

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the April 19, 2013 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board  
Summary Minutes of the Regular Business Meeting  
Franklin County Cooperative Extension Office  
Frankfort, Kentucky  
April 19, 2013**

**Call to Order**

Jamie Link, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:04 a.m. (EDT).

Jim Mahan informed the board that Mr. Link was the Chief Executive Officer of the World Equestrian Games in 2010. Mr. Link added that the Rolex Kentucky Three-Day Event at the Kentucky Horse Park will begin next weekend and invited all to attend.

**Roll Call**

The following members were present: Dr. Betty Bailey; Roy Collins; Karen Curtis; Don Goodin (designee for Secretary Larry Hayes); Pat Henderson; Wayne Hunt; Sam Lawson; Jim Mahan; Wayne Mattingly; Sam Moore; Troy Rankin; Dr. Teferi Tsegaye (designee for President Mary Sias); Jim Sidebottom; Dean M. Scott Smith; Warren Beeler (designee for Commissioner James R. Comer) and Jamie Link (designee for Governor Steven L. Beshear).

**Notification of Media**

Mr. Link received verification from Sandra Gardner, Director of Communications, that the media has been notified of the KADB monthly meeting.

**Welcome**

Mr. Link, Deputy Chief of Staff, Office of the Governor, welcomed everyone to the meeting. Mr. Link informed the board that although he was not a farmer that he comes from a farm family and that he was looking forward to serving on the board as designee for Governor Beshear.

Mr. Link yielded the floor to Warren Beeler. Mr. Beeler stated that he was looking forward to working with the board on Commissioner Comer's behalf and acknowledged the good that the KADB has done across the state.

### **Approval of Minutes**

Mr. Link entertained a motion to approve the March minutes (on file with the board secretary).

Pat Henderson moved to approve the minutes of the March 15, 2013 board meeting as presented; Dr. Betty Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

### **Executive Director's Report**

Mr. Link yielded the floor to Roger Thomas, Executive Director, Governor's Office of Agricultural Policy (GOAP) to give his report to the board.

Mr. Thomas stated that he was pleased to have both Governor Beshear and Commissioner Comer represented. Mr. Thomas informed the board that Mr. Beeler will be a standing member of the Application Review Committees. Mr. Thomas commended Mr. Link's involvement with World Equestrian Games, which received national and international attention.

Mr. Thomas gave an update outlining meetings/events attended since the last board meeting.

Mr. Thomas informed the board the he attended a Farm Foundation meeting in Louisville, the second in a series of five regional meetings to be held across the country. Dawn Riley, Kentucky Agriculture Council, along with Steven Spaulding and others, spearheaded the meeting to discuss foreign policy with an emphasis on feeding the world 20 years from now.

Mr. Thomas called on Joel Neaveill, Chief of Staff, to give a report on a recent meeting held with County Extension Agents. Mr. Neaveill reported that he, along with Kylee Palmer, Director of Compliance, had an opportunity to discuss with County Extension Agents activities of the KADB and issues directly related to County Councils using the University of Kentucky's LYNC technology. Sixty-eight of the 120 counties were represented. Mr. Neaveill stated that this was an efficient and great opportunity to reach out. Feedback indicated that the meeting was very effective. GOAP plans additional meetings of this nature in the future.

Mr. Thomas asked Biff Baker, Project Manager, to give an update on the Kentucky Spring 2013 Hypoxia Task Force Public Meeting held in Louisville. Mr. Baker stated that Dr. Leonard K. Peters, Secretary, Kentucky Energy & Environment Cabinet, along with Commissioner Comer, opened the meeting which gave an overview, progress made, strategies and innovations in addressing water quality and nutrient management for states

that border or have tributaries that flow into the Mississippi River. Twelve states were represented at the meeting. Dean M. Scott Smith suggested having a statewide conference/forum in order to educate and explain, to the agriculture community and producers, the potential impact.

Mr. Thomas called on John McCauley, Executive Director, Kentucky Farm Service Agency (FSA) to give an update to the board. Mr. McCauley stated that Secretary Vilsack, United States Department of Agriculture (USDA), testified before congress this past week and continues to push for a comprehensive 5-year Farm Bill. Mr. McCauley announced a new state committee member, Lee Robey, as of April 1, 2013. Mr. Robey is from Logan County, is Kentucky's largest dairy producer and farms over 15,000 acres.

Mr. Thomas introduced Aleta Botts, Executive Director of the Kentucky Center for Agriculture and Rural Development (KCARD). Ms. Botts informed the board that Larry Snell's last board meeting with KCARD will be held next Friday and invited all in congratulating and wishing him well in his retirement. Ms. Botts stated that she is looking forward to working with KADB.

Dean Smith moved for a Resolution in congratulating Larry Snell on his retirement and for his contribution to farmers across the state; Mr. Henderson seconded.

VOTE: Motion Passed; Unanimous

Mr. Thomas stated that he would attend KCARD's board meeting on Friday to deliver the resolution.

Mr. Thomas informed the board that Diane Napolitano, Scott County Conservation District, was instrumental in the Scott County Cooperative Extension Office hosting the May 17, 2013 KADB Meeting. Troy Rankin expressed, on behalf of Scott County and the local board, their appreciation in hosting the KADB. Mr. Thomas also stated that in addition to the board meeting (10:00 a.m.), the Marketing & Entrepreneurship Committee will meet at 9:00 a.m. to discuss promotional funds for 2013 with the White Application Review Committee to meet at 1:00 p.m. Members will have an opportunity to tour a local project funded by KADB that afternoon.

In addition to May's board meeting, Mr. Thomas noted that following today's board meeting the Recipient Review Committees will meet to review the 2013 first quarter reports for the Kentucky Dairy Development Council (KDDC), Kentucky Beef Network (KBN), Kentucky Department of Agriculture (KDA) and the Kentucky Horticulture Council (KHC). Additionally, on Monday, April 29, the Red Application Review Committee will meet at 10:00 a.m. (CDT) at the Breckinridge County Cooperative Extension Office in Hardinsburg. The KADB/KAFC joint board meetings will be held at Carter Caves State Resort Park in Olive Hill on July 18-19. On October 20-30, the KADB/KAFC Joint Board Meeting and GOAP Conference will be held at the Sloan Convention Center in Bowling Green.

Mr. Thomas called on Angela Blank, Director of Public Relations, to give an update outlining the upcoming October Joint (KADB/KAFC) board meetings and GOAP Conference. In addition, Ms. Blank thanked Mr. McCauley, FSA, in securing Michael Scuse, Under Secretary, USDA, as the keynote speaker for the conference. Mr. McCauley announced that the entire FSA state committee will be in attendance on October 29 for the board meetings.

Mr. Thomas referenced a memo (on file with the board secretary) from Ms. Blank outlining the investment made to the Kentucky Broadcaster's Association (KBA), Public Education Partnership (PEP) program in relation to the value of commercial/radio air dates from August 2012 through February 2013 with a detail of February activity.

Mr. Thomas referenced a memo (on file with the board secretary) from Ms. Gardner and Ms. Blank titled Quarterly Marketing and Communications Report (January – March 2013).

Mr. Thomas announced that he has been asked by the State Agriculture & Rural Leaders (SARL) to speak about the Kentucky Agricultural Development Fund (KADF) at the 2013 Legislative Agriculture Chairs Summit, June 7-9, in Vancouver, British Columbia. Legislative Agriculture Chairs from all 50 states will be represented at the Summit.

Mr. Thomas called on Bill McCloskey, Director of Financial Services, to review the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (on file with the Board Secretary) as of March 31, 2013.

Jim Sidebottom moved to accept the KAFC Financial Report; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

Mr. McCloskey announced the next KAFC Board meeting will be held Friday, May 10, at 10:00 a.m. (EDT) at the Transportation Cabinet Office Building in Frankfort.

Mr. Mahan announced the University of Kentucky College of Agriculture's recognition of Roger Thomas as the recipient of the Thomas Poe Cooper Award. Dean Smith stated that the award was in recognition of Mr. Thomas's service to agriculture in Kentucky. Dean Smith further stated that there is a cash endowment along with the award and informed the board that Mr. Thomas has chosen to give the monetary award to Kentucky 4-H and FFA youth leadership programs. The board congratulated Mr. Thomas on his award. Mr. Thomas stated that 4-H and FFA had greatly influenced his life and was proud to be able to give back to the youth in agriculture.

Mr. Thomas announced that on Monday, April 22, at 10:00 a.m., he and Mr. McCloskey will attend a ribbon cutting ceremony in Louisville for Charah Inc., a project funded by KAFC.

## Old Business

### Memo Action Items

Mr. Link called on staff to present the following memo action items to the Board for consideration:

#### **A2007-0261            Bluegrass Lamb & Goat, LLC**

Brian Murphy, General Counsel, presented a memorandum (on file with the Board Secretary) regarding the above-referenced project. The Recipient requested an amendment to their forgivable loan and an additional loan.

The Red Application Review Committee recommended to deny this request.

Don Goodin moved to approve the committee recommendation as presented; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous

#### **A2012-0027            Grasshoppers Distribution, LLC**

Mr. Murphy presented a memorandum (on file with the Board Secretary) regarding the above-referenced project. The Recipient requested a reallocation and time extension.

The Red Application Review Committee recommended the continuance of the original terms of the 2009 loan with a \$7,000 payment to GOAP no later than April 15, 2013; an immediate payment of \$80,889 toward the balance of the 2012 loan; modification of the budget to reflect value-added strategy and to extend the deadline to June 30, 2014 in which to solicit and secure county funds matched by state funds up to \$50,000. In addition, the committee recommended when making their presentations in request of county funds, the Recipient be required to inform county councils that the organization was under new leadership with a different marketing strategy, which required budget modifications be approved by the KADB.

After much discussion, Dean Smith moved the Committee's recommendation adding to include a non-voting representative from the KADB sit on Grasshopper's board, an audit of their financial records and monthly financial statements be provided to the board; Sam Lawson seconded the motion.

VOTE: Motion Passed with Dissent; Karen Curtis abstained.

## New Business

### New Applications for Referral<sup>1</sup>

Mr. Link referenced six (6) applications for referral:

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<sup>1</sup> A detailed list of Applications for Referral is attached as Appendix A.

Mr. Lawson moved to refer the submitted applications; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

### **Programs Recommended for Approval<sup>2</sup>**

Mr. Link referenced one County Agricultural Investment Program (CAIP) application requesting county funds totaling \$15,269; one Deceased Farm Animal Removal Program (DAR) application requesting county funds totaling \$6,625; and one Shared-use Equipment application requesting county funds totaling \$5,117. Total program funding requested was \$27,011.

Ms. Curtis moved to approve the program recommendations as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous

### **Requested Program Amendments<sup>3</sup>**

Mr. Link referenced five (5) CAIP Amendments requesting county funds totaling \$100,459.

Mr. Rankin moved to approve the program amendments as presented; Wayne Hunt seconded the motion.

VOTE: Motion Passed; Unanimous

### **Recommendations for Funding**

Mr. Link called on staff to present the following recommendations for funding:

#### **A2013-0034 Henry County Cattlemen's Association, Inc.**

Mr. Baker, presented the above-referenced project from Henry County Cattlemen's Association, Inc. requesting \$2,500 in to pay for a feasibility study for a multi-species animal slaughter/meat processing facility.

The Red Application Review Committee recommended funding this request for up to \$1,000 in Henry County funds, \$250 in Oldham County funds, \$250 in Shelby County funds and \$250 in Trimble County funds.

Mr. Goodin moved to approve the committee recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

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<sup>2</sup> A detailed list of projects funded under the County Agricultural Investment Program, Deceased Farm Animal Removal Program and Shared-use Equipment Program is attached as Appendix B.

<sup>3</sup> A detailed list of County Agricultural Investment Program amendments is attached as Appendix C.

**A2013-0035            Kentucky Association of Food Banks**

Mr. Baker presented the above-referenced project from the Kentucky Association of Food Banks requesting \$150,000 in state funds to purchase surplus produce to distribute free to low-income consumers.

The Red Application Review Committee recommended funding this request in county funds and up to \$75,000 in state funds.

Mr. Mahan moved to approve the committee recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

**2013-0036            Jessamine County FFA Alumni Association, Inc.**

Mr. Baker presented the above-referenced project from Jessamine County FFA Alumni Association, Inc. requesting \$8,000 in Jessamine County funds to cost-share with 4H/FFA students on agriculture-related projects.

The Red Application Review Committee recommended funding this request for \$8,000 in Jessamine County funds.

Mr. Mahan moved to approve the committee recommendation; Sam Moore seconded the motion.

VOTE: Motion Passed; Unanimous

**A2013-0038            Meade County Riverport Authority**

Mr. Baker presented the above-referenced project from Meade County Riverport Authority requesting \$2,000,000 in state funds to construct a regional port facility in Brandenburg, Kentucky.

The Red Application Review Committee recommended funding this request for \$2,000,000 in state funds, contingent upon receiving documentation by the Meade County Fiscal Court to guarantee the loan.

Meade County Judge Executive, Gerry Lynn, was present and delivered an inter-local agreement between the Meade County Riverport Authority and the Meade County Fiscal Court to guarantee the loan.

Mr. Henderson moved to approve the committee recommendation contingent upon review and approval of the presented document by the Finance and Administration Cabinet; Mr. Beeler seconded the motion.

VOTE: Motion Passed; Unanimous

### **Recommendations for No Funding**

Mr. Link called on staff to reference the following recommendations for no funding:

**A2013-0037            Crystal Bridge Fish Farm LLC**

Mr. Baker presented the above-referenced project from Crystal Bridge Fish Farm LLC requesting \$74,000 in state funds and \$1,000 in Oldham County funds to construct an indoor facility to hatch and raise Australian red claw crayfish.

The Red Application Review Committee recommended no funding this request.

Mr. Rankin moved to approve the committee recommendation; Ms. Curtis seconded the motion.

VOTE: Motion Passed; Unanimous

**A2013-0050            Madison County Conservation District**

Tammy Brookshier, Program Coordinator, presented the above-referenced project from Madison County Conservation District requesting \$7,500 in Madison county funds to provide free removal and disposal of deceased animals.

Staff recommends no funding this request due to low priority from the Madison County Council.

Mr. Moore moved to approve the staff recommendation; Dean Smith seconded the motion.

VOTE: Motion Passed; Unanimous

### **Pending Applications**

Mr. Link referenced the following pending applications and invited the board to ask questions of any:

A2012-0004	Kentucky World Trade Center, Inc.
A2012-0152	Meat Hook LLC
A2013-0024	Barren County Board of Education
A2013-0042	CAIP - Meade County Cattlemen's Association, Inc.
A2013-0048	CAIP - Green River Area Beef Improvement Group, Inc.
A2013-0049	DAR - Oldham County Fiscal Court
A2013-0058	CAIP - Green River Area Beef Improvement Group, Inc.

No action necessary.

**Adjournment**

Mr. Link entertained a motion to adjourn.

Dr. Bailey moved to adjourn the April KADB meeting; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous

The KADB meeting adjourned at 11:52 a.m. (EDT).

APPROVED DATE: 5/17/13

PRESIDING OFFICER: Jamie Link

BOARD SECRETARY: Teresa Spreitzer

## Appendix A: Applications for Referral

APP #	APPLICANT	COUNTY
A2013-0043	Green County Cattlemen's Association, Inc. <i>Heifer Chain Program</i>	Green
A2013-0044	Buffalo Trace Area Development District, Inc. <i>Hillside Reclamation</i>	Bracken
A2013-0052	Daviess County Lions Club Fair, Inc. <i>Agricultural Multi-purpose Building</i>	Daviess
A2013-0053	Daviess County High School <i>Greenhouse Renovation</i>	Daviess
A2013-0054	Green River Area Beef Improvement Group, Inc. <i>Youth Agricultural Production</i>	Daviess
A2013-0063	Kentucky School for the Deaf Charitable Foundation, Inc. <i>Kentucky School for the Deaf Student Farm</i>	Boyle

**Appendix B: Program Lists**

<b>CAIP</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2013-0062	Harrison County Beef Cattle Association, Inc.	Harrison	\$15,269.00
			\$15,269.00
<b>Deceased Farm Animal Removal Program</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2013-0061	Montgomery County Fiscal Court	Montgomery	\$6,625.00
			\$6,625.00
<b>Shared-use Equipment</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2013-0051	Madison County Farm Bureau, Inc. of Madison County, Kentucky	Madison	\$5,117.00
			\$5,117.00

Total County Funds Recommended for Approval in Programs: **\$27,011.00**

## Appendix C: Program Amendments

**App #** A2012-0178  
**Applicant Name** Allen County Conservation District  
**Original Amount Approved** \$146,512  
**Execution Date** 12/11/2012  
**Requested Change** The applicant requests an additional \$16,032 in Allen County funds for the *CAIP program*. The request received a high priority from the Allen County Council.  
 This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
 Approval of this request would bring the program total to \$162,544.

**Recommend Approval**

**App#** A2012-0245  
**Applicant Name** Scott County Conservation District  
**Original Amount Approved** \$269,743  
**Execution Date** 09/11/2012  
**Requested Change** The applicant requests an additional \$20,500 in Scott County funds for the *CAIP program*. The request received a high priority from the Scott County Council.  
 This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
 Approval of this request would bring the program total to \$290,243.

**Recommend Approval**

**App#** A2012-0248  
**Applicant Name** Woodford County Agriculture Advancement Council, Inc.  
**Original Amount Approved** \$250,000  
**Execution Date** 09/12/2012  
**Requested Change** The applicant requests an additional \$34,565 in Woodford County funds for the *CAIP program*. The request received a high priority from the Woodford County Council.  
 This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
 Approval of this request would bring the program total to \$284,565.

**Recommend Approval**

## Appendix C: Program Amendments

**App #** A2013-0012  
**Applicant Name** County Agriculture Investment Program Council, Inc.  
**Original Amount Approved** \$99,750  
**Execution Date** 01/30/2013  
**Requested Change** The applicant requests an additional \$27,000 in Russell County funds for the *CAIP program*. The request received a high priority from the Russell County Council.  
 This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
 Approval of this request would bring the program total to \$126,750.  
**Recommend Approval**

**App#** A2013-0014  
**Applicant Name** Muhlenberg County Cattlemen's Association, Inc.  
**Original Amount Approved** \$44,539.00  
**Execution Date** 02/04/2013  
**Requested Change** The applicant requests an additional \$2,362 in Muhlenberg County funds for the *CAIP program*. The request received a high priority from the Muhlenberg County Council.  
 This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
 Approval of this request would bring the program total to \$46,901.  
**Recommend Approval**

Kentucky Agricultural Development Board Meeting  
**MEETING AGENDA**



*Franklin County Cooperative Extension Office  
101 Lakeview Court, Room E/F  
Frankfort, Kentucky 40601*

**Friday, April 19, 2013  
10:00 a.m. (EDT)**

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**Call to Order**

**Roll Call**

**Notification of Media**

**Welcome**

**Review and Approval of Meeting Minutes for March 15, 2013**

**Executive Director's Report**

Roger Thomas, Executive Director

**Old Business**

Memo Action Items

A2007-0261 Bluegrass Lamb & Goat, LLC

*Loan Request*

A2012-0027 Grasshoppers Distribution, L.L.C.

*Time Extension and Reallocation*

**New Business**

New Applications for Referral

Programs Recommended for Approval

Requested Program Amendments

Recommendations for Funding

Recommendations for No-Funding

Pending Applications

**Adjournment**