

A. ESTABLISHMENT OF QUORUM AND ROLL CALL

The regular meeting of the Board of Agriculture & Conservation (BAC) was held December 4, 2015 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. Chris Flickinger, Board member
Ms. Deidre Berberich, Board member
Mr. Troy Shelden, Board member (telephone) joined at 1:45 p.m.

Staff in attendance was:

Mr. Ed Fogels, Deputy Commissioner, DNR
Ms. Franci Havemeister, Director
Mr. Rob Carter, Agronomist III
Ms. Lora Haralson, Administrative Officer I
Mr. Robert McFarlane, AAG, Dept. of Law
Ms. Amanda Swanson, ARLF Loan Officer
Ms. Olga Lotosh, ARLF Accountant

Public in attendance were:

Mr. Rean Brooks, President, Mat Su Valley Feeders, Inc.
Mr. Scott Mugrage, (telephone)
Mr. Arthur Keys (telephone)
Ms. Janet Otto (telephone)
Mr. Doug Warner

Any agenda items that needed a motion were not acted on until Board member Shelden joined the meeting at 1:45 p.m.

B. APPROVAL OF AGENDA

No objections were received.
The agenda was approved.

C. PUBLIC COMMENTS/SESSION

Rean Brooks, President from Mat Su Valley Feeders, LLC stated he has an interest in Alaska and cattle. He presented and discussed a Memorandum of Understanding (MOU) for Mt. McKinley Meat & Sausage.

Scott Mugrage read a report from the livestock committee regarding Mt. McKinley Meat & Sausage.

D. MINUTES OF PRECEDING MEETINGS

November 12, 2015 Draft Meeting Minutes

MOTION: Board member Flickinger moved to approve the minutes of November 12, 2015.

SECOND Board member Berberich 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 disclosures were stated).

F. REPORTS/CORRESPONDENCE

Director Havemeister:

1. Division Update/Division Newsletter:
 - She met with the Alaska Farmers Cooperative in Delta Junction and all the documents were signed transferring ownership to the Cooperative.
 - Deputy Commissioner Fogels stated the State budget will be released on December 15, 2015 and DNR is still in deliberations he expects there will be more reductions to agencies and hopes that DNR will not have substantial reductions.
 - Deputy Commissioner Fogels said that Director Havemeister has done an amazing job and has created a good team for the Division of Agriculture.
 - Commissioner Meyers and Deputy Commissioner Fogels have asked Robert Carter from the Plant Materials Center to be the Acting Director for the Division until a permanent Director is appointed.

Loan Officer Swanson:

2. ARLF Interest Rates:

The ARLF interest rates were reviewed.

3. Asset Report

The December 2015 asset report was reviewed.

The prospective buyer presented the same offer for the 4614 Tanana Loop Ext in Delta Junction for \$250,000.00 purchase price, \$1,000.00 earnest money deposit with ARLF financing and \$50,000.00 down payment upon approval.

The board held a discussion

4614 Tanana Loop Ext. Delta Junction Counter Offer

MOTION: Board member Flickinger moved to counter offer for \$325,000.00 with \$50,000.00 down and offer ARLF financing.

SECOND: Chair VanderWeele seconded the motion.

The board held a discussion regarding the motion.

MOTION

AMENDED: Board member Shelden moved to counter offer the property for \$325,000.00 with 90% financing and \$1,000.00 non-refundable earnest money with a closing date of January 31, 2016.

SECOND: Board member Flickinger accepted the amended motion and seconded.

VOTE: The motion passed without objection.

MOTION: Board member Shelden moved to renew the listing agreement for another six months with the listing sales price of \$325,000.00.

SECOND: Board member Berberich seconded the motion.

VOTE: The motion passed without objection.

ARLF Accountant Lotosh:

4. FY15 – Year End Financial Reports

The FY15 year end financial reports were reviewed.

She explained the GASB 68 effect on the ARLF financial statements.

Board member Berberich had questions regarding the large amount that was deducted from personal services.

Deputy Commissioner Fogels will work with Accountant Lotosh to get a further explanation regarding the GASB 68 to be presented at the next meeting.

5. October 2015 Financial Reports

The October 2015 financial reports were reviewed.

AAG McFarlane:

6. Public Session Report

The public session report was presented.

AAG McFarlane stated that the Farmers Cooperative have obligations to ensure the Cooperative is run as an agricultural facility.

Chair VanderWeele asked Accountant Lotosh to ensure the Farmers Cooperative is removed from the ARLF assets.

MOTION: Vice Chair Schirack moved to go into Executive Session.

SECOND: Board member Flickinger seconded the motion.

VOTE: The motion passed without objection.

G. EXECUTIVE SESSION

The Executive Session for ARLF Aging Report/Delinquency Report included Chair Ben VanderWeele, Vice Chair John Schirack, Board member Chris Flickinger, Board member Shelden (telephone), Board member Berberich, AAG Robert McFarlane, DNR Deputy Commissioner Ed Fogels, Director Franci Havemeister, ARLF Loan Officer Amanda Swanson and Administrative Officer Lora Haralson.

The Executive Session for the Director's position discussion included Chair Ben VanderWeele, Vice Chair John Schirack, Board member Chris Flickinger, Board member Shelden (telephone), Board member Berberich, AAG Robert McFarlane, DNR Deputy Commissioner Ed Fogels, and Administrative Officer Lora Haralson.

PUBLIC SESSION

Chair VanderWeele stated that the next BAC meeting will be a teleconference and will be held on Friday, December 11, 2015 at 1:00 p.m. for the purpose of discussing the Director of Agriculture applicants.

The Board will hold a meeting on Thursday, January 7, 2016 at 1:00 p.m. for the purpose of interviewing Director of Agriculture applicants and other agenda items. After interviews are completed the BAC will forward their list of candidates to DNR Commissioner Meyers.

H. NEW/OLD BUSINESS

Board Member Flickinger will contact the red meat industry committee to ensure he is included in their meetings.

I. BOARD MEMBER COMMENTS:

Chair VanderWeele stated he wants Loan Officer Swanson to attend agriculture events and meetings to promote the Agricultural Revolving Loan Fund (ARLF).

J. SET NEXT MEETING & AGENDA ITEMS:

The next meeting will be a teleconference scheduled on Friday, December 11, 2015 at 1:00 p.m.

K. ADJOURNMENT: The meeting was adjourned at 3:45 p.m.