

## **Mt. McKinley Meat & Sausage (MMM&S)**

### **Time Lines 1980 - 2016**

Early 1980's -	The Alaska Agricultural Action Council, through an appropriation from the Alaska Legislature financed the construction of Mt. McKinley Meat & Sausage (MMM&S).
1983-1985 -	Privately operated by a loan from the Alaska Agricultural Action Council. The Division of Agriculture inherited the loan made by the Alaska Agricultural Council.
1986 -	The Agricultural Revolving Loan Fund (ARLF) obtained possession of the facility through a cooperative settlement resulting from a loan default.
December 1986	Under a memorandum of agreement between Alaska Department of Natural Resources (DNR) and the Alaska Department of Corrections (DOC), MMM&S was reopened.
1986-2000	DOC operated the plant for the DNR, Division of Agriculture (DoAg) using it as a training opportunity for inmates while continuing to provide a slaughter facility for Alaskan farmers.
2001 -	DOC asked DoAg to cover some expenses, including staff costs.
2000 -	MMM&S was offered by a Request for Proposal (RFP) for sale with a minimum bid of \$600,000. The restrictions were to continue operations as a slaughterhouse/processing plant. No responsive requests were received.

- 2002- A proposal to lease and operate the MMMS plant for \$1.00 per year was released in October 2002. The intent of this proposal was to pass the plant into private hands and out of state control. This proposal required the lessee to continue operations at the plant at not less than the current level of service. It required the lessee to slaughter all domestic Alaskan animals presented and to purchase said animals at prices currently established. The term of lease was for five years with option to purchase at the end of the lease. No responsive requests were received.
- December 2003 - DOC discontinued all financial management support and DoAg took over operation of the facility still using inmate labor.
- December 2003- DoAg completed a detailed review of the operation of MMM&S to increase efficiency while in State ownership (MMM&S Report with Review and Recommendations).
- August 2005 - On August 11, 2005 the Board of Agriculture and Conservation (BAC) voted to "authorize an updated appraisal or letter of opinion of MMM&S based on fair market value as is where is, assuming no restrictions on future use of property." In a separate motion the BAC moved and voted unanimously to "authorize the Division to begin the process to sell MMM&S immediately, and to close the State directed operation on October 14, 2006."
- October 2005 - On October 14, 2005 the BAC received testimony from the public on the closure. The majority of comments received during testimony requested the continued subsidized operation by the state. No alternatives to closing MMM&S were proposed during the hearing.

- November 2005      On November 8, 2005 the BAC moved to recommend "that the BAC proceed with MMM&S disposal and closure...with the minor revision that the State directed operation closure date be extended to December 31, 2006."
- December 2006 -      The BAC is responsible for the administration of ARLF. The last official action taken (December 2006) regarding the continued operation of MMM&S was to keep it open and remain receptive to evaluating any alternative proposal to operating or privatizing the facility. This decision was based on positive services and support provided by MMM&S to the agricultural industry.
- May 2014 -      The BAC was seeking public input on options to transition MMM&S from state ownership to the private sector. To gather input from the red meat industry, other processing plants, and the Alaska chefs and restaurants, the DoAg developed three surveys; Red Meat Industry, Red Meat Processing Plants, Chef & Restaurants. On question on each of the three surveys asked "Would you be interested in owning/operating a USDA slaughter facility?" 91.43% said No.
- July 2014 -      The Board held a meeting for oral comments on options for the plant's future during a public comment session. 35 members of the public attended and 33 members of the public stated they did not want the plant to close.
- February 2015 -      The House Finance Subcommittee stated MMM&S needed to be privatized. House Finance Subcommittee draft budget issued a one-time increment for \$2,047 million for the FY16.

- April 2015                          The Alaska State Farm Bureau created a Red Meat Committee regarding the closing of MMM&S.
- June 2015                          At the June 10, 2015 BAC meeting the board held a discussion regarding the Alaska Farm Bureau to allow a third party consultant such as Niche Meat Processors to provide a report on how to make the meat plant viable. The Board moved that a scope of work including timeframes needed to be provided to them before they agreed to have a third party consulting firm have access to MMM&S. The Alaska Farm Bureau will pay for the consulting firm.
- July 2015                          At the July 16, 2015 BAC meeting the Board moved to accept the Transition Assessment Project Proposal from the Niche Meat Processing Firm dated July 2, 2015.
- August 2015                          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.
- February 2016                          The House Finance Subcommittee regarding Mt. McKinley Meat & Sausage (MMM&S) will recommend one -time increment for FY17.
- February 2016                          At the BAC meeting held on February 18, 2016 members of the public asked that the Board consider a Request for Proposal to lease the plant. The Board determined that a Public Hearing regarding the lease or disposal of MMM&S will be held on March 31, 2016.