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Alaska

Business

September 2016

MONTHLY

ALASKA NATIVE BUSINESS
SPECIAL SECTION

**Michelle
Anderson
and Ahtna**

**Focusing in
on Alaska**



Ahtna and Michelle Anderson



One Team, One Ahtna focusing in on Alaska

By Tasha Anderson

In the Spring 2016 “Ahtna Kanas,” a quarterly publication by Ahtna, Incorporated, the company spotlighted subsidiary Ahtna Facility Services, Inc. (AFSI). AFSI was established in 2006 and provides janitorial, facilities operations, and security guard services. AFSI

won a contract to provide janitorial services on JBER (Joint Base Elmendorf-Richardson). The spotlight says, “Ahtna shareholder-owners Arthur Stevens, assistant project manager, and Valerie See, day supervisor, are part of a team that leads the janitors and floor technicians, all of whom had to pass thorough background checks and flight-line training to gain access to the military installation.”

Ahtna Netiye’ CEO Tom Maloney says, “The first thing we like to stress is we’re Alaska-based. We’re an Alaska Native Corporation, we’re based in Glennallen, we have a lot of operations around the state. Our business was up 40 percent in the state

of Alaska in 2015, and Alaska revenues are continuing to grow significantly in 2016.”

Ahtna, Inc.’s President Michelle Anderson adds: “That was a board decision—that was a strategic decision to focus in on Alaska.” She continues, “Government contracting came in during the 90s and that was the place to be, and we’ve proven we’re successful at that, but our shareholders aren’t moving to where we have those contracts; they want to be here at home.”

AFSI has more than 150 employees around the United States and headquarters in both Alaska and California, allowing them to service a variety of markets; however, securing a contract such as the one on JBER is an oppor-



Michelle Anderson, Ahtna, Incorporated's President and an Ahtna shareholder, in their Anchorage office.

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tunity for jobs for Ahtna shareholders here in Alaska, where they want to be.

Focus on Development

Anderson herself is an Ahtna shareholder and was the youngest person to serve on Ahtna's board, running and being selected in her first year of college. "I think it was and has always been Ahtna's way to try and bring

our younger people, our young potential leaders, into leadership training," she says. In Anderson's case, it certainly paid off.

She grew up in Glennallen, completing all of her pre-college education in the Copper River School District. After getting her diploma she attended UAA and received an undergraduate degree in Political Science and then went on to UAF, getting a master's in Rural Development. "My work background is a mix of state and federal opportunities that prepared me for the position that I'm in today," Anderson says. She volunteered for the Tony Knowles campaign and then secured a position in the Alaska State Community Service Commission when Knowles was elected governor. During Knowles's second term she moved into a position with the Denali Commission, "which just blew the doors off my education on infrastructure development and the need for government coordination for making these projects happen," Anderson says. Between the two positions she traveled widely across the state. "It developed my sense of how to bring different parties together to work on development from ground zero and then putting different mixes of funding together to help bring projects to reality."

Anderson transitioned to Ahtna in July 2005 as the VP for Ahtna Development Corporation. She says she was drawn to the company when then-Ahtna Development Corporation President Pamela Finnesand explained that instead of focusing on government contracts, she wanted Anderson to focus on development in the region. "Those were the words I needed to hear," Anderson says. After a short break in service when Anderson worked for the Alaska Native Tribal Health Consortium, Anderson became Ahtna's president in October 2011.

Ahtna at the time had just undergone what Anderson calls a "major reorganization." Ahtna had created a holding company, Ahtna Netiyé', which "manages all of our operating subsidiaries." Her role, then, would be to work with the Ahtna board and provide oversight and monitoring of the holding company.

'One Team, One Ahtna'

Ahtna's new structure wasn't just on the surface; Ahtna was also reworking its internal workings. "My initial assignment was basically to implement or streamline policies and procedures across the companies, which sounds easy enough, but it was a major effort," Anderson says. She likens Ahtna's growth to building a house: one starts small and makes additions, tears down walls, or shuts off a room as neces-

sary. "We never really had an opportunity to start with a clean slate and enhance our internal functioning, as well as how we deal with the public, our external communications, our public image, our interaction with the community." She says a large part of Ahtna's focus was to become an employer of choice, to be a company that anyone, shareholder or not, would want to work for.

In order to promote this type of work environment, Anderson says, the board does not promote internal competition among employees or subsidiaries. "Our whole incentive structure has been developed to reward the success of all of our companies, to reward the success of teams working together, and to look at the individual contribution or how an individual performs. Our traditional values have taught us that success is achieved by working together and that we are stronger as One Team, One Ahtna," Anderson explains. "That's one of the programs that we overhauled to have a very formulaic way of being able to explain every reward," whether that reward was given to an employee, a team, or a company. Maloney adds, "There are firm guidelines. It's not based on subjective things, but overall measurements."

He continues, "One of our biggest things is, if we're not providing employment opportunities for our shareholders, we're not doing much of anything." Anderson adds emphatically, speaking of Ahtna's approximately 1,950 shareholders, "It's their company." Maloney says that while profitability matters, shareholder development opportunities are vital.

Creating Opportunities

Ahtna manages approximately 1.5 million acres, not counting 622,000 acres located within Denali National Park and the Wrangell-St. Elias National Park and Reserve. The Ahtna region "encompasses the Copper River Basin and the Wrangell Mountains and is bordered by the Mentasta and Nutzotin Mountains to the northeast, the Alaska Range to the north, the Talkeetna Mountains to the West, and the Chugach Mountains to the south," according to the company. Ahtna is very interested in working with other world class companies to safely develop their rich natural resources. "If there's a major development that's going to happen in Alaska, it's going to come through our region," Anderson says.

In fact fifty-five miles of TAPS, Alaska's iconic mega-project, runs through Ahtna lands. Anderson explains that Ahtna was not paid an upfront sum and does not receive any ongoing payments for the land TAPS is on. "Having said that, Alyeska Pipeline has been a valued partner of Ahtna's since be-

fore the pipeline construction even started, so our construction group has worked with Alyeska for more than forty years. Ahtna has far and away the highest percentage of Alaska Native shareholders working on the pipeline compared to any other company, so it has created some good employment opportunities for some shareholders," she says.

Anderson and Maloney are clear that they support plans for the AK LNG project, but that terms for the roughly thirty-eight miles of AK LNG line that would run over Ahtna lands would be different than with TAPS: Ahtna must be fairly compensated, just like any other landowner would be in the situation. "We also believe that we should have shareholder preferences as far as hiring people to do work," Maloney says. "Lots of activities will happen with an AK LNG line, and we love the project. We really want to see it go, but the thing we're always looking for is work opportunities for shareholders."

One way the company is taking the lead to create those opportunities is the Tolsona Oil & Gas Project. The state issued a license to Ahtna in 2013 for exploration on forty-four

exploratory drilling. "We should know in about early October what's going on, what we have there," he says.

Ideally the project would not only provide jobs within the region, but would also provide a cheaper source of fuel for shareholders, making it easier to live in the region. Anderson says, "If we are successful out there, it is going to completely enhance and give a boom to the economy. We are dealing with extremely high energy costs, and the state is dealing with their own fiscal crisis. ... We have people that are going to have to make some hard choices: are we going to pay for fuel in September or are we going to buy our kids' school clothes? If we can lessen the burden of living in the region and lower the cost of energy, that's the number one goal."

In February this year Ahtna acquired AAA Valley Gravel, a sand and gravel mining, trucking, and asphalt operation. Anderson says its purchase was also in an effort to focus on supplementing or enhancing Alaska operations. In Maloney's "CEO's Message" in the Spring 2016 "Ahtna Kanas" he said, "Federal highway monies are scheduled to

with one Ahtna hunt group and a certain number designated of moose and caribou for the hunt. Today it's more than seventy-four hunt groups coming in from all over the state, so we are bracing ourselves for three thousand hunters who don't live in the area to go after those same one hundred moose that we're going after. It's insane."

This highlights one of the unique issues that Ahtna faces, the double edged sword of being located on the road system. As Maloney puts it, "The good point is our land is accessible by road; the bad news is everybody trespasses on our land because it's accessible by road."

Further, ANCSA has only been in effect since the early 70s: much of the state's development took place before that and caused significant problems that haven't been fully addressed. For example, Anderson explains that near Gulkana there are graves all around areas where the state allows access for fishing and camping. "Fences have been taken down from around those graves and used for firewood. I'm not saying everybody that uses that area has bad intentions; I'm saying that

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—Tom Maloney, CEO, Ahtna Netiy, Inc.

thousand acres of state land located ten miles west of Glennallen. The company states, "In 2014 Ahtna completed forty miles of 2D seismic exploration which provided very positive data resulting in identification of a distinct oil and gas structure one mile north of the Glenn Highway." Originally Ahtna only had a one third interest in the project, Maloney says. As the other two interested parties backed out, Ahtna made the decision to take on the entire project "because of the importance of developing in the area." He says that typically large companies do not take on 100 percent of their developments, but "that's the difference: the board saw that development interests shareholders, even though it maybe increases their financial risk profile."

Anderson agrees: "It gets back to our mandate—using our resources to benefit our shareholders. We don't want to just sit on what's out there."

The project has already been positive for shareholders, proving opportunities for jobs during exploration. "Thus far on the project, as far as big physical work, we put in a roughly 1.7 mile road and a large pad for the drilling rig," Maloney says, adding that for those projects approximately two thirds of the employees were shareholders.

At press time Ahtna was planning to mobilize a drilling rig in mid-August for

increase in Alaska every year for the next five years, and Mat-Su is a prime area for increased highway spending due to its rapid growth." The acquisition is already fulfilling its purpose. Maloney says an Ahtna shareholder is running AAA Valley Gravel's operations. "The goal and the intent is that we'd like Ahtna shareholders running everything, and these are role models for our youth."

'Our Cultural Identity'

Anderson says, "I'm Athabaskan, so I was raised in and around the Ahtna Athabaskan culture. The values that we talk about today are values I was raised with. I believe in what I talk about because I was raised up in it, I understand it, I get it." She's passionate about other Ahtna shareholders getting into leadership positions as they too will have this vital perspective. "We understand the value of money and that we have to make it, but also the value of our traditional hunting rights and fishing rights—those are just as important if not more so," she says.

She says a critical issue Ahtna is currently working on is that at present all licenses to hunt or fish on Ahtna land are issued by the state. "We have a major hunting crisis coming up this year. A hunt that was specifically developed to address the subsistence needs of the Ahtna people started

over the course of forty to sixty years many of these graves have been desecrated," Anderson says. She says the governor recently made a visit to the site, and Ahtna has committed to developing a completely removed but accessible area, including a parking area and related facilities, in exchange for giving these sacred lands and cemetery back to the village of Gulkana. While current talks are positive, Anderson says, that's just one example of a village that was "divided or disregarded when development was happening here in Alaska."

Ahtna is committed to maintaining its defining culture while moving forward with development and opportunity. Anderson says, "We don't ever want to lose the Ahtna part of us. We will support and we will be very protective of those aspects of our culture that make us different from everyone else. That includes our hunting and fishing, how we use the lands, our sacred areas, our language, and educating our younger people, not just with Western education but with our cultural education. Our cultural identity is integral to who we are as a member of the business world." ☀

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