

A. ESTABLISHMENT OF QUORUM AND ROLL CALL

The regular meeting of the Board of Agriculture & Conservation was held July 6, 2007 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Kristan Cole called the meeting to order at 10:00 a.m.

Boardmembers present and establishing a quorum were:

Ms. Kristan Cole, Chair
Mr. Ben VanderWeele, Vice Chair
Mr. Wayne Brost, Member
Mr. Ralph Carney, Member
Mr. Ray DePriest, Member
Mr. Don McLean, Member
Mr. John Schirack, Member

Staff in attendance was:

Mr. Richard LeFebvre, Deputy Commissioner, DNR
Mr. Douglas Warner, Acting Director
Ms. Lora Haralson, Administrative Assistant
Mr. Michael Barnhill, AAG, Dept. of Law (telephone)
Ms. Candy Easley, Loan Officer

B. APPROVAL OF AGENDA

MOTION: Boardmember Brost moved to approve the agenda.
Boardmember Carney seconded.

The agenda stands approved.

C. MINUTES OF PRECEDING MEETING

MOTION: Boardmember Carney moved to approve the minutes of May 17, 2007.

Vice Chair VanderWeele seconded.

VOTE: The motion passed without objection.

MOTION: Boardmember Carney moved to approve the minutes of May 29, 2007.

Vice Chair VanderWeele seconded.

VOTE: The motion passed without objection.

MOTION: Boardmember Brost moved to approve the minutes of June 19, 2007.

Boardmember Carney seconded.

VOTE: The motion passed without objection.

D. CREAMERY CORPORATION MOTIONS

The following motions were received from the Creamery Corporation Board of Directors meeting held on July 2, 2007. Those motions are reflected below for order of discussion. Recommendations from the BAC for those motions follow each motion.

1. *Motion by Carney, 2nd by McLean that we ask the State of Alaska as Shareholder and the BAC as representative of shareholder to capitalize the Creamery Corporation with the land and buildings in Anchorage and Palmer locations. Passed unanimously.*

BAC: Tina Otto, AAG, Dept. of Law will research the options available. Deputy Commissioner LeFebvre will check on the sale of the ARLF property and how to get the money to the Creamery Corporation.

2. *Motion by Carney, 2nd by Mclean to ask the State of Alaska as Shareholder and the BAC as representative of shareholder to capitalize the Creamery Corporation by sale of stock of the Creamery Corporation. Passed unanimously.*

BAC: Chair Cole will discuss with the Creamery Corporation Counsel and advise the Creamery Board.

3. *Motion by Carney, 2nd by DePriest that the State of Alaska and the BAC discuss paying the best price for milk produced by Alaska farmers. Motion passed. Brost recused.*

Representative Neuman discussed the \$500,000 that was allocated to the dairy producers in 2004 and \$25,000 million that was previously appropriated from Senator Stevens which is now not available.

BAC: Chair Cole asked Representative Neuman to check with Senator Ted Stevens regarding funds that might be available to the State.

4. *Motion by Carney, 2nd by VanderWeele, that the BAC review a letter of credit that needs to be signed by DNR. Passed unanimously.*

BAC:

MOTION: Vice Chair VanderWeele moved to forward a letter of credit to the appropriate parties at DNR to have the letter signed and addressed immediately.

Boardmember McLean seconded.

Discussion was held.

- Deputy Commissioner LeFebvre stated DNR will not sign a blank letter of credit as it may not be legal. He will consult with Dept. of Law. The \$600,000 is available and it can be authorized but he doesn't have a plan for the distribution of the funds.
- Chair Cole asked AAG Barnhill to research a letter of credit and work with Deputy Commissioner LeFebvre by Monday, July 9, 2007.

VOTE: The motion passed without objection.

E. PUBLIC COMMENTS/SESSION

Vicki Trytten, Robert Wells, Representative Mark Neuman and Kyle Beus made comments regarding the dairy industry, federal and state funding, Mat Maid and the recent USDA awarded grants.

A discussion was held regarding declaring an agricultural disaster for the dairy industry.

F. NEW BUSINESS

MOTION: Boardmember Carney moved to declare an immanent disaster in the Alaska Dairy industry as defined by 11 AAC 39.990 (d) (e) to help mitigate this disaster and to ask for State and Federal assistance immediately.

Boardmember Brost seconded.

Discussion was held.

VOTE: The motion passed with six yes votes and one no vote. Chair Cole, Boardmember Brost, Boardmember Carney, Boardmember DePriest, Boardmember McLean and Boardmember Schirack voted yes. Vice Chair VanderWeele voted no.

Chair Cole asked that Acting Director Warner prepare the document today to send to the DNR Commissioner and the Governor.

BAC passed the following motions to give to the Creamery Corporation Board of Directors:

MOTION: Boardmember McLean moved that the Board of Agriculture & Conservation recommends to the Creamery Corporation Board of Directors that the price of milk to local producers be retroactive to June 1, 2007 for the same price as paid as outside milk.
Vice Chair VanderWeele seconded.

#1 -AMENDMENT TO MOTION: Vice Chair VanderWeele moved to change the retroactive date to June 19, 2007.
Boardmember Carney seconded.

VOTE: The motion passed unanimously.

#2 – AMENDMENTS TO MOTION: Boardmember McLean moved to add to the original motion “on that day.”
Boardmember Schirack seconded.
VOTE: The motion passed unanimously.

MOTION RESTATED WITH AMENDMENTS:

Boardmember McLean moved that the Board of Agriculture & Conservation recommends to the Creamery Corporation Board of Directors that the price of milk to local producers be retroactive to June 19, 2007 for the same price as paid as outside milk on that day.

Vice Chair VanderWeele seconded.

VOTE: The motion passed unanimously.

G. EXECUTIVE SESSION

- Division of Agriculture Director Position resumes & applications were discussed.

H. PUBLIC SESSION

(No new business).

I. UNFINISHED BUSINESS

(No unfinished business).

J. BOARDMEMBER COMMENTS

(No Boardmember comments).

K. OTHER MATTERS OR CORRESPONDENCE

(No other matters or correspondence).

L. NEXT MEETING DATES

- The next regular meeting will be held on July 19, 2007 at 8:00 a.m.

M. ADJOURNMENT

MOTION: Vice Chair VanderWeele moved adjourn.

Boardmember DePriest seconded.

The meeting adjourned at 1:00 p.m.