

Mt Mckinley issue

My name is Jon Olsen, and

I was the first manager when the State of Alaska opened the Mt. Mckinley Meat plant back in the 80s under the Dept. of Corrections. I want to present some facts about the meat plant that perhaps most people don't know;

The first operator of the plant was Don Donatello, a private businessman, also owner of Alaska Mill & Feed in Anchorage, a long time successful business. Business savvy as he was, he hired an outside builder from Missouri to construct a plant *with money from the State of Alaska*, that is oversized and poorly suited to the Alaskan climate. When he could not make a profit, the State of Alaska took over operations.

The current manager, Frank Huffman, operates wisely and as frugally as feasible within the constraints of USDA. In addition to normal meat processing, he finds avenues to sell meat by-products to small business and cottage industry which generate additional revenue.

Right now the plant is actually operating at break-even point and it may well operate in the black this fiscal year. The number of animals being processed is on the increase because new cattle and hog operations are coming on line. Thus an essential need continues for a USDA certified processing facility for these farmers. They cannot sell meat unless under USDA inspection. And that includes the young people in 4-H and FFA

Regarding the issue of Bio solids: You can imagine the meat plant generates a goodly amount of blood, considered bio-solid. It gathers in a 5000 gallon tank and is shipped to Anchorage about 3 times each year at the cost of 14 cents a gallon. It could be an ideal soil amendment for farmers. 25 years ago an organic farmer in the Butte picked up as much as he could and produced excellent crops. Today blood is of no use because blood application to fields must be followed immediately by tilling under per USDA rules. Thus it cannot be spread during winter months, and so it goes to waste while at high expense to send to Anchorage.

And regarding the matter of the City of Palmer septic system, Frank Huffman diverts all gray water from plant operations to an aerobic digester Before it goes into the Palmer septic system

The meat plant currently generates about 1.6 million. Last year it was 150K in the red, virtual pocket change compared to so many other budget cutting options.

In my opinion it would be very unwise to throw public money toward financing yet another Pt. Mackenzie style operation. Many people may not know or remember the failed State of Alaska financed dairy operations that cost the State so many millions.

Instead I recommend to allow Mt. McKinley Meats to go forward under State of Alaska management for the next year or 2, giving it the chance to make some money. This would be far better than the State financing a questionable private enterprise. Should it fail, not only does Alaska lose money, but it likely means the end of USDA meat processing altogether for Alaskan farmers.

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