

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* Fairbanks Princess Riverside Lodge
7 p.m. *Dinner* Edgewater Dining Room
Fairbanks, Alaska

Proudly hosted by the
Associated Students of Business
and the
UAF School of Management



Bernie Karl

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.

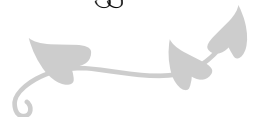
The two were active in gold mining in the Central District until the early 1980s. Bernie established K&K Recycling, the largest recycling facility in Alaska, in 1984.

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



Outdoor Rock Lake



Organic Rankine Cycle (ORC)
Geothermal Power Plant



"Chena Fresh" Tomatoes



Enjoying the Ice Bar

UAF School of Management congratulates Bernie C. Karl as the 2010 Business Leader of the Year!



Drilling 3,000 ft Well



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



Mobile ORC



Visit to "Chena Fresh"
Greenhouses



Aurora Ice Museum



2009 Chena Renewable Energy Conference: Bernie Karl, Chena Power; Roy McAlister, Hydrogen Assoc.; David Blackwell, Southern Methodist University; Senator Ted Stevens, Senator Lisa Murkowski, Representative Don Young



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.

Mt. McKinley Bank congratulates
Mr. Bernie Karl on his
selection as the 2010 Business
Leader of the Year!



Rock solid since 1965

Apply online for loans at www.mtmckinleybank.com

KSH

Kohler, Schmitt & Hutchison CPAs
714 4th Ave., Ste. 303
Fairbanks, AK 99701
907-456-6676

Congratulations
**Bernie and
Connie Karl!**



**Congratulations
Bernie Karl!**

fj | FLINT HILLS
resources®

"My goal is to be smokestack-free in 2023."

-Bernie

Congratulations Bernie Karl!

from the

Coghills in Nenana

Congratulations



Connie Parks-Karl and Bernie Karl

Bernie Karl

*UAF School of
Management
2010 Business
Leader of the Year*



Banner Health

Denali Center

Fairbanks Memorial Hospital

Community-Centered

*Way to go
Bernie Karl!*

**Best wishes to
the new Business
Leader of the Year.**

AlaskaUSA®

Service • Value • Convenience

UAF School of Management

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 | Management & Organizations |
| Economics | Marketing |
| Finance | Sports Management |
| General Business | |

UAF Associated Students of Business

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

Chief Technology Officer

Daniel Andrews

President Elect

Amber Hannum

Public Relations Officer

Tara Larry

Chief Operations Officer

Michael Gomes

Liaison Officer

Roman Kitayski

Virtual Mentor Program Officer

Hannah Armstrong

Faculty Advisor

Jim McDermott

Chief Financial Officer

Shannon Hicks



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)



DENALI STATE BANK

Member FDIC

Congratulations 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.



**WELLS
FARGO**

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

2010 Business Leader of the Year!

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

1977	Paul Gavora	1995	Gary Wilken
1978	Joseph Usibelli, Sr.	1996	Norm & Angie Kruckenberg
1979	Ron Nerland	1997	Morris Thompson
1980	Wally Burnett	1998	Margaret Russell
1981	Ray Kohler	1999	Rhonda Boyles
1982	Marc Langland	2000	George E. Gordon
1984	Lawrence Heiner	2001	Steve Frank & Linda Anderson
1985	Jeff Cook	2002	Bart LeBon
1986	William Green	2003	John Hill
1987	Mike Kelly	2004	Michael Cook
1988	Walt Schlotfeldt	2005	Ginger Stock-McKenzie
1989	Captain Jim Binkley	2006	Jim Lund
1990	Ralph Seekins	2007	Jack B. Wilbur
1992	Gary Roth	2008	Jyotsna "Jo" Heckman
1993	Jim & Jinx Whitaker	2009	Dr. Cary S. Keller
1994	Larry Doll		

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



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Photos courtesy of Chena Hot Springs Resort and Denise Ferree.

This program was printed on recycled paper.