

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY  
BOARD OF DIRECTORS  
January 30, 2003, 10:30 a.m.  
Anchorage, and Juneau Alaska, and Seattle, Washington  
Teleconference

## 1. CALL TO ORDER

Acting Chairman Barry called the meeting of the Alaska Industrial Development and Export Authority to order on January 30, 2003, at 10:44 am. A quorum was established.

## 2. BOARD OF DIRECTORS ROLL CALL

Directors present in Anchorage: Mr. Mike Barry (Public Member), Deputy Commissioner Larry Persily (Designee for Department of Revenue), and Commissioner Edgar Blatchford (Department of Community and Economic Development),

Directors present in Seattle: Ms. Helvi Sandvik (Public Member).

## 3. PUBLIC ROLL CALL

Staff present in Anchorage: James A. McMillan (Acting Executive Director), Sue Weimer, (Acting Deputy Director-Credit), Valorie Walker (Deputy Director-Finance), Brenda J. Fuglestad (Administrative Manager), John Wood (Project Manager), Karl Reiche (Projects Development Manager), and Lynn Kenney (Development Specialist).

Others attending In Anchorage: Keith Lauter (Foster Pepper Rubini & Reeves), Bran Bjorkquist (Department of Law), Theresa Nangle Obermeyer (Self), Ken Vassar and Julius Brecht (Wohlforth Vassar Johnson & Brecht), Debbie Reinwand (Bradley Reid), and Ron Miller.

Others attending in Juneau: Tim Bradner (Alaska Journal of Commerce).

## 4. PUBLIC COMMENTS

Ms. Obermeyer commented about Mary Hughes and Andy Eker. She said that Mary Hughes the chair of the Providence Hospital Foundation Board and AIDEA has an tern on the agenda regarding the Providence Health System Financing.

*Ms. Sandvik joined the meeting at this time*

## S. PRIOR MINUTES

The November 19, 2002, minutes were approved as presented.



AGENDA

Alaska industrial Development and Export Authority  
Board of Directors  
March 24, 2003 @ 10 a.m.  
Anchorage, Alaska

1. CALL TO ORDER
2. BOARD OF DIRECTORS ROLL
3. PUBLIC ROLL CALL
4. PUBLIC COMMENTS
5. PRIOR MINUTES - January 30, 2003
6. OLD BUSINESS
7. NEW BUSINESS
  - A. Providence Health System, Resolution No. G03-03
  - B. Callan Associates - Investment Presentation
  - C. Legislation Amending AIDEA'S Dividend Statute
  - D. Review AIDEA's Loan Participation Policy
  - E. Teck-Cominco/NWAB School Funding Proposal
  - F. Healy Clean Coal Project Strategy
8. DIRECTOR COMMENTS
  - A. Director's Status Report of AIDEA Programs and Projects
    - Project Updates
    - Loan Participation Activity Reports
  - B. Next meeting dates
    - Board will be polled as to next meeting date
9. BOARD COMMENTS
10. ADJOURNMENT

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**MEMORANDUM**

TO: Board of Directors  
Alaska Industrial Development and Export Authority

FROM: Ron Miller Executive Director

DATE: March 24, 2003

SUBJECT: Providence Health System Project

At the January 30, 2003, board meeting, staff presented information relating to the refinancing of bonds for Providence Health System (Providence"). Providence requested an issuance by AIDEA of approximately \$25,000,000 of conduit revenue bonds to refund outstanding bonds of the Municipality of Anchorage. The Municipality of Anchorage issued its bonds in 1987 and 1901 for the purpose of financing projects at Providence Alaska Medical Center and Providence Extended Care Center.

The proposed bond issuance is part of a multi-state financing effort by Providence which will include bond issuances by issuers in Washington and Oregon as well as AIDEA. The Washington bond issuance is planned to be in the approximate amount of \$46,000,000, and the Oregon bond issuance is planned to be in the approximate amount of \$213,000,000. The AIDEA bonds and the Washington bonds will be offered under a single official statement.

Since the January 30 board meeting, staff has continued to work with Providence to prepare documentation for the issuance of the bonds. The resolution that is included in your meeting packets approves the use of those documents substantially in the form presented to the board at this meeting and approves the issuance and sale of the bonds. The resolution approves the issuance in a principal amount not exceeding \$25,000,000; however, staff expects the actual principal amount of the bonds to be \$24,550,000. The extra amount authorized by the resolution is only to provide, flexibility in case of unforeseen changes in the transaction.

The bonds will be conduit revenue bonds. The only revenue and assets that will be available to pay debt service on the bonds is the revenue and assets pledged as security for the bonds under the indenture. AIDEA's general credit does not secure the bonds. In case of a default, bondholders will not be entitled to seek payment from AIDEA's assets or revenues but will be restricted to the revenues and assets that were pledged to the bonds under the indenture.

Included with the resolution are forms of the bond purchase agreement, the bond indenture, the loan agreement, the preliminary official statement and the bonds themselves. The resolution includes approval for each of these items. The resolution also designates certain individuals as authorized officers of AIDEA and gives to those authorized officers the power to approve the final form of the documents and to take all actions necessary or appropriate to effectuate the issuance of the bonds.

Approval of this resolution will be the last action required of the board with respect to this bond issue. The bonds are scheduled to be issued on May 22.