

A. ESTABLISHMENT OF QUORUM AND ROLL CALL

The regular meeting of the Board of Agriculture & Conservation (BAC) was held August 26, 2014 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Ben VanderWeele called the meeting to order at 1:00 p.m.

Board members present and establishing a quorum were:

Mr. Ben VanderWeele, Chair
Mr. John Schirack, Vice Chair
Mr. Al Poindexter, Board member
Ms. Deidre Berberich, Board member
Mr. Chris Flickinger, Board member
Mr. Troy Shelden, Board member (telephone)

Staff in attendance was:

Mr. Ed Fogels, Deputy Commissioner, DNR
Ms. Franci Havemeister, Director
Ms. Lora Haralson, Administrative Officer I
Mr. Robert McFarlane, AAG, Dept. of Law
Ms. Amanda Swanson, ARLF Loan Officer
Ms. Olga Lotosh, ARLF Accountant
Mr. Erik Johnson, Natural Resource Specialist II

The Board of Agriculture & Conservation suspended their meeting at 1:05 p.m. in order to tour the Mt. McKinley Meat & Sausage Plant. The Board members attending the tour were Ben VanderWeele, John Schirack, Al Poindexter, Deidre Berberich and Chris Flickinger.

The meeting resumed at 1:50 p.m.

B. APPROVAL OF AGENDA

MOTION: Board member Al Poindexter moved to approve the agenda.

SECOND: Vice Chair Schirack seconded the motion.

No objections were received.

The agenda was approved.

C. PUBLIC COMMENTS/SESSION

(No members of the public made comments).

D. MINUTES OF PRECEDING MEETINGS

July 2, 2014 Draft Meeting Minutes

MOTION: Board member Poindexter moved to approve the minutes of July 2, 2014.

SECOND Vice Chair Schirack seconded the motion.

VOTE: The motion passed without objection.

E. CONFLICT OF INTEREST DISCLOSURES

Chair VanderWeele stated now is the time for conflict disclosures. You have the agenda outlining pending business and we will be going into executive session later to address loan requests. Does any member have a conflict to disclose relating to any business before the board?

(No conflicts were reported).

F. REPORTS/CORRESPONDENCE

Director Havemeister:

1. Division Update/Division Newsletter:

- Stated the Williams Family of EagleSong Family Peony Farm was selected by the Alaska agriculture community as the 2014 Alaska State Fair Farm Family of the Year. The Williams family was honored at the Alaska State Fair on Thursday, August 21st.

Loan Officer Swanson:

2. Presented the ARLF Interest Rates

- Reviewed the current interest rates comparable to the ARLF rates.

(The Board had no questions).

3. Reviewed the Applications in Process

(The Board had no questions).

4. Asset Report

The August 2014 asset report was reviewed.

(The Board had no questions).

ARLF Accountant Lotosh:

5. Financial Reports

The ARLF financials were reviewed.

AAG McFarlane:

6. Public Session Report

The public session report was presented.

- Stated a report from the Department of Environment Conservation about the Palmer Mat-Maid property that it had minimal contamination.

Vice Chair Schirack moved to go into executive session.

G. EXECUTIVE SESSION

The Executive Session for the Alaska Natural Meats – S & C Loans, Wrigley Farms, LLC – P Loan, AAG McFarlane Executive Session Report and the Aging/Delinquency report. The session included Chair Ben VanderWeele, Vice Chair John Schirack, Board member Deidre Berberich, Board member Chris Flickinger, Board member Troy Shelden (telephone), Board member Al Poindexter, Deputy Commissioner Ed Fogels, AAG Robert McFarlane, Director Franci Havemeister, ARLF Loan Officer Amanda Swanson and Administrative Officer Lora Haralson.

PUBLIC SESSION

7. Alaska Natural Meats, LTD Short-Term Loan Declined

MOTION: Board member Flickinger moved to decline the Alaska Natural Meats, LTD – S Loan as recommended by the loan officer:
1. Insufficient collateral, insufficient income to support the loan, insufficient assets, and lack of a personnel guarantee.

SECOND: Vice Chair Schirack seconded the motion.

VOTE: The motion passed without objection.

7. Alaska Natural Meats, LTD Chattel Loan Declined

MOTION: Board member Flickinger moved to decline the Alaska Natural Meats, LTD – C Loan as recommended by the loan officer:
1. Insufficient collateral, insufficient income to support the loan, insufficient assets and lack of a personnel guarantee.

SECOND: Vice Chair Schirack seconded the motion.

VOTE: The motion passed without objection.

8. Wrigley Farms, LLC Processing Loan Approved

MOTION: Board member Berberich moved to approve the Wrigley Farms, LLC – P Loan as recommended by the loan officer:
1. \$100,000.00 @ 4.50% payable by monthly payments beginning November, 2014.
2. Deed of Trust on Delta Tract C2.
3. Standard Security Agreement & UCC filing statement on equipment provided as collateral.
4. Property insurance with ARLF as Loss Payee.
5. Personal Guarantee from Bryce Wrigley, Member & Manager.
6. Personal Guarantee from Jan Wrigley, Member.

SECOND: Board member Poindexter seconded the motion.

VOTE: The motion passed without objection.

8. Wrigley Farms, LLC Quit Claim Approved

MOTION: Board member Berberich moved to approve the Wrigley Farms, LLC – quit claim of property from Bryce Wrigley and Rex Wrigley, individuals, to Wrigley Farms, LLC.

SECOND: Board member Poindexter seconded the motion.

VOTE: The motion passed without objection.

Fellman – F-5130 Development Loan

MOTION: Vice Chair Schirack moved to approve the assignment of the Fellman-F-5130 loan to the Department of Law for collection action including foreclosure.

SECOND: Board member Berberich seconded the motion.

VOTE: The motion passed without objection.

H. NEW/OLD BUSINESS:

Director Havemeister asked for volunteers to form committee to review the public comments from the July 2nd meeting and the meat plant surveys. Vice Chair Schirack and Board member Flickinger will serve on the committee.

Director Havemeister stated a meeting of the Alaska Resource Food Working Group will be held in Fairbanks on September 4, 2014.

Director Havemeister met with the Pioneer Home Administrator who expressed interest in sourcing local grown food through a pilot project.

I. BOARD MEMBER COMMENTS:

Board member Flickinger stated a group of government and state employees visited the Chirikof Island. Casey Dinkle from the Division of Agriculture, Plant Materials Center was part of the group. Casey will prepare a paper of the results found on Chirikof Island. Casey indicated that the cattle and island were in good shape.

Deputy Commissioner Fogels stated Todd Heinle, Fred Meyer Produce Merchandiser from Fred Meyer for the State of Alaska produce markets attended a meeting with Governor Sean Parnell, Director Havemeister and himself regarding Alaska Grown produce. After the meeting Director Havemeister took Mr. Heinle to meet Ben VanderWeele, VanderWeele Farms and Paul Huppert from Palmer Produce.

Deputy Commissioner Fogels asked the Board to consider what they would like to change regarding ARLF regulations.

J. SET NEXT MEETING & AGENDA ITEMS:

The next Board of Agriculture & Conservation meeting will be determined at a later date.

Agenda item for the next meeting will be ARLF Regulations review.

K. ADJOURNMENT:

The meeting was adjourned at 3:30 p.m.