

**July 8, 2010**

**A. ESTABLISHMENT OF QUORUM AND ROLL CALL**

The regular teleconference meeting of the Board of Agriculture & Conservation (BAC) was held July 8, 2010 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Kristan Cole called the meeting to order at 3:30 p.m.

Boardmembers present and establishing a quorum were:

Ms. Kristan Cole, Chair  
Mr. John Schirack, Vice Chair (telephone)  
Mr. Ben VanderWeele, Boardmember  
Mr. Al Poindexter, Boardmember  
Mr. Stuart Davies, Boardmember (telephone)  
Dr. Anthony (Tony) Nakazawa, Boardmember (telephone)  
Mr. Chris Flickinger, Boardmember (telephone)

Staff in attendance was:

Ms. Franci Havemeister, Director  
Ms. Lora Haralson, Administrative Assistant  
Mr. Robert McFarlane, AAG, Dept. of Law (telephone)  
Ms. Olga Lotosh, Accountant II ARLF, Financial Services (telephone)

**B. APPROVAL OF AGENDA**

**MOTION:** Boardmember Poindexter moved to approve the agenda.  
Boardmember Nakazawa seconded.

No objections were received.

**The agenda was approved.**

**C. PUBLIC COMMENTS/SESSION**

*(No public comments were made).*

**D. MINUTES OF PRECEDING MEETING**

**MOTION:** Boardmember VanderWeele moved to approve the minutes of May 3, 2010.

Boardmember Poindexter seconded.

No objections were received.

**The minutes were approved.**

Note: Boardmember Nakazawa left the meeting via telephone.

**E. REPORTS/CORRESPONDENCE**

1. Division Update/Division Newsletter – Director Havemeister:

Boardmember Davies asked about the progress on the ARLF policy manual. Director Havemeister stated it was not done but work on the manual will begin. The Board had no further questions for the Director.

2. Asset Report – Asset Manager Nix:

- The Board had no questions.

3. Financial Services – ARLF Accountant Lotosh:

- The Board had no questions.

4. ARLF Loan Interest Comparison – Loan Officer Easley

- The Board had no questions.

5. ARLF Applications in Process – Loan Officer Easley:

- The Board had no questions.

6. AAG Report – AAG McFarlane:

- The Board had no questions.

**F. EXECUTIVE SESSION**

Chair Cole stated the Executive Session was held to consider loan applications.

The Executive Session for the Trowbridge F loan, Longbrake F and C loans and the Wrigley Farms, LLC C loan included Chair Kristan Cole, Vice Chair Schirack, Boardmember Ben VanderWeele, Boardmember Al Poindexter, Boardmember Chris Flickinger, Boardmember Stu Davies, Director Franci Havemeister, AAG Robert McFarlane and Administrative Assistant Lora Haralson. Loan Officer Candy Easley attended a portion of the Executive Session to answer questions regarding the Trowbridge F loan and the Wrigley Farms, LLC C loan.

Vice Chair Schirack disclosed that he had not received a Board Packet and will not be voting on the loan applications.

**PUBLIC SESSION ACTION ITEMS**

7. Trowbridge Development Loan Approved

**MOTION:** Boardmember Flickinger moved to approve the Thane J. & Lorna M Trowbridge – F loan as recommended by the loan officer:

1. \$165,000 @ 4.50% for 30 years payable by monthly payments.
2. Secured by 1<sup>st</sup> Deed of Trust.
3. Standard Lenders Title Insurance.

Boardmember VanderWeele seconded the motion.

**ROLL CALL**

**VOTE:** The motion passed with two yes votes, one no vote and two abstained votes. Boardmember Flickinger and Boardmember VanderWeele voted yes. Boardmember Davies voted no. Vice Chair Schirack abstained from the vote because he did not receive a Board packet. Boardmember Poindexter abstained from the vote because he does not believe in refinancing loans.

8. Longbrake Development Loan Approved  
**MOTION:** Boardmember VanderWeele moved to approve the William E. and Rae A. Longbrake – F loan as recommended by the loan officer:  
1. \$639,750 @ 4.50% for 30 years payable by quarterly payments.  
2. 1<sup>st</sup> Deed of Trust 40 acre Palmer Sod Farm.  
3. Standard Lenders Title Insurance.  
Vice Chair Schirack seconded the motion.

**ROLL CALL**

**VOTE:** The motion passed with three yes votes and two abstained votes. Boardmember Flickinger, Boardmember VanderWeele and Boardmember Davies voted yes. Vice Chair Schirack abstained from the vote because he did not receive a Board packet. Boardmember Poindexter abstained from the vote because he does not believe in refinancing loans.

8. Longbrake Development Loan Approved  
**MOTION:** Boardmember VanderWeele moved to approve the William E. and Rae A. Longbrake – F loan as recommended by the loan officer:  
1. \$125,000 @ 4.50% for 7 years payable by quarterly payments.  
2. Standard Security Agreement & UCC filing on Farm Equipment limited to 75% LTV.  
Boardmember Flickinger seconded the motion.

**ROLL CALL**

**VOTE:** The motion passed with three yes votes and two abstained votes. Boardmember Flickinger, Boardmember VanderWeele and Boardmember Davies voted yes. Vice Chair Schirack abstained from the vote because he did not receive a Board packet. Boardmember Poindexter abstained from the vote because he does not believe in refinancing loans.

8. Longbrake Chattel Loan Approved  
**MOTION:** Boardmember Davies moved to approve the William E. and Rae A. Longbrake – C loan as recommended by the loan officer:  
1. \$55,000 @ 4.00% for 7 years payable by quarterly payments.  
2. Standard Security Agreement & UCC filing on Farm Equipment limited to 75% LTV.  
Boardmember Flickinger seconded the motion.

**ROLL CALL**

**VOTE:** The motion passed with three yes votes and two abstained votes. Boardmember Flickinger, Boardmember VanderWeele and Boardmember Davies voted yes. Vice Chair Schirack abstained from the vote because he did not receive a Board packet. Boardmember Poindexter abstained from the vote because he does not believe in refinancing loans.

9. Wrigley Farms, LLC Chattel Loan Approved

**MOTION:** Boardmember Davies moved to approve the Wrigley Farms, LLC - C loan as recommended by the loan officer with the condition of receiving an approval letter from Wrigley Farms, LLC for the CIG grant being received. Boardmember Poindexter seconded the motion.

**DISCUSSION:**

Boardmember VanderWeele added to the motion that the approval is subject to members of the LLC to sign personally for the loan.

**ADDITION:** Boardmember Davies accepted the addition from Boardmember VanderWeele.

Boardmember Poindexter as the seconded accepted the addition to the motion.

**AMENDED**

**MOTION:** Boardmember Davies moved to approve the Wrigley Farms, LLC – C loan with the additional conditions added to the loan officer’s recommendation:

1. \$200,000 @ 4.00% for 7 years payable by annual payment.
2. Secured by standard Security Agreement and UCC filing secured by equipment limited to 75% LTV.
3. Approval letter on the CIG grant.
4. Members of the LLC to sign personally for the loan.

Boardmember Poindexter seconded the motion.

**ROLL CALL**

**VOTE:** The motion passed with 4 yes votes and 1 abstained vote. Boardmember Davies, Boardmember Poindexter, Boardmember VanderWeele and Boardmember Flickinger voted yes. Vice Chair Schirack abstained from the vote because he did not receive a Board packet.

**G. NEW/OLD BUSINESS:**

Annual Election of Officers:

Nominations for Chair

**MOTION:** Vice Chair Schirack nominated Ben VanderWeele for Chair. No other nominations for Chair were received. Boardmember Davis moved that nominations be closed. Boardmember Flickinger seconded.

**ROLL CALL**

**VOTE:** The motion was passed with 4 yes votes. Vice Chair Schirack, Boardmember Davies, Boardmember Poindexter and Boardmember Flickinger votes yes.

Nominations for Vice Chair

**MOTION:** Boardmember Davies nominated John Schirack for Vice Chair. No other nominations for Vice Chair were received. Chair VanderWeele moved that nominations be closed. Boardmember Davies seconded.

**ROLL CALL**

**VOTE:** The motion was passed with 4 yes votes. Chair VanderWeele, Boardmember Davies, Boardmember Poindexter and Boardmember Flickinger votes yes.

**H. BOARDMEMBER COMMENTS:**

Chair VanderWeele, Vice Chair Schirack, Boardmember Davies, Boardmember Flickinger, Boardmember Poindexter and Director Havemeister thanked Kristan Cole for her dedicated service as Chair for the Board of Agriculture & Conservation.

**I. SET NEXT MEETING & AGENDA ITEMS**

The next Board of Agriculture & Conservation meeting will be held on Wednesday, August 25, 2010 at 3:00 p.m. (note this is a change originally scheduled for Thursday, August 26, 2010 at 3:00 p.m.).

**J. ADJOURNMENT: The meeting was adjourned at 4:55 pm.**