

Sec. ~~31.25.020~~. Governing body.

(a) The corporation shall be governed by a board of directors consisting of

(1) five public members; and

(2) two individuals designated by the governor that are each the head of a principal department of the state, except that the commissioner of natural resources and the commissioner of revenue may not be designated to serve on the board.

(b) Public members of the board shall be appointed by the governor and are subject to confirmation by the legislature. When appointing a public member to the board, the governor shall consider an individual's expertise and experience in natural gas pipeline construction, operation, and marketing; finance; large project management; and other expertise and experience that is relevant to the purpose, powers, and duties of the corporation. Public members of the board serve staggered five-year terms. A public member serves at the pleasure of the governor. A vacancy shall be filled in the same manner as the original appointment. Notwithstanding [AS 39.05.100](#), a public member appointed under (a)(1) of this section is not required to be a registered voter or a resident of the state. If the governor appoints a public member to the board who is not a registered voter in the state or a resident of the state, the governor shall send a written statement to the legislature with the notice of appointment explaining the governor's reasons for making the appointment.

(c) Notwithstanding [AS 39.05.055](#), the terms of the initially appointed public members of the board shall be set by the governor to be two years for two members, three years for two members, and five years for one member.

(d) The public members of the board receive \$400 compensation for each day spent on official business of the corporation and may be reimbursed by the corporation for actual and necessary expenses at the same rate paid to members of state boards under [AS 39.20.180](#).

Sec. 31.25.030. Meetings of board.

(a) The board shall elect a chair, secretary, and treasurer from among its membership at each annual meeting. A majority of the members constitutes a quorum for organizing the board, conducting its business, and exercising the powers of the corporation. The board shall meet at the call of the chair. The board shall meet at least once every three months.

(b) The board may meet and transact business by electronic media if

(1) public notice of the time and locations where the meeting will be held by electronic media has been given in the same manner as if the meeting were held in a single location;

(2) participants and members of the public in attendance can hear and have the same right to participate in the meeting as if the meeting were conducted in person; and

(3) copies of pertinent reference materials, statutes, regulations, and audio-visual materials are reasonably available to participants and to the public.

(c) A meeting by electronic media as provided in this section has the same legal effect as a meeting in person.

(d) For the purposes of this chapter, public notice of 24 hours or more is adequate notice of a meeting of the board at which the issuance of corporation bonds is authorized.

(e) An affirmative vote of at least four members of the board is required to approve

(1) the sale and issuance of bonds;

(2) the sale or other disposition of a substantial asset or substantial amount of the assets of the corporation; the corporation shall adopt a regulation that defines a substantial asset and a substantial amount of assets for the purposes of this paragraph;

(3) the ownership structure for a pipeline project of which the corporation is a participant;

(4) an action committing the corporation to an additional natural gas pipeline project; and

(5) action on other matters identified in a regulation adopted by the corporation as being subject to this subsection.

#### Sec. 31.25.035. Minutes of meetings.

The board shall keep minutes of each meeting and send certified copies to the governor and to the Legislative Budget and Audit Committee.

#### Sec. 31.25.040. Administration of affairs; program directors.

(a) The board shall manage the assets and business of the corporation and may adopt, amend, and repeal bylaws and regulations governing the manner in which the business of the corporation is conducted and the manner in which its powers are exercised. The board

shall delegate supervision of the administration of the corporation to the executive director, appointed in accordance with [AS 31.25.045](#).

(b) The board shall adopt and publish procedures to govern the procurement by the corporation of supplies, services, professional services, and construction. The procurement procedures must provide for an Alaska veterans' preference that is consistent with the Alaska veterans' preference in [AS 36.30.175](#).

(c) To the maximum extent practicable, the board shall

(1) maximize the efficient use of state resources; and

(2) establish appropriate separation within the corporation by separating personnel and functions and by other means to the extent that separation may be required by contract or applicable law for the purpose of screening and preventing the exchange of commercially sensitive information when developing an in-state natural gas pipeline, an Alaska liquefied natural gas project, and other transportation mechanisms to deliver natural gas in the state.

(d) The board may appoint a program director for an Alaska liquefied natural gas project. The board may appoint a separate program director for an in-state natural gas pipeline as described in the July 1, 2011, project plan prepared under former [AS 38.34.040](#) and defined in [AS 31.25.390](#). A program director appointed under this section shall

(1) serve at the pleasure of the board; and

(2) report to the executive director of the corporation.

Sec. 31.25.045. Executive director.

The corporation shall employ an executive director who may not be a member of the board. The executive director shall be appointed by the board and serves at the pleasure of the board.

Sec. 31.25.050. Legal counsel.

(a) Except as provided in (b) of this section, the corporation shall retain legal counsel to advise the corporation in legal matters and represent it in litigation.

(b) The attorney general shall

(1) be the legal counsel for the corporation for legal services related to the development of contracts and agreements by the corporation that relate to an Alaska liquefied natural gas project; and

(2) consult with the corporation when procuring outside counsel for legal services for the corporation related to an Alaska liquefied natural gas project.

Sec. 31.25.060. Employment of personnel.

The board may appoint other officers and engage professional and technical advisors as independent contractors. The executive director may hire employees of the corporation and engage professional and technical advisors under contract with the corporation. The board shall prescribe the duties and compensation of corporation personnel, including the executive director.