is that the Railroad needs to begin spending approximately \$60 million of non-federal funding in December. The spending amount is anticipated to increase by that same level over the next couple of months as the contracts are developed. He believes that if the project begins in December, and continues forward, then it can be ready to run trains in April of 2027. Additional work will continue throughout 2027.

Mr. Fogle asked if there is financing in place. An unidentified speaker indicated that Point

MacKenzie has 50 square miles of developable uplands and anything the Boards can do to expedite the project needs to be done.

An unidentified speaker noted there is a lot of movement regarding financing and looking at the best way to move the project forward. He stated there have been previous discussions over the years with AIDEA regarding different approaches for financing. Given the recent changes, he believes it is important to engage specifically on how to work together.

Chair Pruhs asked the unidentified speaker when he talks about trains running in the spring of 2027, does that include in-water work with the bulkhead for loading and unloading. An unidentified speaker indicated that is just the rail portion. Chair Pruhs asked if there has been any work on the separate port construction and what it would take to facilitate the transfer. An unidentified speaker commented that the port is not the Railroad's. Chair Pruhs expressed understanding, and asked if the Railroad has an update on what is at the tidewater. An unidentified speaker discussed that there are trestles, a barge loading area, approximately five or 10 acres at the water level, and a paved road to the top of the hill. The area where the rail facility is envisioned is up at the top of the hill behind the ridge. When the construction began, there was a conveyor system that went from halfway up the hill to the tidewater. The intent was to extend this. However, currently that conveyor system is out of service, and probably is not work fixing. He believes that additional in-water work will need to be completed in order to bring large amounts of pipe and dry goods in.

Vice-Chair Kendig suggested that the working group include the Mat-Su Borough Manager Mike Brown so that he can answer many of those types of questions. He noted that AIDEA would also like more details on the cost of the rail.

Commissioner Anderson indicated they had the opportunity to submit a mariner (sp) grant application yesterday. They worked with and have an agreement with the Mat-Su Borough. He noted that DOT submitted the application with Mat-Su Borough's support. The grant is for \$70 million, and was able to combine the mariner funds and National Highway Freight Program funds. The scope of the project was to support gas line development, laydown yards, circulation roads, and those types of activities.

An unidentified speaker commented that he believes that the Governor is going to meet with Secretary Sean Duffy next week in Washington, D.C.

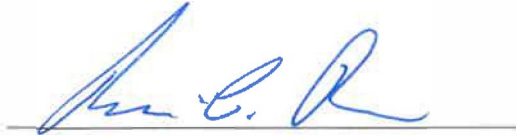
Chair Pruhs commented that there seems to be three components to Point MacKenzie: 1) rail, 2) uplands improvements, 3) tidewater improvements. He noted that all of these components have different focus areas to develop. He suggested to begin with AIDEA and the Railroad, and then integrate the other components in subcommittees.

An unidentified speaker agreed to the first goal of identifying the tools and capacity available to AIDEA and the Railroad as it relates to the three components. There were no other comments or questions.

10. ADJOURNMENT : Next AIDEA Board Meeting: Wednesday, October 22, 2025

An unidentified speaker indicated that the Railroad meeting will continue, and the AIDEA Board meeting will adjourn. There was no objection.

There being no further business of the Board, the AIDEA meeting adjourned at 9:50 a.m. on September 11, 2025.

A handwritten signature in blue ink, appearing to read "Randy Ruaro", is written over a horizontal line.

Randy Ruaro, AIDEA Executive Director

Secretary