Note from the Director

Thank you all for your hard work and dedication to Agriculture in Alaska. It has been a privilege to work with the industry and meet with you over the past 17 months. I have seen firsthand that you are the modern day pioneers, whom provide the food, fiber, and energy resources necessary to ensure a sustainable future for today's Alaskans and the generations to come. As those that have gone before you and left their legacy such as the Homesteaders of the Tanana Valley, Kenai Peninsula, Kodiak, as well as the Colonists of the Matanuska Valley – Alaskans have and will continue to reap the benefits of your hard labor.

This newsletter has been created to improve communication between the industry and the Division. Each issue will address a point of interest in each section. Please take the time to read it and provide feedback on what you like/don't like or ideas to improve the format.

Also, I would like to thank all of you who participated in drafting and commenting on the “Challenges and Opportunities for Future Agriculture in Alaska.” This was a joint effort between Industry, Agency, and Educators with the main purpose of addressing the needs of the agriculture industry. The draft was on the Division of Agriculture website: http://dnr.alaska.gov/ag/index.htm and open to public comment through December 15th. We received many comments and the final draft will be available on the website mid January.

Thank you again for your dedication to Agriculture in Alaska.

I wish you a prosperous and Happy New Year!

Franci Havemeister

ARLF Land & Asset Manager

Hello from the Asset Management corner of the Division of Agriculture. I’ve summarized a couple of the asset management activities and tasks during 2008, along with some projected outlooks for the near future.

The shutdown and disposal of Matanuska Maid was the most significant task completed by the asset management section in 2008. Due to continuing operating losses; the Creamery Corporation (d.b.a. Mat Maid) developed a plan to cease operations (2007) at Mat Maid and dissolve the Creamery Corporation (2008). One component of the plan was the
A portion of the equipment owned by Mat Maid was leased to a dairy product processing operation being developed in the Palmer/Wasilla area locally known as Valley Dairy, Inc. The equipment is still owned by Mat Maid; however the Valley Dairy, Inc. has an option to purchase the equipment. The new dairy is purchasing and processing all locally produced milk. Valley Dairy distributes fluid milk to Anchorage and also to Nome, Dutch Harbor, Glennallen, Valdez and Talkeetna. Milk, ice cream and cheese products can also be purchased at the plant located on the Palmer-Wasilla Highway. Their new storefront is scheduled to be open at the beginning of the New Year.

The Board of Agriculture and Conservation (BAC) made a decision to sell the ARLF real property in Anchorage formerly used by Mat Maid using a sealed bid sale process. The sale closed in September and generated just over $1,527,000.00 in revenue to the ARLF.

That’s all for now......next issue will highlight the ARLF disposal of the old Feed Mill property in Palmer. Have a prosperous New Year.

Ray Nix

Land Sales and Grazing Leases

When people find out I work for the Division of Agriculture, in land sales, they inevitably ask me "Where can I buy some farmland?" It seems like a simple question with a quick answer. Unfortunately for me, my predecessors here at the Division did a good job selling all the accessible farmland. Fortunately they left plans for future land sales, which bring us to the Fish Creek Management Plan.

The Fish Creek area is located about 15 miles northwest of the Point MacKenzie Agricultural project. The area is bordered on the north by the Nancy Lake State Recreation Area, on the south by the Susitna Flats State Game Refuge, on the east by the Little Susitna River and on the West by Flat Horn Lake. Planning for this area started in the early 1980’s, it has gone through many changes and the emphasis on agriculture has lessened. The plan is being reviewed by the Mat-Su Borough Planning Commission. Anyone who has an interest in the future agriculture has an opportunity to voice their opinion at a public hearing on January 5th at 6pm in the Assembly Chambers. If you would like more information about the plan there is a link from the Division of Agriculture web page or you can contact me as well. (See the map on the following page.)
Why are my potatoes green?

Potatoes can be green due to many causes but they are only classified in two ways, sunburn and greening. Sunburn is a ‘greening’ that occurs before harvest due to direct sunlight exposure. This type of greening occurs in the field when tubers are insufficiently covered with soil. When potatoes are exposed to sunlight, development of chlorophyll occurs, progressing from a light yellow to a definite green. If exposure to light is prolonged, chlorophyll develops in the tissue and a bitter taste associated with the alkaloid, solanine, results.

Greening after harvest occurs due to incandescent and/ or fluorescent light exposure during storage, grading and/ or placement on store shelves. The degree of greening and time required to produce it varies according to the temperature, brightness of light and the thickness of the potato epidermis. In order to avoid sunburn (before harvest), maintain a sufficient soil cover above the potato seed piece and keep a wide enough hill for new tubers to expand underground.

In order to avoid greening (after harvest) don’t wash the tubers going into storage. Dirt remaining on potato tubers will offer some protection against exposure to light and greening. Store potatoes in the dark and choose light resistant packaging. In order to prevent retail greening, avoid displays near windows or under strong, fluorescent lights, have a good system of package rotation and store reserve stock in a cool, dark environment. No matter what you do there will still be potatoes that suffer from sunburn and greening. Please follow the US No1 and US No 2 allowable tolerances:
**Marketing & Inspection Section**

**Cooperative Marketing Program**

Many of you are familiar with the Cooperative Marketing Program (CMP). We have been administering this grant for several years. These funds come directly from our marketing budget, to support Alaskan farmers. The intention of this grant is to support Alaska Grown, not solely an individual or business. This grant is to encourage producers to work together to market an Alaska Grown product/s. It is a very successful program and will be available again in 2009!

To assist our producers when applying for the grants, we are revamping the application and the evaluation criteria. We are providing the applicants (you) with the criteria that we will use to evaluate the proposal and the point system we will use to assess them. We are also providing a sample application with a sample budget online, which interested applicants can utilize when preparing their own proposal. We also will provide a blank budget worksheet that applicants can download and use when submitting their application. We are hoping that this assistance will provide a basic outline for you to follow, which will ease your apprehension when submitting an application.

These documents are online for your review and information. We released a request for proposals on December 29th, 2008. Please share this information with anyone you may feel is interested, and feel free to contact us with any questions you may have.
The Alaska Division of Agriculture works in close cooperation with the U.S. Department of Agriculture, Animal Plant Health Inspection Service, Plant Protection and Quarantine (USDA-APHIS-PPQ) to conduct surveys for exotic plant pests deemed to be of economic or regulatory concern by either Federal or State governments. This Federal / State cooperation, known as the Cooperative Agricultural Pest Survey, or CAPS, is a national effort by Federal and State agricultural organizations to detect exotic plant pests early, before they become widespread, by conducting pest detection surveys and maintaining pest information databases, which in turn provides plant pest and weed distribution profile information in support of U.S. agricultural exportation efforts.

In Alaska, much of the CAPS surveys are coordinated through the Northern Region Office. The State Survey Coordinator works closely with the State Plant Health Director (Ann Fergusson, USDA-APHIS-PPQ) and the State Plant Regulatory Official (Doug Warner, Div of Agriculture).

For further information on CAPS, visit: http://www.aphis.usda.gov/plant_health/plant_pest_info/pest_detection/index.shtml

About the Northern Region Office:
The Northern Region Office (NRO) is located in Fairbanks, Alaska, on the corner of 17th and S Cushman Street, inside the Fairbanks Recorder’s office on the second floor of the old Kelly Moore Paint building. There are currently three positions located within the NRO: Charlie Knight, Northern Region Manager and State Survey Coordinator; Dan Proulx, Northern Region Agricultural Lands Specialist; and Curtis Knight, Pest Survey Specialist and Mapping / Data Coordinator.
Each of these programs will be addressed in future articles in the Division of Agriculture Newsletter. Often in past years during late July or early August, the Plant Materials Center hosted an open house. The PMC staff was available to answer questions about the projects and give tours of the facilities. Over 300 people attended the last open house. Scheduling conflicts and construction activities have precluded an open house in recent years. However, in the near future the PMC’s open house program will resume.

In recent years, the majority of the Plant Materials Center’s funding has come from non-state sources. The USDA was the major funding source of the PMC and its statutorily mandated programs. The majority of the remaining operating monies were allocated from the Agriculture Revolving Loan Fund (ARLF). In 2007 the PMC started getting General Fund monies to replace the ARLF as a funding source. That change reversed the fiscal year-1997 move to fund the division’s activity with ARLF monies. Additionally, the center brings in small amounts of revenue through cooperative projects with other agencies, the private sector, and through the sale of plant materials. All funds derived from outside sources can be used for direct operations of the Plant Materials Center. The issue of Federal Funding of state responsibilities was addressed in 2008 when the new administration replaced the federal funding with General Fund dollars, correcting the funding obligation.

History
Early attempts to establish a federal Plant Materials Center in Alaska were unsuccessful because the U. S. Department of Agriculture believed that the centers at Pullman, Washington and Corvallis, Oregon could serve the needs of Alaska. The Alaska Legislature was not discouraged, and at the urging of the University of Alaska, conservation groups in Alaska, and farmers, prepared legislation that would establish the Alaska Plant Materials Center. In 1972, Governor Bill Egan signed into law a bill creating the Alaska Plant Materials Center. This legislation directed the Plant Materials Center to fulfill several traditional agricultural
responsibilities and to develop plant varieties and techniques for revegetation and erosion control and provide technical reclamation assistance to industry. Soon after the Plant Materials Center bill was enacted, a 285-acre tract near Palmer was selected for the center's site. An additional 120-acre parcel adjacent to the PMC was acquired through a land exchange with the Matanuska-Susitna Borough in 1982. This gave the PMC a total of 405 acres to accomplish its mandated duties which then included revegetation work, horticultural development, foundation seed production, and disease-tested potato seed stock production.

In 1987, the PMC's programs were consolidated into two programs: the North Latitude Revegetation and Seed Production Project and the North Latitude Vegetable and Landscape Crop Improvement Project. In 1994, the PMC assumed responsibility for the maintenance and production of breeder class seed of all University of Alaska developed grass varieties. The transfer of responsibility has placed the PMC in the position of being the repository and maintainer for Alaska-developed germplasm. In November 1997, the PMC was notified that the U.S. Department of Agriculture granted the PMC the operation of the Arctic Genetic Resources Unit, which included an operating and capital funds grant. In 1998, the Germplasm Repository became a reality. The first USDA employee was hired and the state initiated the design of a screen house. The screen house was completed in 2001. The Arctic Genetic Resources Unit held accessions of alpine, arctic and polar plants with a special emphasis on wetland species. The site also became instrumental at increasing germplasm held at other USDA repositories. A new short-term specific cooperative agreement was implemented in 2003.

In 1999, a grant from USDA Natural Resources Conservation Service (NRCS) allowed the PMC to expand its program in native seed production and commercialization. In the year 2000, an additional grant from NRCS allowed the PMC to expand a cold regions program. The program not only allows for the establishment of a supplemental plot network throughout Alaska, it funds additional circumpolar seed exploration/collection projects.

The Cooperative State Research, Education, and Extension Service Program of the USDA funds the research programs (channeled through Alaska's Land Grant University of Fairbanks). The funding for the Alaska Seed Grower's Research Project started in 2003. The funds for the Alaska Ethnobotany Research Project started in 2004. The major construction ranging from new buildings to laboratory remodeling and safety upgrades have been the norm at the PMC since 2003. In 2006 both greenhouses located on Trunk Road were moved to the PMC property near the Bodenburg Butte. The PMC has been very aggressive in securing grants and federal funds. This trend is not expected to decline. The PMC is unique in the fact that the enabling legislation encourages the facility to secure funds from cooperators.