

# MEMORANDUM

(Open Session Report)

State of Alaska  
Department of Law

to: Board of Agriculture and  
Conservation  
  
Division of Agriculture,  
Department of Natural Resources

DATE: April 18, 2016

FILE NO.: BAC general

TEL. NO.: (907) 269-3039

SUBJECT: AAG report for April  
28, 2016 BAC meeting

FROM: Bob McFarlane  
Assistant Attorney General  
Commercial & Fair Business Section  
Anchorage

## **PART 1: NON-CONFIDENTIAL MATTERS FOR OPEN MEETING SESSION**

**Disposal of Mt. McKinley Meat & Sausage:** I have prepared “discussion drafts” of documents for the disposal of MMM&S and those documents will be distributed to the board by the loan officer prior to the April 28, 2016 BAC meeting. The documents contemplate two different scenarios: 1) an outright sale, or 2) a lease with an option to buy. The discussion draft for the sale of MMM&S contemplates a sealed bid auction with a sale to the high bidder (with possible 90 percent financing). The discussion draft for the lease with option to buy contemplates a RFP process which will result in the award of a five year lease with an option to buy. The documents also attempt to address the concerns of the individuals that testified at the public meeting as set out in the decisional document that was prepared after the meeting on March 31, 2016. I have made an effort keep the terms of these documents as uncomplicated and flexible as possible while still maintaining a reasonable level of enforceability in the event of a breach.

Board members are welcome to contact me before the meeting to provide me with any questions, comments, or suggestions they have about these documents.

## **PART 2: CONFIDENTIAL MATTERS FOR EXECUTIVE SESSION**

Open Meetings Act – A.S. 44.62.310(b)<sup>1</sup>  
Attorney Client Privilege - Alaska Evidence Code §503(b)<sup>2</sup>

<sup>1</sup> A motion to convene in executive session must clearly and with specificity describe the subject of the proposed executive session. AS §44.62.310(b).

<sup>2</sup> Section 503(b) of the Alaska Evidence Code states in relevant part: “A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made for the purpose of facilitating the rendition of professional legal services to the client...”

Board of Agriculture and Conservation Statutes<sup>3</sup>  
ARLF Regulations<sup>4</sup>

Legal advice relating to disposal of meat plant as well as terms to be included in any disposal documents.

---

<sup>3</sup> AS §03.09.040 authorizes the board to classify some loan and marketing information confidential.

<sup>4</sup> ARLF Regulations at 11 AAC 39.061 makes most loan information confidential and 11 AAC 39.031(f) authorizes the board to meet in executive session to consider loan applications.