

MEMORANDUM

(Open Session Report)

State of Alaska
Department of Law

to: Board of Agriculture and
Conservation

Division of Agriculture,
Department of Natural Resources

DATE: July 14, 2015

FILE NO.: BAC general

TEL. NO.: (907) 269-3039

SUBJECT: AAG report for July
16, 2015 BAC meeting

FROM: Bob McFarlane
Assistant Attorney General
Commercial & Fair Business Section
Anchorage

PART 1: NON-CONFIDENTIAL MATTERS FOR OPEN MEETING SESSION

Sale of Property to Alaska Farmer's Cooperative, Inc.

The board previously considered the sale of the Hanson Road and Richardson Highway properties to Alaska Farmer's Cooperative, Inc. and has agreed to sell these two properties (along with the preferred shares of stock in Alaska Farmer's Cooperative, Inc.) to the co-op if certain conditions were met. One of the most crucial aspects of the sale was the board's desire to make sure the co-op continued to use the property to provide agricultural services to the agricultural community in Delta Junction. There have been verbal discussions with the co-op, and there seems to be an agreement on most of the basic terms of the sale. However, there are always fine details to work out and the co-op wants to see written sale documents with specific terms so it can discuss those terms with its own attorney. The board will need to review the co-op's financial records and approve all material terms of the sale before a written proposal can be submitted to the co-op. The financial documents and proposed sale documents will be available for review and discussion in executive session.

PART 2: CONFIDENTIAL MATTERS FOR EXECUTIVE SESSION

Open Meetings Act – A.S. 44.62.310(b)¹
Attorney Client Privilege - Alaska Evidence Code §503(b)²

¹ A motion to convene in executive session must clearly and with specificity describe the subject of the proposed executive session. AS §44.62.310(b).

Board of Agriculture and Conservation Statutes³
ARLF Regulations⁴

Review of financial records from Alaska Farmer's Cooperative, Inc., discussion of sale terms, and legal advice concerning sale issues.

² Section 503(b) of the Alaska Evidence Code states in relevant part: "A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made for the purpose of facilitating the rendition of professional legal services to the client..."

³ AS §03.09.040 authorizes the board to classify some loan and marketing information confidential.

⁴ ARLF Regulations at 11 AAC 39.061 makes most loan information confidential and 11 AAC 39.031(f) authorizes the board to meet in executive session to consider loan applications.