

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the September 19, 2014 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
Kentucky Exposition Center
Louisville, Kentucky
September 19, 2014**

Call to Order

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

Roll Call

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

Members absent: Wayne Hunt

Notification of Media

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

Welcome

Mr. Link welcomed everyone to the meeting.

Approval of Minutes

Mr. Link entertained a motion to approve the minutes of the August 15, 2014 board meeting.

Mr. Sidebottom moved to approve the minutes, as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

Executive Director's Report

Mr. Link yielded the floor to Roger Thomas, Executive Director, GOAP, to give his report to the board.

Mr. Thomas yielded the floor to Warren Beeler to give an update about the Kentucky Department of Agriculture (KDA).

Mr. Beeler reported to the board about various KDA activities throughout the state.

Mr. Thomas reported to the board about the work being done by GOAP staff members throughout the state. Highlights included staff presence at the groundbreaking ceremony for the Breathitt Lab, World Trade Day in Lexington, efforts to improve Kentucky's agricultural exports, ribbon cutting for the Meade County Riverport and an Extension Agent Advisory Committee meeting.

Mr. Thomas yielded the floor to Joel Neaveill, Chief of Staff, GOAP, to report further about the GOAP/Extension Agent Advisory Committee meeting.

Mr. Neaveill explained that the meeting was designed to solicit ideas and suggestions about county agricultural development council administration.

Mr. Thomas called on Dean Cox to give an update about agriculture at the University of Kentucky. Dean Cox told the board that UK successfully hosted the annual Ag Roundup event at which the Kentucky Agricultural Finance Corporation (KAFC) and the Interim Joint Committee on Agriculture both met.

Mr. Thomas called on John McCauley, Farm Service Agency (FSA) State Executive Director to give a report regarding his agency. Mr. McCauley reported about the status of state-wide farm bill training and the recruitment of new FSA County Executive Directors.

Mr. Thomas called on Aleta Botts, Executive Director, Kentucky Center for Agriculture and Rural Development (KCARD), to give a report regarding her agency. Ms. Botts reported that KCARD had successfully aided five applicants in obtaining \$400,000 in USDA Value Added Producer grants.

Mr. Link opened the floor to board members for open discussion.

Mr. Rankin reported that he had the opportunity to visit a field day event in Pulaski County. In his remarks at the event he challenged the local county council to come up with original ideas that the KADB could have a hand in funding.

Mr. Rankin moved that the board issue a resolution challenging local county councils to come up with creative, new ideas to improve Kentucky's agricultural industry that could be funded with KADF dollars, Dr. Bailey seconded this motion.

VOTE: Motion passed; Unanimous

Mr. Thomas yielded the floor to Mr. Neaveill to discuss the October joint KADB/KAFC meeting.

Mr. Neaveill outlined the tentative schedule for the October meeting to be held at the Owensboro Convention Center on October 16 and 17.

Mr. Thomas referenced a memo within the board book prepared by Angela Blank, Director of Public Affairs, regarding the Public Education Partnership Program.

Mr. Thomas yielded the floor to Bill McCloskey, Director of Financial Services, to review the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (on file with the Boards Coordinator) as of August 31, 2014.

Mr. Henderson moved to accept the KAFC Financial Report; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous

Mr. Thomas recognized Christy Cassady and asked her to give a report about the Center for Crop Diversification grant.

Ms. Cassady briefly outlined the work being done by the Center for Crop Diversification to disseminate information regarding different crops and innovative growing techniques. Ms. Cassady further thanked the board for the 1-year bridge funding for the program which allowed the Center to successfully pursue ongoing funding support from other external sources.

New Business

New Applications for Referral¹

Mr. Link called on Mr. Thomas to present the new applications for referral.

Mr. Thomas referenced four (4) applications for referral.

Mr. Moore moved to refer the submitted applications; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous

Programs Recommended for Approval²

Mr. Link called on Mr. Thomas to present the programs recommended for approval.

Mr. Thomas referenced sixteen (16) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$2,341,374; and one (1) Shared-use Equipment Program applications requesting county funds totaling \$2,569. Total program funding requested \$2,343,943.

Dr. Bailey moved to approve the program recommendations, as presented; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous

Requested Program Amendments³

Mr. Link called on Mr. Thomas to present the requested program amendments.

¹ A detailed list of new applications for referral is attached as Appendix A.

² A detailed list of projects funded under the County Agricultural Investment Program and Deceased Farm Animal Removal Program is attached as Appendix B.

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

Mr. Thomas referenced five (5) CAIP Amendments requesting county funds totaling \$703,538.

Dr. Bailey moved to approve the program amendments, as presented; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous

On-Farm Energy Efficiency Incentives Program Recommendations for Approval⁴

Mr. Link called on Angie Justice, Energy Program Coordinator, to present the On-Farm Energy Efficiency Incentives Program recommendations for approval.

Ms. Justice informed the board that the Energy Application Review Committee met on August 13 to review the submitted applications. Ms. Justice referenced thirty (30) On-Farm Energy Efficiency Incentives Program applications requesting funds totaling \$260,250. The Energy Application Review Committee recommended approval of these requests.

Mr. Collins moved to approve the committee recommendation, as presented; Mr. Goodin seconded the motion.

VOTE: Motion Passed; Unanimous

On-Farm Energy Efficiency Incentives Program Recommendations for No Funding⁵

Mr. Link called on Ms. Justice to present the On-Farm Energy Efficiency Incentives Program recommendations for no funding.

Ms. Justice referenced one (1) On-Farm Energy Efficiency Incentives Program applications for no funding. The applicant did not qualify under guideline #6 "Applicant must receive **either** at least \$50,000 in gross farm income **or** 20% of gross income from farming for previous two years, as evidenced by federal income tax returns."

The Energy Application Review Committee recommended no funding this request.

Dr. Bailey moved to approve the committee recommendation, as presented; Mr. Moore seconded the motion.

VOTE: Motion Passed; Unanimous

Project Recommendations for Funding

Mr. Link called on Biff Baker, Project Manager, to present the following project recommendations for funding:

A2014-0132 Carlisle County Extension District Board

Mr. Baker referenced the above project from Carlisle County Extension District Board requesting \$50,000 in county funds to purchase kitchen equipment and audiovisual equipment for a certified kitchen and demonstration area.

⁴ A detailed list of On-Farm Energy Efficiency Incentives Program Recommendations for Approval is attached as Appendix D.

⁵ A detailed list of the On-Farm Energy Efficiency Incentives Program Recommendations for No Funding is attached as Appendix E.

The White Application Review Committee recommended funding this request.

Ms. Curtis moved to approve the committee recommendation; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous

A2014-0164 University of Kentucky Research Foundation

Mr. Baker referenced the above project from University of Kentucky Research Foundation requesting \$441,301 in state funds over two years for staffing and operating expenses relating to UK's viticulture program.

The White Application Review Committee recommended funding this request.

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

VOTE: Motion Passed; Dean Cox abstained

Project Recommendation for No Funding

Mr. Link called on Mr. Baker to present the project recommendation for no funding.

A2014-0085 Kentucky Vineyard Society, Inc.

Mr. Baker referenced the above project from the Kentucky Vineyard Society Inc., requesting \$677,996 in state funds for staffing and operating expenses and for funding UK's viticulture extension personnel

The White Application Review Committee recommended no funding this request because of inadequate benchmarks and a lack of impact on the grape and wine industry.

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

VOTE: Motion Passed; Dean Cox abstained

Withdrawn/Expired Application

Mr. Link referenced the following withdrawn/expired applications.

| | |
|------------|---|
| A2013-0276 | Appalachia-Science in the Public Interest (Expired) |
| A2014-0111 | City of Beaver Dam (Withdrawn) |
| A2014-0133 | Powell County 4-H Council (Withdrawn) |

No action necessary.

Pending Applications

Mr. Link referenced the following pending applications.

| | |
|------------|-------------------------------------|
| A2014-0075 | Oldham County Fiscal Court |
| A2014-0138 | Pumpkin Vine Creek, LLC |
| A2014-0156 | Taylor County Conservation District |

No action necessary.

Adjournment

Mr. Link entertained a motion to adjourn.

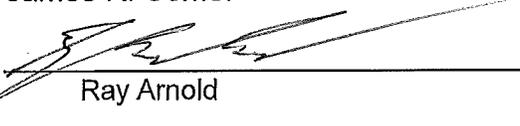
Ms. Curtis moved to adjourn the September KADB meeting; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous

The KADB meeting adjourned at 11:06 a.m. (EDT).

APPROVED DATE: 10/17/14

PRESIDING OFFICER: 
James R. Comer

BOARD SECRETARY: 
Ray Arnold

Appendix A: Applications for Referral

| APP # | APPLICANT | COUNTY |
|------------|--|------------|
| A2014-0151 | Family Fields iMarket LLC <i>Produce Facility/Certified Kitchen</i> | Washington |
| A2014-0152 | Washington County Board of Education <i>High School Greenhouse</i> | Washington |
| A2014-0158 | Taylor County Cattlemen's Association, Inc. <i>Youth Heifer Chain</i> | Taylor |
| A2014-0170 | Pleasureville Economic Development Council, LLC <i>Indoor Farmer's Market</i> | Shelby |
| A2014-0171 | Owen County 4-H Club Council, Incorporated <i>4-H Youth Cost-share</i> | Owen |
| A2014-0172 | Kentucky Horticulture Council, Inc. <i>Statewide Horticulture Program</i> | Jefferson |

Appendix B: Program Lists

CAIP

| <u>Application</u> | <u>Program Administrator</u> | <u>County</u> | <u>Funds Requested</u> |
|--------------------|---|---------------|------------------------|
| A2014-0118 | Green River Area Beef Improvement Group, Inc. | Henderson | \$20,000.00 |
| A2014-0148 | Green River Area Beef Improvement Group, Inc. | McLean | \$52,979.00 |
| A2014-0149 | Green River Area Beef Improvement Group, Inc. | Webster | \$16,568.00 |
| A2014-0153 | Edmonson Co Cattleman Association Inc. | Edmonson | \$77,500.00 |
| A2014-0154 | Barren County Conservation District | Barren | \$300,000.00 |
| A2014-0155 | Taylor County Cattlemen's Association, Inc. | Taylor | \$165,565.00 |
| A2014-0157 | Trigg County Soil Conservation District | Trigg | \$69,687.00 |
| A2014-0159 | County Agriculture Investment Program Council, Inc. | Russell | \$182,000.00 |
| A2014-0160 | Gallatin County Livestock Association, Incorporated | Gallatin | \$89,000.00 |
| A2014-0161 | Carter County Agriculture Advancement Council, Inc. | Carter | \$115,000.00 |
| A2014-0162 | Washington County Cattlemen Association, Inc. | Washington | \$195,689.00 |
| A2014-0163 | Robertson County Conservation District | Robertson | \$229,386.00 |
| A2014-0165 | Woodford County Agriculture Advancement Council, Inc. | Woodford | \$250,000.00 |
| A2014-0166 | Owen County Farm Bureau, Inc. | Owen | \$330,000.00 |
| A2014-0167 | Lyon County Conservation District | Lyon | \$48,000.00 |
| A2014-0168 | Pulaski County Conservation District | Pulaski | \$200,000.00 |
| | | | \$2,341,374.00 |

Shared-use Equipment

| <u>Application</u> | <u>Program Administrator</u> | <u>County</u> | <u>Funds Requested</u> |
|--------------------|--------------------------------------|---------------|------------------------|
| A2014-0169 | Pulaski County Conservation District | Pulaski | \$2,569.00 |
| | | | \$2,569.00 |

Total County Funds Recommended for Approval in Programs: **\$2,343,943.00**

Appendix C: Program Amendments

App # A2013-0318
Applicant Name Metcalfe County Conservation District
Original Amount Approved \$239,241
Execution Date 1/07/2014
Requested Change The applicant requests an additional **\$234,317** in Metcalfe County funds for the CAIP program. The request received a high priority from the Metcalfe County Council.
 This is the second 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.
 The first request for an amendment to this application number was approved on 5/16/14 for an additional \$8,032 in Metcalfe County funds. Approval of this request would bring the program total to \$481,590.
Recommend Approval

App# A2014-0027
Applicant Name Muhlenberg County Cattlemen's Association, Inc.
Original Amount Approved \$40,081
Execution Date 7/14/2014
Requested Change The applicant requests an additional **\$15,165** 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 \$55,246.
Recommend Approval

App# A2014-0083
Applicant Name Bourbon County Fiscal Court
Original Amount Approved \$13,000
Execution Date 8/22/2014
Requested Change The applicant requests an additional **\$304,056** in Bourbon County funds for the CAIP program. The request received a high priority from the Bourbon 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 \$317,056.
Recommend Approval

Appendix C: Program Amendments

| | |
|---------------------------|--|
| App# | A2014-0070 |
| Applicant Name | Jessamine County FFA Alumni Association, Inc. |
| Original Amount Approved | \$60,000 |
| Execution Date | 7/01/2014 |
| Requested Change | The applicant requests an <u>additional</u> \$75,000 in Jessamine County funds for the CAIP program. The request received a <u>high</u> priority from the Jessamine 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 \$135,000. |
| Recommend Approval | |

| | |
|---------------------------|---|
| App # | A2014-0070 |
| Applicant Name | Jessamine County FFA Alumni Association, Inc. |
| Original Amount Approved | \$60,000 |
| Execution Date | 7/01/2014 |
| Requested Change | The applicant requests an <u>additional</u> \$75,000 in Jessamine County funds for the CAIP program. The request received a <u>high</u> priority from the Jessamine County Council. This is the second 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 \$210,000. |
| Recommend Approval | |

Appendix D: On-farm Energy Programs Approved

| APP # | APPLICANT | COUNTY | FUNDS REQUESTED |
|------------|--|--------------|-----------------|
| A2014-0066 | Harold Bruce Willis <i>Dairy Production - Total Project Cost - \$20,000.00</i> | Adair | \$10,000.00 |
| A2014-0072 | Tim Baker Dairy <i>Dairy Production - Total Project Cost - \$16,000.00</i> | Adair | \$8,000.00 |
| A2014-0076 | Philip L. Flood <i>Poultry Production - Total Project Cost - \$71,905.00</i> | Breckinridge | \$10,000.00 |
| A2014-0088 | Smith Brothers Dairy <i>Dairy Production - Total Project Cost - \$10,700.00</i> | Washington | \$5,350.00 |
| A2014-0090 | Greg and Joy Goode <i>Dairy Production - Total Project Cost - \$34,000.00</i> | Casey | \$10,000.00 |
| A2014-0096 | Triple T. Farm, LLC <i>Other (greenhouse) - Total Project Cost - \$22,854.00</i> | Pulaski | \$10,000.00 |
| A2014-0097 | Barnett Poultry <i>Poultry Production - Total Project Cost - \$83,850.00</i> | Hickman | \$10,000.00 |
| A2014-0098 | Triple S. Dairy <i>Dairy Production - Total Project Cost - \$10,455.00</i> | Russell | \$5,226.00 |
| A2014-0099 | Brown Dairy <i>Dairy Production - Total Project Cost - \$26,000.00</i> | Metcalfe | \$10,000.00 |
| A2014-0100 | Judd Dairy <i>Dairy Production - Total Project Cost - \$10,335.00</i> | Barren | \$5,168.00 |
| A2014-0101 | Circle G Farms <i>Poultry Production - Total Project Cost - \$40,930.00</i> | Cumberland | \$10,000.00 |
| A2014-0104 | Johnny R. Vickers <i>Grain Production - Total Project Cost - \$43,237.00</i> | McLean | \$10,000.00 |
| A2014-0105 | Charles Kevin Dame <i>Grain Production - Total Project Cost - \$215,000.00</i> | McLean | \$10,000.00 |
| A2014-0106 | Jeremy T. Graham <i>Grain Production - Total Project Cost - \$23,971.00</i> | McLean | \$10,000.00 |
| A2014-0107 | Richard Smith & Sons <i>Grain Production - Total Project Cost - \$153,085.00</i> | McLean | \$10,000.00 |
| A2014-0114 | Gingerich Poultry Farm <i>Poultry Production - Total Project Cost - \$29,000.00</i> | Webster | \$10,000.00 |
| A2014-0115 | C & C Poultry <i>Poultry Production - Total Project Cost - \$15,476.00</i> | Edmonson | \$7,738.00 |
| A2014-0123 | David Eric Pobst <i>Poultry Production - Total Project Cost - \$60,700.00</i> | Ballard | \$10,000.00 |
| A2014-0124 | Simon L. Yoder <i>Dairy Production - Total Project Cost - \$20,612.00</i> | Todd | \$10,000.00 |

Appendix D: On-farm Energy Programs Approved

| APP # | APPLICANT | COUNTY | FUNDS REQUESTED |
|--|---|----------|---------------------|
| A2014-0125 | Shelton Dairy <i>Dairy Production - Total Project Cost - \$10,453.00</i> | Barren | \$5,227.00 |
| A2014-0126 | Bertram Farms <i>Dairy Production - Total Project Cost - \$40,800.00</i> | Barren | \$10,000.00 |
| A2014-0139 | Linda Hamilton <i>Poultry Production - Total Project Cost - \$21,000.00</i> | Carlisle | \$10,000.00 |
| A2014-0140 | England Poultry <i>Poultry Production - Total Project Cost - \$24,600.00</i> | Daviess | \$10,000.00 |
| A2014-0141 | Adam Ping Dairy <i>Dairy Production - Total Project Cost - \$34,000.00</i> | Pulaski | \$10,000.00 |
| A2014-0142 | Michael Farmer <i>Dairy Production - Total Project Cost - \$21,500.00</i> | Marion | \$10,000.00 |
| A2014-0143 | Gordon & Sons Farm, Inc. <i>Poultry Production - Total Project Cost - \$20,400.00</i> | Ballard | \$10,000.00 |
| A2014-0144 | Cissell Dairy <i>Dairy Production - Total Project Cost - \$45,270.00</i> | Marion | \$10,000.00 |
| A2014-0145 | Blaydes Dairy <i>Dairy Production - Total Project Cost - \$3,470.00</i> | Metcalfe | \$1,735.00 |
| A2014-0146 | Garry Reese <i>Dairy Production - Total Project Cost - \$3,611.00</i> | Shelby | \$1,806.00 |
| A2014-0147 | Austin Poultry <i>Poultry Production - Total Project Cost - \$49,400.00</i> | Webster | \$10,000.00 |
| Total State Funds Recommended for Approval in Program: | | | \$260,250.00 |

Appendix E: On-farm Energy Program Denied

| APP # | APPLICANT | COUNTY | FUNDS REQUESTED |
|------------|--|--------|-----------------|
| A2014-0060 | Legacy Dairy, LLC <i>Dairy Production - Total Project Cost - \$6,419.00</i> | Barren | \$3,209.00 |