34th Annual Business Leader of the Year Banquet

honoring

Bernie Karl

of Chena Hot Springs Resort

and K & K Recycling

Friday, March 19, 2010

6 p.m. Cocktails
7 p.m. Dinner

Fairbanks Princess Riverside Lodge
Edgewater Dining Room
Fairbanks, Alaska

Proudly hosted by the
Associated Students of Business
and the
UAF School of Management
was born the sixth of sixteen children and grew up on a farm in Peoria, Illinois. Bernie’s father was a world-class photographer for Caterpillar, the company that manufactures heavy construction and mining equipment and has its home base in Peoria. Bernie worked at Caterpillar until, at age 20, itchy feet and a dream of making it big had him venturing north to the Last Frontier, moving to Alaska during the pipeline boom of the 1970s. While Bernie was employed on the trans-Alaska pipeline, he met his wife Connie.

The two were active in gold mining in the Central District until the early 1980s. Bernie established K&K Recycling, the largest recycling facility in Alaska, in 1984.

Bernie and Connie own Kodiak Narrow Cape Lodge, as well as Chena Hot Springs Resort. Within the first week of owning the resort, Bernie drilled the property’s first geothermal well.

In January 2004, the Aurora Ice Hotel was built by Chena Hot Springs Resort with world champion ice carver Steve Brice. It was intended to be the first year-round ice structure in the world. Unfortunately, it melted in the summer of 2004. Bernie was featured in Forbes magazine with the distinction of having the “Dumbest Business Idea of the Year.” During the interview Bernie is quoted as saying, “I took a frozen asset and turned it into a liquid asset.” Undaunted by the melt, the Aurora Ice Hotel was rebuilt with new technology in the fall of 2004 and remains standing today.

More recently Bernie has focused his attention on making Chena Hot Springs a sustainable community. To accomplish this they have established three greenhouses, all of which are heated using geothermal energy. This allows them to grow fresh produce for their resort’s restaurant even in the cold winter months. They have also constructed and installed the first geothermal power plant in Alaska. This geothermal power plant provides all of the resort’s electricity and operates on the lowest water temperature of all the geothermal power plants in the world, 160°F.

Given Bernie’s history in recycling and as a leader in geothermal technology research, he could very well be considered Alaska’s green energy pioneer.
Business Leader of the Year Banquet

6 p.m.

No-Host Cocktails
Music by Jass Pharm

7 p.m.

Welcome
ASB President – Kristi Weis

Invocation
John Coghill

Dinner

8 p.m.

Guest Speakers
ASB President – Kristi Weis
SOM Dean – Mark Herrmann
UAF Chancellor – Brian Rogers
UA President – Mark Hamilton
Jim Whitaker
Connie Parks-Karl

Award Presentation
Michael Gomes

Acceptance Remarks
Bernie Karl

Closing Remarks
ASB President Elect – Amber Hannum
UAF School of Management congratulates Bernie C. Karl as the 2010 Business Leader of the Year!

Connie Parks-Karl and Bernie Karl
Chena Hot Springs Resort
Proprietors since 1998

Awards: Chena Hot Spring's groundbreaking development of its geothermal resources has gotten attention. Here are some of the awards received:

- Department of Energy Award to demonstrate a UTC ORC Power Plant on hot waters co-produced from an oil and gas well. (March 2008)
- National Science Foundation Award for Small Business Innovation, Exploring Hydrogen Production and Use. (December 2007)
- Research and Development 100 Award from the Department of Energy and R&D Magazine. This award is for the 100 most technologically significant advances across all fields of Research and Development. (October 2007)
- Project of the Year Award in renewable energy from Power Engineering Magazine. (December 2006)
- Green Power Leadership Award from the Department of Energy and Environmental Protection Agency. (December 2006)
History of the Chena Hot Springs Resort

Chena Hot Springs was discovered by two gold mining brothers, Robert and Thomas Swan. Robert Swan, looking for a place where he could ease the pain of rheumatism, set out in a boat loaded with supplies with his brother Thomas, in search of the hot springs.

The brothers found the hot springs on August 5, 1905 and by 1911, the property boasted a stable, bathhouse, and twelve small cabins for visitors. The resort was on its way to becoming one of the premier resorts of Interior Alaska, and a favorite getaway spot for world-weary residents of Fairbanks.

Fast forward 87 years to 1998, when Bernie and Connie purchased Chena Hot Springs Resort. Bernie was flabbergasted to discover the resort used over 1,000 gallons of diesel fuel a month to heat the swimming pool and hot springs. Within the first week of owning the resort, Bernie drilled the property’s first geothermal well. By the first winter, a district heating system had been established, used to heat all 44 buildings at the resort.

In January 2004, the Aurora Ice Hotel was built at Chena Hot Springs Resort with 14-time world champion ice carver Steve Brice and his team creating a stunning and detailed work of art. Unfortunately, it melted in the summer of 2004. Bernie was featured in Forbes magazine with the distinction of having the “Dumbest Business Idea of the Year.” During the interview Bernie is quoted as saying, “I took a frozen asset and turned it into a liquid asset.”

Undaunted by the melt, the Aurora Ice Hotel was rebuilt with new technology in the fall of 2004 and remains standing today. It survived the ultimate test, the high summer temperatures of Interior Alaska.

More recently, Bernie has focused his attention on making Chena Hot Springs Resort a sustainable community. To accomplish this, three greenhouses have been built, all of which are heated using geothermal energy. This allows fresh produce to be grown for the resort’s restaurant even in the cold winter months. A geothermal power plant has also been constructed, allowing the resort to sever its reliance on diesel fuel, saving Bernie and Connie and estimated $625,000 in three years.

Today, Chena Hot Springs Resort is the crown jewel of Bernie and Connie's numerous business investments, attracting visitors from around the world.
Congratulations Bernie Karl!
“My goal is to be smokestack-free in 2023.”

-Bernie

Congratulations Bernie Karl!

from the

Coghills in Nenana

Way to go Bernie Karl!

Best wishes to the new Business Leader of the Year.
The UAF School of Management (SOM) was formed in 1975 as one of five professional schools at UAF. SOM is one of only 170 national and international business schools to hold the prestigious Association to Advance Collegiate Schools of Business (AACSB) accreditation for both the school and the Accounting program. This is the top level of accreditation and represents the highest standard of achievement for business schools worldwide.

Three main disciplines comprise the School of Management: Accounting, Business Administration, and Economics. Both undergraduate and graduate degrees are offered by SOM. Faculty in these programs work together as an integrated team to provide challenging and fulfilling education to our students in order to produce stellar Alaska business graduates.

For more information, visit us online at www.uaf.edu/som.

Degrees Available:

Undergraduate
- Accounting
- Business Administration
- Economics
- Emergency Management

Graduate
- Master of Business Administration
- M.S. in Resource and Applied Economics
- Ph.D. in Natural Resources and Sustainability

Minors Available:
- Accounting
- Economics
- Finance
- General Business
- Management & Organizations
- Marketing
- Sports Management
THE ASSOCIATED STUDENTS OF BUSINESS (ASB) was organized in 1976 by a group of students interested in enhancing their business education. ASB encourages students from all majors to participate.

ASB affiliation offers tremendous potential and golden opportunities to all of its members through participation, contribution, and networking. Students develop professional expertise, organizational skills, communication tools, and problem solving while have fun at the same time!

**ASB Officers**

President
Kristi Weis

President Elect
Amber Hannum

Chief Operations Officer
Michael Gomes

Chief Financial Officer
Shannon Hicks

Chief Technology Officer
Daniel Andrews

Public Relations Officer
Tara Larry

Liaison Officer
Roman Kitayski

Faculty Advisor
Jim McDermott

Virtual Mentor Program Officer
Hannah Armstrong

Other Student Organizations

Beta Gamma Sigma (BGS)

Great Alaskan Accounting People (GAAP)

Native Alaskan Business Leaders (NABL)

Students in Free Enterprise (SIFE)

Student Investment Fund (SIF)

Students Who Enjoy Economic Thinking (SWEET)
Congratulations to Bernie Karl!

Best wishes for much continued success
from your locally owned community bank

CONGRATULATIONS BERNIE

On your selection as Business Leader of the Year by the University of Alaska - Fairbanks. Your partnership in developing the Kodiak Narrow Cape Lodge has had a direct impact on the success of the Kodiak Launch Complex.

Best wishes and congratulations to Bernie Karl

“The first time I met Bernie, I told him he was a loud-mouthed jerk.”  – Connie
"You know how I spell luck? W-O-R-K."
-Bernie

Congratulations to
the new Business
Leader of the Year:
BERNIE KARL!

Congratulations
BERNIE!

Congratulations
Bernie Karl

FEDC, building the Fairbanks economy
www.investfairbanks.com
Thank You

We would like to give a warm thank you to the following individuals and organizations who purchased a table for this event:

Alaska Aerospace Corporation
Alaska Frontier Constructors
AlaskaUSA
Alyeska Pipeline Service Co.
Bernie's Biggest Fans (BBF)
Chena Hot Springs Resort/K & K Recycling
Coghills of Nenana
Denali State Bank
Fairbanks Economic Development Corporation
Fairbanks Memorial Hospital/Denali Center
Fairbanks Visitors & Convention Bureau
Flint Hills Resources
Frontier Plumbing
Kohler, Schmitt & Hutchison
Mt. McKinley Bank
Richards, Johnson & Granberry
Slayden Plumbing & Heating
State Farm Insurance
Wells Fargo
Whitakers & Friends

School of Management and the Associated Students of Business would like to extend a heartfelt thank you to the following individuals and organizations who sponsored student tickets:

Al & Jean Vezey
Alaska Frontier Constructors
Alyeska Pipeline Service Co.
Douglas & Marcel Colp
Fairbanks Memorial Hospital/Denali Center
Flint Hills Resources
Heather Rauenhorst
Plumbers & Pipefitters Local 375
Schneider & Schilling, CPAs
SOM Ass’t Professor Joe Little
SOM Professor Charlie Sparks
SOM Professor Doug Reynolds

This program went to press March 10th. There are many individuals and organizations who contributed to our success. We want to thank each and every one of you. If we have inadvertently overlooked your name, please let us know so we can add it to the thank you page on our web site, www.uaf.edu/som.
A Special Thank You to:

Kyong Hollen
of Santina's Flowers

For her gorgeous donation of flowers.

Kyong Hollen Business Scholarship

Thanks to Kyong Hollen’s generous donation, two students will receive an annual award of $5,000. For more information about this scholarship, visit www.uaf.edu/som/news.

“We were taught recycling from day one. My parents were the two wealthiest people in the whole world, they just didn’t have any money. So, you recycled your clothes. You recycled your shoes. You recycled everything. You grew a garden and everything that was leftover went into a compost pile that went into the garden. There was no waste.” - Bernie
Entrepreneurial Spirit Award

This $1,000 award provides incentives and recognition for students, faculty, and staff to develop, document, and raise awareness of the best practices in nurturing innovation and entrepreneurship in Alaska's Interior. Success would include innovative ideas with commercial potential, demonstrative interdisciplinary collaboration, and that could have a significant local component to its development.

This award would not be possible without contributions from:

The Entrepreneurship and Mentors (TEAM) Network
Bradley A. Feld
Amy Batchelor

For more information, please contact Tammy Tragis-McCook at 907.474.7042, or tammy.tragis@alaska.edu.
### Previous Business Leader of the Year Award Recipients

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
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<tbody>
<tr>
<td>1977</td>
<td>Paul Gavora</td>
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<tr>
<td>1978</td>
<td>Joseph Usibelli, Sr.</td>
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<tr>
<td>1979</td>
<td>Ron Nerland</td>
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<tr>
<td>1980</td>
<td>Wally Burnett</td>
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<tr>
<td>1981</td>
<td>Ray Kohler</td>
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<td>1982</td>
<td>Marc Langland</td>
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<td>1984</td>
<td>Lawrence Heiner</td>
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<td>1985</td>
<td>Jeff Cook</td>
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<td>1986</td>
<td>William Green</td>
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<td>1987</td>
<td>Mike Kelly</td>
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<td>1988</td>
<td>Walt Schlotfeldt</td>
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<td>1989</td>
<td>Captain Jim Binkley</td>
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<td>1990</td>
<td>Ralph Seekins</td>
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<td>1992</td>
<td>Gary Roth</td>
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<td>1993</td>
<td>Jim &amp; Jinx Whitaker</td>
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<td>1994</td>
<td>Larry Doll</td>
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<td>1995</td>
<td>Gary Wilken</td>
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<td>1996</td>
<td>Norm &amp; Angie Kruckenberg</td>
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<td>1997</td>
<td>Morris Thompson</td>
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<td>1998</td>
<td>Margaret Russell</td>
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<td>1999</td>
<td>Rhonda Boyles</td>
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<td>2000</td>
<td>George E. Gordon</td>
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<td>2001</td>
<td>Steve Frank &amp; Linda Anderson</td>
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<td>2002</td>
<td>Bart LeBon</td>
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<td>2003</td>
<td>John Hill</td>
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<td>2004</td>
<td>Michael Cook</td>
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<td>2005</td>
<td>Ginger Stock-McKenzie</td>
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<td>2006</td>
<td>Jim Lund</td>
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<td>2007</td>
<td>Jack B. Wilbur</td>
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<td>2008</td>
<td>Jyotsna &quot;Jo&quot; Heckman</td>
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<tr>
<td>2009</td>
<td>Dr. Cary S. Keller</td>
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The School of Management and the Associated Students of Business would like to thank you for sharing this evening with us. It is a great pleasure to honor Bernie Karl as the 34th recipient of the Business Leader of the Year Award.

Special thanks to Jass Pharm for providing music. From duet to sextet, call 907.590.7646 to book.
The 35th Business Leader of the Year Banquet will be held March 25, 2011. See you there!

“This country has the brains and the money to develop new fuel resources. We need to get it done. Everybody I know wants clean air and clean water for their kids and grandkids.”  - Bernie

UAF is an affirmative action/equal opportunity employer and educational institution. Photos courtesy of Chena Hot Springs Resort and Denise Ferree. This program was printed on recycled paper.