

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

The regular meeting of the Board of Agriculture & Conservation (BAC) was held September 9, 2015 at the Division of Agriculture conference room, 1800 Glenn Highway, St.12, Palmer, Alaska. Chair Ben VanderWeele called the meeting to order at 2:00 p.m.

Board members present and establishing a quorum were:

Mr. Ben VanderWeele, Chair  
Mr. John Schirack, Vice Chair  
Mr. Chris Flickinger, Board member (telephone)  
Mr. Al Poindexter, Board member  
Ms. Roxy Marcy, Board member (telephone)

Board members not present were:

Ms. Deidre Berberich, Board member  
Mr. Troy Shelden, Board member

Staff in attendance were:

Ms. Franci Havemeister, Director  
Ms. Elizabeth Bluemink, DNR Special Assistant  
Ms. Lora Haralson, Administrative Officer I  
Mr. Robert McFarlane, AAG, Dept. of Law  
Ms. Amanda Swanson, ARLF Loan Officer  
Mr. Erik Johnson, Natural Resource Specialist II

**B. APPROVAL OF AGENDA**

**MOTION** Board member Flickinger moved to approve the agenda.

**SECOND:** Board member Poindexter seconded the motion.  
No objections were received.  
The agenda was approved.

**C. PUBLIC COMMENTS/SESSION**

*(No public were present).*

**D. MINUTES OF PRECEDING MEETINGS**

**July 16, 2015 Draft Meeting Minutes**

**MOTION:** Vice Chair Schirack moved to approve the minutes of July 16, 2015.

**SECOND** Board member Poindexter 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:

- Stated a Legislative Farm tour was held on August 27<sup>th</sup> with 45 people in attendance. Part of the tour was at Mt. McKinley Meat & Sausage (MMM&S) where a question and answer period was held with conversations that MMM&S is funded from the Agricultural Revolving Loan Fund and not General Funds. Lunch was hosted by the Pettit Farm Family of the Year at their Little Pitchfork Ranch Farm. DNR Commissioner Mark Myers attended the entire tour.
- MMM&S is very busy with 68 animals from the fair and fall industry demands. Director Havemeister has approved overtime for the employees to work Fridays as needed.
- Stated we have received the FY15 year-end financials and MMM&S has a loss of \$155,000.00. She will review the financials in further detail to inform the Board of where the losses occurred.
- The Department Corrections is looking at the possibility of a slaughter facility at Pt. McKenzie and a teleconference is scheduled next week with DNR Deputy Commissioner Ed Fogels.
- The Alaska Farm Bureau has not scheduled a date for their consultant firm to tour MMM&S.

#### **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 September 2015 asset report was reviewed.

**Palmer Feed Mill Property**

**MOTION:** Board member Poindexter moved that we accept the recommendation from Loan Officer Swanson to list the Palmer Feed Mill property with a realtor with their suggested listing price. A BAC teleconference will be held at a later date regarding what price the realtor would recommend for the sale of the property.

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

**ROLL CALL**

**VOTE:** The motion passed with four yes votes to approve. Vice Chair Schirack, Board member Poindexter, Board member Flickinger (telephone) and Board member Marcy (telephone) voted yes.

**4614 Tanana Loop Ext. Delta Junction**

**MOTION:** Board member Poindexter moved to counter offer the property for \$1200.00 per acre which would be \$276,000.00.

No second was received.

A discussion was held.

**MOTION:** Board member Poindexter moved to reduce the sales price by \$20,000.00 to \$325,000.00 and the option to lease would be entertained.

No second was received.

A further discussion will be held in Executive Session due to the financials of the individual making an offer on the property.

**AAG McFarlane:**

5. Public Session Report  
The public session report was presented.

Stated documents were submitted to the Alaska Farmers Cooperative. Further discussion will be held in Executive Session.

Board member Flickinger moved to go into Executive Session

**G. EXECUTIVE SESSION**

The Executive Session for the Lorenz F Loan, 4614 Tanana Loop Ext. Delta Junction Property, Delinquency Report and AAG McFarlane Executive Session Report included Chair Ben VanderWeele, Vice Chair John Schirack, Board member Chris Flickinger (telephone), Board member Al Poindexter, Board member Roxy Marcy (telephone), AAG Robert McFarlane, Director Franci Havemeister, DNR Special Assistant Elizabeth Bluemink, ARLF Loan Officer Amanda Swanson and Administrative Officer Lora Haralson.

**PUBLIC SESSION**

**6. Lorenz Chattel Loan Decline**

**MOTION:** Board member Schirack moved to decline the Mathew & Judith Lorenz – C loan due to lack of positive pay history which makes it a high credit risk, insufficient credit.

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

**ROLL CALL**

**VOTE:** The motion passed with four yes votes to decline. Vice Chair Schirack, Board member Poindexter, Board member Flickinger (telephone) and Board member Marcy (telephone) voted yes.

**4614 Tanana Loop Ext. Delta Junction Counter offer Approved**

**MOTION:** Board member Poindexter moved to make a counter offer to the offer of \$325,000.00 with a non-refundable deposit of \$50,000 due on October 15, 2015 and a closing date on January 15, 2016. This is contingent upon the buyer having contract financing approved. The application must be submitted and ready to be presented to the Board by October 15, 2015.

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

**ROLL CALL**

**VOTE:** The motion passed with four yes votes to approve. Vice Chair Schirack, Board member Poindexter, Board member Flickinger (telephone) and Board member Marcy (telephone) voted yes.

## **Alaska Farmers Cooperative**

**MOTION:** Board member Poindexter moved to release the stock certificates to the Alaska Farmers Cooperative to finalize the sale of the property.

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

### **ROLL CALL**

**VOTE:** The motion passed with four yes votes to approve. Vice Chair Schirack, Board member Poindexter, Board member Flickinger (telephone) and Board member Marcy (telephone) voted yes.

## **H. NEW/OLD BUSINESS**

*(No old/new business).*

## **I. BOARD MEMBER COMMENTS:**

Chair VanderWeele asked about the banner on the Agriculture Pavilion at the State Fair. He had heard that DNR had paid for it but there was no Alaska Grown Logo. Director Havemeister stated DNR did not pay for the banner.

Chair VanderWeele had a good discussion with Governor Walker regarding potatoes. Governor Walker agreed that Alaska potatoes need to promote more than potatoes from outside. Chair VanderWeele will follow up with Governor Walker in October.

Chair VanderWeele stated Rob Carter from the Plant Materials Center has been helping with evaluating harvest of grass seed and grain. Chair VanderWeele stated Rob has done an outstanding job in helping the industry and the public.

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

The next meeting will be scheduled at a later date.

**K. ADJOURNMENT:** The meeting was adjourned at 3:54 p.m.