

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the February 19, 2016 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
Thomas D. Clark Center for History
Frankfort, Kentucky
February 19, 2016**

Call to Order

Commissioner Ryan Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:05 a.m. (EST)

Roll Call

The following members were present:

Dr. Betty Bailey, Dean Nancy M. Cox, Don Goodin (designee for Interim Secretary Erik Dunnigan), Pat Henderson, Wayne Hunt, Jim Mahan, Wayne Mattingly, Sam Moore, Dr. Kirk Pomper (designee for KSU President Raymond Burse), Troy Rankin, Jim Sidebottom, and Commissioner Ryan Quarles.

Members absent: Governor Matt Bevin, Karen Curtis, and Richard Warner.

Notification of Media

Commissioner Quarles received verification from Ray Arnold, GOAP Boards Coordinator, that the media had been notified of the KADB monthly meeting.

Welcome

Commissioner Quarles welcomed everyone to the meeting.

Commissioner Quarles updated the board regarding the recent Blue Grass Stockyards fire and plans to rebuild the facility.

Commissioner Quarles encouraged everyone in attendance to support the Kentucky Ag Tag Voluntary Donation Program when renewing their license plates.

Commissioner Quarles held a moment of silence in honor of recently deceased Henderson County Judge/Executive Hugh McCormick.

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the January 15, 2016 board meeting.

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

VOTE: Motion Passed; Unanimous.

Appointment

Commissioner Quarles entertained a motion to appoint Warren Beeler Chief Executive Officer (CEO) of the Kentucky Agricultural Development Fund.

Mr. Moore moved to appoint Mr. Beeler; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

Commissioner Quarles yielded the chair to his proxy, Keith Rogers, Kentucky Department of Agriculture Chief of Staff.

Executive Director's Report

Mr. Rogers yielded the floor to Mr. Beeler, GOAP Executive Director, to report to the board.

Mr. Beeler notified the board that Dr. Luther Hughes, GOAP Project Manager, would be leaving the staff at the conclusion of his contract on February 24, 2016.

Dr. Hughes expressed his admiration for the accomplishments of the KADF and his appreciation for having the opportunity to work at GOAP.

Mr. Beeler outlined the 2016-2018 GOAP agency budget, as contained within the Governor's budget proposal.

Mr. Beeler updated the board on the activities of GOAP staff since the January KADB meeting.

Director of Financial Services Report

Mr. Rogers yielded the floor to Bill McCloskey, GOAP Director of Financial Services, to report to the board.

Mr. McCloskey outlined an article regarding the KAFC-backed installation of a robotic milker at Chaney's Dairy Barn in Warren County. *(on file with the Boards Coordinator)*

Mr. McCloskey referenced a memo *(on file with the Boards Coordinator)* from Sandra Gardner, GOAP Director of Compliance & Outreach, summarizing the value of the Kentucky Broadcasters Association Public Education Partnership (PEP) program for December 2015.

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file with the Boards Coordinator*) as of January 31, 2016.

After the review, Mr. McCloskey announced that the next scheduled KAFC Board meeting would be held on Friday, March 11, 2016, at 10:00 a.m. (EST) in room C109 of the Transportation Cabinet building in Frankfort.

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

VOTE: Motion Passed; Unanimous.

Presentations

Mr. Rogers introduced Emily Kay Downey, Alltech North American Marketing Manager. Ms. Downey informed the board of an upcoming conference entitled "One" to be held in Lexington, KY from May 22 to 25, 2016. (*Handout provided on file with the Boards Coordinator*)

Mr. Rogers yielded the floor to staff to introduce remaining presentations.

Dr. Hughes introduced Dr. Stuart Foster, State Climatologist for Kentucky, to update the board regarding the Kentucky Mesonet System. (*PowerPoint on file with the Boards Coordinator*)

Mr. Beeler noted the importance of Mesonet data for processing USDA Livestock Indemnity Program insurance claims for livestock deaths in excess of normal mortality caused by adverse weather.

Ms. Gardner introduced Rebecca Koury Woods, Co-Chair of Appalachian Alternative Agriculture of Jackson County (3AJC). Ms. Woods updated the board on the activities of her organization. The presentation was given to fulfill a reporting requirement for project A2014-0246. (*Handout provided on file with the Boards Coordinator*)

Old Business

Memo Action Item

Mr. Rogers called on Biff Baker, GOAP Project Manager, to present the following memo action item:

A2014-0170 Pleasureville Economic Development Council, LLC

Mr. Baker presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested a budget-reallocation and a no-cost time extension until April 3, 2016.

Staff recommended approval of the request.

Mr. Mattingly moved to approve the staff recommendation, as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

New Applications for Referral¹

Mr. Rogers called on Mr. McCloskey to present new applications for referral.

Mr. McCloskey referenced four (4) new applications for referral.

Mr. Rankin moved to refer the submitted applications to the Red Application Review Committee; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval²

Mr. Rogers called on Mr. McCloskey to present programs recommended for approval.

Mr. McCloskey referenced six (6) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$1,228,600; two (2) Deceased Farm Animal Removal Program (DAR) applications totaling \$15,000; and two (2) Shared-Use Equipment Program applications requesting county funds totaling \$14,500. Total program funding requested was \$1,258,100.

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

VOTE: Motion Passed; Mr. Henderson abstained.

Requested Program Amendment³

Mr. Rogers called on Mr. McCloskey to present a requested program amendment.

Mr. McCloskey referenced one (1) CAIP Amendment requesting additional county funds totaling \$70,000.

Mr. Sidebottom moved to approve the program amendment, as presented; Mr. Goodin seconded the motion.

VOTE: Motion Passed; Unanimous.

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, Deceased Farm Animal Removal Program and Shared-Use Equipment Program is attached as Appendix B.

³ A detailed County Agricultural Investment Program amendment is attached as Appendix C.

Project Recommendations for Funding

Mr. Rogers called on Dr. Hughes to present the following recommendations for funding:

A2015-0221 Logan County Agricultural Extension Foundation, Inc.

Dr. Hughes referenced the above application from Logan County Agricultural Extension Foundation, Inc, requesting \$5,443 in Logan County funds to purchase and install an exhaust fan in a multi-purpose agricultural arena.

The Red Application Review Committee recommended funding the request for \$5,443 in Logan County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2015-0224 Twin Lakes Cattle Association, Corporation

Dr. Hughes referenced the above application from the Twin Lakes Cattle Association, Corporation, requesting \$1,500 in Clinton County funds to print and distribute a pocket-size cow herd record book.

The Red Application Review Committee recommended funding the request in the reduced amount of \$1,235 in Clinton County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

Project Recommendation for No Funding

Mr. Rogers called on Dr. Hughes to present the following recommendation for no funding:

A2015-0223 South Western Kentucky Economic Development Council

Dr. Hughes referenced the above application from South Western Kentucky Economic Development Council requesting \$1,000,000 in State funds to purchase the conservation easements on 400 acres of land adjacent to the Ft. Campbell Army base in Christian County.

The Red Application Review Committee recommended no funding the request due to lack of demonstrated benefit to Kentucky agriculture, net farm income, or diversification.

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

VOTE: Motion Passed; Unanimous.

Pending Application

Mr. Rogers referenced the following pending application:

A2015-0220 University of Kentucky Research Foundation

No action necessary on pended application.

Closing Remarks

Mr. Rogers thanked the board members for their work.

Adjournment

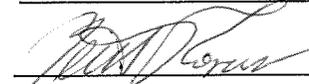
Mr. Rogers entertained a motion to adjourn.

Dr. Bailey moved to adjourn the February KADB meeting; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:36 a.m. (EST).

APPROVED DATE: _____

PRESIDING OFFICER:  _____

BOARD SECRETARY:  _____
Ray Arnold

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY
A2016-0015	Owen County 4-H Club Council, Incorporated <i>Ham Curing Facility</i>	Owen
A2016-0017	Western Kentucky University Research Foundation, Inc. <i>Kentucky Mesonet Instrumentation Upgrades</i>	Warren
A2016-0019	Gateway Gardens, LLC <i>Hydroponic Greenhouse</i>	Boyd
A2016-0020	3AJC Appalachian Alternative Agriculture of Jackson County, Inc. <i>Jackson County Food Center</i>	Jackson

Appendix B: Programs Recommended for Approval

CAIP			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0006	Breathitt County Farm Bureau of Breathitt County, Kentucky	Breathitt	\$75,000.00
A2016-0007	Madison County Conservation District	Madison	\$350,000.00
A2016-0010	Clark County Conservation District	Clark	\$172,000.00
A2016-0012	Breckinridge County Soil Conservation District	Breckinridge	\$300,000.00
A2016-0014	Ohio County Cattlemen's Association, Inc.	Ohio	\$61,600.00
A2016-0016	Lincoln County Cattlemen's Association	Lincoln	\$270,000.00
			\$1,228,600.00

Deceased Farm Animal Removal Program			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0011	Clark County Conservation District	Clark	\$7,500.00
A2016-0013	Nicholas County Conservation District	Nicholas	\$7,500.00
			\$15,000.00

Shared-use Equipment			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0009	Clark County Soil Conservation District	Clark	\$10,000.00
A2016-0018	Pulaski County Conservation District	Pulaski	\$4,500.00
			\$14,500.00

Total County Funds Recommended for Approval in Programs: \$1,258,100.00

Appendix C: *Requested Program Amendment*

App #	A2015-0026
Applicant Name	Jessamine County FFA Alumni Association, Inc.
Original Amount Approved	\$100,000
Execution Date	6/11/2015
Requested Change	<p>The applicant requests an <u>additional</u> \$70,000 in Jessamine County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Jessamine County Council.</p> <p>This is the second request for an amendment to this application number. The first amendment was approved on 10/16/15 for \$70,000.</p> <p>The term of the program shall remain 12-months from the execution date of the original agreement.</p> <p>Approval of this request would bring the program total to \$240,000.</p> <p>Recommend Approval</p>
