

**CITY OF PALMER ACTION MEMORANDUM**

**SUBJECT:** Authorize the City Manager to Enter into Negotiations with the State Agriculture and Conservation Board Concerning the City's Purchase or Lease of Matanuska Maid Dairy Property ASLS 96-004, Tract A-1

**AGENDA OF: January 8, 2008**

**Council action:** Authorized

**Approved for presentation by B.B. Allen, City Manager** *B.B. Allen*

Route To:	Department/Individual:	Initials:	Remarks:
X	Originator – City Manager		
x	City Clerk	<i>JM</i>	
X	City Attorney	<i>EA</i>	
	Public Safety Director		
X	Administrative Services Director	<i>AD</i>	
	Community Services Director		
X	Planning & Community Development Director		
	Public Works Director		

**Attachment(s):** Anchorage Daily News Story dated 12/10/07 re: No Bidders for Matanuska Maid

**Fiscal note:**

	No fiscal impact.	
	Funds are budgeted from this account number:	
X	Funds are not budgeted. Budget modification is required. Affected account number:	<i>-GF Transfer -04-6029</i>

Finance Director Signature: *[Signature]*

**Summary statement:** The State of Alaska, Department of Natural Resources, Division of Agriculture determined it was necessary to cease operation of the Matanuska Maid State-owned dairy in late December, 2007.

The Agricultural Revolving Loan Fund (ARLF) is an enterprise of the Division of Agriculture and owner of the Matanuska Dairy. The assets of the Matanuska Dairy were offered for sale through a Request for Proposals (RFP); there were no responses to the RFP.

The State Agriculture and Conservation Board is charged with liquidating the assets of Matanuska Maid Dairy. The Board met and is currently undecided regarding the available options to dispose the assets.

The City of Palmer filed a Notice of Interest to purchase the Palmer property in October, 2007.

It is in the City's best interest to secure the property for future public use. The City Manager requests authorization to negotiate with the State Agriculture and Conservation Board to purchase or lease the property.

**Administration recommendation:** Authorize action memorandum 08-001.