

A. ESTABLISHMENT OF QUORUM AND ROLL CALL

The regular meeting of the Board of Agriculture & Conservation was held July 19, 2007 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Kristan Cole called the meeting to order at 8:05 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. Douglas Warner, Acting Director
Ms. Lora Haralson, Administrative Assistant
Ms. Tina Otto, AAG, Dept. of Law
Ms. Candy Easley, Loan Officer
Mr. Ray Nix, Asset Manager
Ms. Bonnie Bladow, ARLF Accountant
Mr. Nico Bus (telephone)

B. APPROVAL OF AGENDA

Chair Cole modified the agenda to add:

- D. Reports: Response from Creamery Corporation Board of Directors regarding motions made at the July 6, 2007 BAC meeting.
- H. Executive Session: Review Mat Maid appraisal

MOTION: Boardmember Carney moved to approve the agenda.
Vice Chair VanderWeele seconded.

VOTE: The motion passed without objection.

C. MINUTES OF PRECEDING MEETING

MOTION: Vice Chair VanderWeele moved to approve the minutes of July 6, 2007.
Boardmember Carney seconded.

VOTE: The motion passed without objection.

D. REPORTS/CORRESPONDENCE

(1) Director's Report – Acting Director Warner gave an update regarding the Division activities.

- Seed potato issue was discussed.

(2) Asset Report – Asset Manager Nix.

(3) ARLF Asset Summary – Asset Manager Nix.

(4) ARLF Milk Tank Request – Asset Manager reviewed the request.

MOTION: Vice Chair VanderWeele moved to accept the offer by Mr. Lintelman to purchase the milk tank from the ARLF in the amount of \$800 and authorize the Director (or designee) to complete the transaction pursuant to 11 AAC 39.720(k).

Boardmember Carney seconded.

VOTE: The motion passed without objection.

(5) Financial Reports – ARLF Accountant Bladow.

Chair Cole requested a break down for the general fund contractual service expenditures.

(6) Ethics Code – AAG Otto.

(7) BAC Obligations – AAG Otto.

BAC: These reports were accepted as presented.

E. PUBLIC COMMENTS/SESSION

Karen Olson made comments regarding the dairy industry crisis.

F. NEW BUSINESS

- Glenda Smith, email will be send to the Dairy Task Force.

G. CREAMERY CORPORATION SHAREHOLDER UPDATE

Chair Cole reviewed the status of the four motions that were made at the July 6, 2007 BAC meeting. Item #1 will be discussed in Executive Session, with Nico Bus, Director of DNR, Support Services joining us for that discussion. Item #2 is under consideration with the CCBD attorney. Item #3 the best price for milk produced in Alaska and item #4 the letter of credit have been completed.

1. *CCBD 7-2-07: 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 7-06-07: Tina Otto, AAG, Dept. of Law will research the options available.

BAC 7-19-07. Will be discussed in Executive Session with Nico Bus, Director DNR, Support Services.

2. *CCBD 7-2-07: 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 7-06-07: Chair Cole will discuss with the Creamery Corporation Counsel and advise the Creamery Board.

BAC 7-19-07: Under consideration with the CCBD Attorney.

3. *CCBD 7-2-07. 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.*

BAC 7-06-07: Passed a motion that was forwarded to the CCBD for their 7-9-07 meeting.

4. *CCBD 7-2-07. Motion by Carney, 2nd by VanderWeele, that the BAC review a letter of credit that needs to be signed by DNR. Passed unanimously.*

BAC 7-06-07: Passed a motion and a letter of credit has been signed and forwarded to the CCBD for their 7-9-07 meeting.

E. EXECUTIVE SESSION

- (8) Hobbs request
- (10) Mat Maid appraisal
- (9) Assistant Attorney General's Report
- (11) Interview the candidates for the Director position

I. PUBLIC SESSION

MOTION: Boardmember Carney moved to accept the BAC nominations for the position of Director for the Division of Agriculture and forward those names to the Department of Natural Resources.

Boardmember Brost seconded.

VOTE: The motion passed without objection

MOTION: Boardmember Carney moved to accept the Hobb's request for non objection to the subdivision of their ARLF loan real property collateral at Pt. MacKenzie Tract 14 as requested.

Boardmember Brost seconded.

VOTE: The motion passed without objection.

J. UNFINISHED BUSINESS

(No unfinished business).

K. PUBLIC SESSION

(No public session was held).

L. BOARDMEMBER COMMENTS

(No Boardmember comments).

M. OTHER MATTERS OR CORRESPONDENCE

- Scott Miller, Misty Mountain Farm

N. NEXT MEETING DATES

- The next regular meeting will be held on August 27, 2007 at 8:00 a.m.

M. ADJOURNMENT

MOTION: Vice Chair VanderWeele moved adjourn.
Boardmember DePriest seconded.

The meeting adjourned at 12:10 p.m.