

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

The regular meeting of the Board of Agriculture & Conservation was held September 9, 2007 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Kristan Cole called the meeting to order at 5:30 p.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 (via telephone)  
Mr. Don McLean, Member  
Mr. John Schirack, Member

Staff in attendance was:

Ms. Franci Havemeister, Director  
Ms. Lora Haralson, Administrative Assistant  
Ms. Tina Otto, AAG, Dept. of Law  
Mr. Ray Nix, Asset Manager

**B. APPROVAL OF AGENDA**

MOTION: Boardmember Schirack moved to approve the agenda.  
Boardmember DePriest seconded.

VOTE: The motion passed without objection.

**C. PUBLIC COMMENTS**

*(No public comments were made.)*

**D. MINUTES OF PRECEDING MEETING**

MOTION: Boardmember Schirack moved to approve the minutes of August 27, 2007.

Vice Chair VanderWeele seconded.

VOTE: The motion passed without objection.

**E. REPORTS/CORRESPONDENCE**

(1) Director Havemeister presented a paper regarding the Plant Materials Center (PMC) seed potato program.

Vice Chair VanderWeele stated the seed potato program is very important and he will discuss it further after harvest.

(2) Asset Report – Asset Manager Nix reviewed the asset report.

## **F. EXECUTIVE SESSION**

Chair Cole moved to go into Executive Session for the purpose of discussing the Creamery Corporation Shareholder recommendations to the BAC regarding the Creamery Corporation.

### **EXECUTIVE SESSION/PUBLIC SESSION/MOTION**

Chair Cole stated the recommendation by the Creamery Corporation Shareholder to sell the Creamery Corporation Assets and also to consider selling the real property in Anchorage and Palmer owned by the Agricultural Revolving Loan Fund (ARLF). Under a sealed bid process those terms would be.

- 1) Establish a minimum price for the real property, equipment inventory and logos.
- 2) Consider the appraised value of the property in Anchorage less the cost to procure. (cure)
- 3) Assessment of the Palmer property, estimated value of the equipment, inventory and logos. (in both facilities)
- 4) The minimum price discussed would be \$3,350,000.00.
- 5) Competitive sealed bid process.
- 6) Division of Agriculture staff would draft the invitation to bid.
- 7) Public hearing to review the disposal of these assets at least 7 days from September 9, 2007.
- 8) Method of disposal is AS IS, all cash offers to be considered.
- 9) 90 days to make bids so that any individual bidder would have time to do their due diligence.
- 10) Letter of credit indicating they have the capacity to complete the sale.
- 11) Within the (their) bid, not only the bid price, but also the time that they expect to close.
- 12) A 10% of the bid price, non-refundable earnest money (deposit) that would only be returned to the buyer if the seller did not perform.
- 13) The right to reject all offers.
- 14) Assimilate the appraisal on the equipment and inventory by the middle of October, 2007.
- 15) December 14, 2007 all minimum bid offers due at 5:00 p.m.

MOTION: Boardmember Schirack moved to set the minimum price of \$3,350,000.00.  
Vice Chair VanderWeele seconded the motion.

Discussion: Chair Cole stated the \$3,350,000.00 is all inclusive that is for everything, every paperclip and is AS IS, cash only.

VOTE: The motion passed four yes votes, one no vote and two recused votes. Chair Cole, Vice Chair VanderWeele, Boardmember Schirack and Boardmember DePriest voted yes. Boardmember McLean voted no. Boardmember Brost and Boardmember Carney recused from the vote due to a potential conflict.

Chair Cole stated a public hearing will be on September 29, 2007 at 9:00 a.m.

AAG Otto stated that a draft invitation to bid will be available the week of September 10, 2007.

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

The next Board of Agriculture meeting will be held on Saturday, November 3, 2007 at 8:00 a.m.

RECAP OF DATES:

Public Hearing	September 29, 2007 at 9:00 a.m.
BAC meeting	November 3, 2007 at 8:00 a.m.
Mat Maid minimum bid deadline	December 14, 2007 at 5:00 pm.

Chair Cole stated the Boardmember Brost turned in an Ethics Disclosure form because he has a current ARLF loan.

**H. ADJOURNMENT**

MOTION: Vice Chair VanderWeele moved to adjourn.  
Boardmember Carney seconded.

The meeting was adjourned at 6:40 p.m.