

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

The regular meeting of the Board of Agriculture & Conservation (BAC) was held August 17, 2016 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Ben VanderWeele called the meeting to order at 8:00 a.m.

Board members present and establishing a quorum were:

Mr. Ben VanderWeele, Chair  
Mr. John Schirack, Vice Chair  
Mr. Troy Shelden, Board member  
Ms. Deidre Berberich, Board member  
Ms. Roxy Marcy, Board member (telephone)  
Mr. Jason Smith, Board member (telephone)  
Mr. Chris Flickinger, Board member (telephone)

Staff in attendance was:

Mr. Arthur J. Keyes IV, Director  
Ms. Elizabeth Bluemink, DNR Special Assistant (telephone)  
Ms. Lora Haralson, Administrative Officer I  
Mr. Robert McFarlane, AAG, Dept. of Law  
Ms. Amanda Swanson, ARLF Loan Officer  
Ms. Brianne Blackburn, Natural Resource Manager II  
Ms. Olga Lotosh, ARLF Accountant (telephone)

Public in attendance were:

Rean Brooks  
Kristi Brooks  
Steve Lauzier  
Stephanie Bluekens  
Robert Gibson (telephone)  
Jacob Griswold (telephone)  
Frank Nosek

**B. APPROVAL OF AGENDA**

**MOTION** Board member Berberich moved to approve the agenda

**SECOND:** Board member Shelden 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**

Board of Agriculture & Conservation Draft minutes July 14, 2016.

**MOTION:** Board member Berberich moved to approved the July 14, 2016 as corrected. Change page six of six from post to postponed.

**SECOND:** Board member Shelden 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?

*(There were no conflict of interest disclosures).*

#### **F. REPORTS/CORRESPONDENCE**

##### **Director Keyes:**

##### 1. Director Report:

- Johanna Herron is the Division's new Marketing Manager.
- Kim Allen, Publication Specialist last day will be Friday, August 19, 2016.
- He is waiting to hear back from the Department of Environmental Conservation (DEC) regarding their time lines for the Mat-Maid property.
- A 440 acre parcel for a land sale in trapper creek is now patented.

Chair VanderWeele stated the Palmer City Council approved the zoning change for the Mat Maid Brewery.

##### **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 asset report was reviewed.

*(The Board had no questions).*

**ARLF Accountant Lotosh:**

5. Financial Reports

The ARLF financials will not be ready until October 2016.

*(The Board had no questions).*

**AAG McFarlane:**

6. Public Session Report

The public session report was presented.

Stated he spoke to Ralph Hulbert who has submitted a request to Robert Weimer at DEC for the environmental assessment and he asked Mr. Weimer for an immediate letter certifying that no action will be necessary. Hopefully, the Mat Maid property can be sold next month. AAG McFarlane will do a Quit claim deed and will send it to Loan Officer Swanson when the approval is received from DEC.

Stated Mr. Brooks has provided a response regarding the Request for Proposal (RFP) for Mt. McKinley Meat & Sausage (MMM&S) to discuss in executive session.

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

**SECOND:** Board member Berberich seconded the motion.

**VOTE:** The motion passed without objection.

**G. EXECUTIVE SESSION**

The Executive Session for the Wrigley Farms – S and F Loans, Bluekens – F & S Loans, Loan, Griswold – F Loan, the RFP for Mt. McKinley Meat & Sausage (MMM&S) and the Delinquency Report included Chair Ben VanderWeele, Vice Chair John Schirack, Board member Deidre Berberich, Board member Chris Flickinger (telephone) Board member Troy Shelden, Board member Jason Smith (telephone), Board member Roxy Marcy (telephone) DNR Special Assistant Elizabeth Bluemink (telephone), AAG Robert McFarlane, Director Arthur J. Keyes IV, Natural Resource Manager II Brianne Blackburn, ARLF Loan Officer Amanda Swanson and Administrative Officer Lora Haralson. Rean Brooks, Kristi Brooks, Steve Lauizer and Frank Nosek joined the executive session regarding their RFP for MMM&S. Stephanie Bluekens attended the executive session regarding her F & S loan requests.

**PUBLIC SESSION**

**7.     Wrigley                                     Short-Term Loan                                     Approved**

**MOTION:** Board member Shelden moved to approve the Wrigley Farms, LLC – S loan as recommended by the loan officer:

1. \$40,000.00 @ 3.00% one-year payable by monthly payments beginning, September 15, 2016.
2. Security Agreement & UCC financing statement on equipment provided as collateral.
3. Personal guarantee from Bryce Wrigley, member and manager.
4. Personal guarantee from Jan Wrigley, member.

**SECOND:** Vice Chair Schirack seconded the motion.

**VOTE:** The motion passed without objection.

**Wrigley                                     Development Loan                                     Approved**

**MOTION:** Board member Shelden moved to approve the Wrigley Farms, LLC – F loan as recommended by the loan officer:

1. \$100,000.00 @ 4.50% 10 years' payable by monthly payments beginning September 15, 2016.
2. Security agreement and UCC financing statement on equipment provided as collateral.
3. Deed of trust on property.
4. Property insurance with ARLF as loss payee.
5. Personal guarantee from Bryce Wrigley, member and manager.
6. Personal guarantee from Jan Wrigley, member.

**SECOND:** Vice Chair Schirack seconded the motion.

**VOTE:** The motion passed without objection.

**8.     Bluekens                                     Development Loan                                     Denied**

**MOTION:** Board member Marcy moved to deny the Stephanie Bluekens - F loan due to insufficient credit experience, poor credit history, insufficient assets, insufficient collateral and limited farming and business experience to support amounts requested.

**SECOND:** Board member Berberich seconded the motion.

**VOTE:** The motion passed without objection.

**Bluekens**

**Short-term Loan**

**Denied**

**MOTION:** Board member Marcy moved to deny the Stephanie Bluekens - S loan due to insufficient credit experience, poor credit history, insufficient assets, insufficient collateral and limited farming and business experience to support amounts requested.

**SECOND:** Board member Berberich seconded the motion.

**VOTE:** The motion passed without objection.

**9.**

**Griswold**

**Development Loan**

**Denied**

**MOTION:** Board member Berberich moved to deny the Jacob & Elizabeth Griswold – F loan due to insufficient positive credit and poor credit history to support the amount requested.

**SECOND:** Board member Flickinger seconded the motion.

**VOTE:** The motion passed without objection.

**11. RFP – Mt. McKinley Meat & Sausage**

Inlet Processing Company, Inc.

**MOTION:** Board member Shelden moved to deny the RFP proposal of Inlet Processing Company, Inc. to operate MMM&S. The proposal fails to show that the company has the financial ability to operate in the short-term and the plan speculates that the company can obtain a sufficient number of animals to meet production or operating goals.

**SECOND:** Board member Berberich seconded the motion.

**VOTE:** The motion passed without objection.

**H. NEW/OLD BUSINESS:**

**RFP – Mt. McKinley Meat & Sausage**

**MOTION:** Board member Shelden moved to reissue the RFP to dispose of MMM&S by sale or lease with preference given to bidders wanting

to operate the facility as a meat plant. The RFP will have a 30-day time frame from the date of issue and the RFP will be reviewed by the Board prior to it being released.

**SECOND:** Board member Marcy seconded the motion.

**VOTE:** The motion passed without objection.

**I. BOARD MEMBER COMMENTS:**

*(There were no board member comments).*

**J. SET NEXT MEETING & AGENDA ITEMS:**

The next meeting will be determined at a later date.

**K. ADJOURNMENT:**

The meeting was adjourned 10:17 a.m.