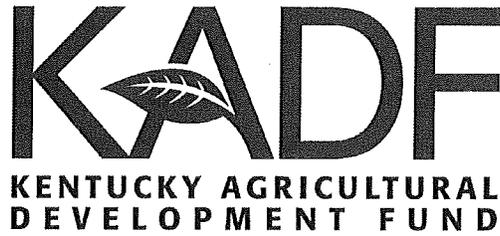


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the September 16, 2016 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board
Summary Minutes of the Regular Business Meeting
Franklin County Extension Office
Frankfort, Kentucky
September 16, 2016**

Call to Order

Keith Rogers, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:02 a.m. (EDT)

Roll Call

The following members were present: Keith Rogers (designee for Vice Chair Commissioner Ryan Quarles), Dr. Kirk Pomper (designee for KSU Interim President Aaron Thompson), Dean Nancy M. Cox, Stewart Hughes, Don Goodin (designee for Interim Secretary Erik Dunnigan), Bobby Foree, Pat Henderson, Wayne Hunt, Jim Mahan, Wayne Mattingly, Sam Moore, Dr. Gordon Jones and Al Pedigo.

Members absent: Governor Matt Bevin, Dr. Betty Bailey and Richard Warner.

Notification of Media

Mr. Rogers received verification from Emily Milam, GOAP Public Relations Officer, that the media had been notified of the KADB monthly meeting.

Welcome

Mr. Rogers welcomed everyone to the meeting.

Mr. Rogers noted that the Commissioner was unable to attend the meeting.

Approval of Minutes

Mr. Rogers entertained a motion to approve the minutes of the August 19, 2016 board meeting.

Mr. Henderson moved to approve the minutes, as presented; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous.

Executive Director's Report

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

Mr. Beeler called on Aleta Botts, Executive Director, KCARD, to update the board on the activities of the organization.

Mr. Beeler called on John McCauley, State Executive Director, Kentucky Farm Service Agency (FSA), to update the board on the activities of the organization since the August 19, 2016 KADB meeting.

Mr. McCauley discussed the upcoming New and Beginning Farmer Summit on Friday, November 11, 2016, during the North American International Livestock Exposition.

Mr. Beeler referenced his schedule of upcoming activities (*on file*) and invited board members to attend any events that they would like to.

Mr. Beeler updated the board on the activities of the GOAP and himself since the August 19, 2016 board meeting.

Compliance Committee Report

Mr. Rogers called on Don Goodin to deliver the Compliance Committee report.

Mr. Goodin announced that the Compliance Committee met September 16, 2016 at 8:30 a.m. (EDT) in Room C of the Franklin County Extension Office, 101 Lakeview Court, Frankfort, KY 40601.

Mr. Goodin stated that the committee reviewed late reporting projects, projects working towards forgiveness, low interest loans and completed files. He stated that the next Compliance Committee meeting will be in December, and invited all board members to sit in on future meetings.

Deputy Executive Director's Report

Mr. Rogers yielded the floor to Bill McCloskey, GOAP deputy executive director, to report to the board.

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file*) as of August 31, 2016 and the KAFC Quarterly Report (*on file*).

Dr. Jones moved to accept the KAFC Financial Report; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous.

Mr. McCloskey directed the board's attention to the GOAP financial report as of September 1, 2016 (*on file*).

Mr. McCloskey directed the board's attention to the county account balances report as of August 22, 2016.

Mr. McCloskey directed the board's attention to the PEP program report from Ms. Gardner that shows the value of radio & TV commercials this year (*on file*).

Presentations

Mr. Rogers yielded the floor to Sandra Gardner, GOAP Director of Compliance & Outreach, to introduce the following presentations:

Ms. Gardner noted the presentations were requirements of each legal agreement.

Ms. Gardner introduced Kelley Yates, Executive Director. Ms. Yates gave a presentation on Kentucky Sheep and Goat Development Office, Inc. (A2014-0001) (*PowerPoint on file*).

Ms. Yates reported on program outcomes and testimonials of how the program has positively impacted producers. She discussed the future for the Small Ruminant Profit School (SRPS) including when classes are offered, incorporating individual classes as well as a more advanced series of classes for advanced producers. Currently, SRPS is located in Trimble, Clark, Grayson, Boyle and Barren counties.

Dr. Pomper, designee, introduced statutory KADB member and KSU Interim President Aaron Thompson.

President Thompson expressed his pleasure for being able to attend a board meeting. He discussed KSU efforts to enhance their position on the state and federal level.

Mr. Baker introduced Bill Hillyard, Chief Executive Officer. Mr. Hillyard gave a presentation on Atalo Holdings, Inc. (A2015-0028).

Mr. Hillyard introduced Ernie Sammons, Chief Financial Officer and Tom Hutchins, Chief Research Officer.

Mr. Sammons reported on financial details.

Mr. Hillyard reported on yields and participation.

Mr. Hutchins discussed findings and challenges.

Old Business

Memo Action Items

Mr. Rogers called on Biff Baker to present the following memo action item:

A2015-0028 Atalo Holdings, Inc.

Mr. Baker presented a memorandum (*on file*) regarding the above-referenced project. The Recipients requested a six month no-cost time extension.

Staff recommends approving the request.

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

VOTE: Motion Passed; Unanimous.

New Business

New Application for Referral¹

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

Mr. McCloskey referenced six (6) new applications for referral.

Mr. Henderson moved to refer the submitted applications to the appropriate committees; Mr. Pedigo 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 seven (7) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$1,437,793; one (1) Deceased Farm Animal Removal Program (DAR) application requesting county funds totaling \$7,500; and one (1) Shared-use Equipment Program application requesting county funds totaling \$2,213. Total program funding requested was \$1,447,506

Mr. Mattingly moved to approve the program recommendations, as presented; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

Requested Program Amendments³

Mr. Rogers called on Mr. McCloskey to present requested program amendments.

Mr. McCloskey referenced two (2) requested program amendments seeking additional county funds totaling \$164,186.

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 Shared-Use Equipment Program is attached as Appendix B.

³ A detailed list of Requested Program Amendments is attached as Appendix C.

Mr. Hughes moved to approve the program amendments as presented; Mr. Goodin seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Mr. Rogers called on Mr. McCloskey and Ms. Osterman to present the following recommendations for funding:

A2016-0139 The Franklin County Fair and Horseshow Association, Inc.

Ms. Osterman referenced the above application from the Franklin County Fair and Horseshow Association, Inc. requesting \$6,000 in Franklin County funds to purchase a public address system to enhance the livestock facilities.

The White Application Review Committee recommended funding the request up to \$6,000 in Franklin County funds, subject to terms and conditions.

Mr. Foree moved to approve the committee recommendation; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Unanimous.

A2016-0154 Hickman County Fiscal Court

Mr. McCloskey referenced the above application from the Hickman County Fiscal Court requesting \$19,000 in Hickman County funds and \$90,540 in State funds to construct a farmers market.

The White Application Review Committee recommended funding the request for \$19,000 in Hickman County funds and \$90,540 in State funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2016-0155 Metcalfe County 4-H Council, Incorporated

Ms. Osterman referenced the above application from Metcalfe County 4-H Council, Incorporated requesting \$3,800 in Metcalfe County funds to purchase hams for 50 youth to participate in the ham project.

The White Application Review Committee recommended funding the request for \$3,800 in Metcalfe County funds, subject to terms and conditions.

Mr. Foree moved to approve the committee recommendation; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for No Funding

Mr. Rogers called on Mr. McCloskey to present the following recommendations for no funding:

A2016-0141 Veering, LLC

Mr. McCloskey referenced the above application from Veering, LLC requesting \$24,500 in KADF funds to purchase a hops harvester, drying floor with heater and a baler.

The White Application Review Committee recommended no-funding the request due to lack of producer impact.

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

VOTE: Motion Passed; Unanimous.

On-Farm Energy Programs Recommended for Approval⁴

Mr. Rogers called on Mr. McCloskey to present the On-Farm Energy Programs recommended for approval.

Mr. McCloskey referenced twenty (20) applications requesting a total of \$166,440 recommended for funding by the Energy Committee at its August 23, 2016 meeting.

Dr. Jones moved to approve the committee recommendation, as presented; Mr. Hughes seconded the motion.

VOTE: Motion Passed; Unanimous.

Pending Applications

Mr. McCloskey referenced one (1) following pending application:

A2016-0069 Hardin County Agricultural Extension Foundation, Inc.

No action necessary on pending applications.

Withdrawn Applications

Mr. McCloskey referenced one (1) following withdrawn application:

⁴ A detailed list of On-Farm Energy Programs Recommended for approval is attached as Appendix D.

A2016-0085

Seed Capital Kentucky, Inc.

No action necessary on expired applications.

Closing Remarks

Adjournment

Mr. Rogers entertained a motion to adjourn.

Mr. Henderson moved to adjourn the September KADB meeting; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:16 p.m. (EDT).

APPROVED DATE: 10-21-2016

PRESIDING OFFICER: *Ben Judd*

BOARD SECRETARY: *Hannah Forte*
Hannah Forte

APPENDIX A: New Applications for Referral

APP #	APPLICANT	COUNTY
A2016-0178	Hill View Farms Meats, LLC <i>On Farm Sales</i>	Daviess
A2016-0184	Kentucky Dairy Development Council, Inc. <i>Statewide Dairy Marketing & Education</i>	Fayette
A2016-0184	Kentucky Dairy Development Council, Inc.	Fayette
A2016-0185	Little Hickory Farms <i>Tour Farm Upgrade</i>	Daviess
A2016-0186	Kentucky Horticulture Council, Inc. <i>Statewide Horticulture Marketing, Research and Education</i>	Scott
A2016-0189	Owensboro Farmers Market, Inc <i>Farmers Market</i>	Daviess
A2016-0192	Kentucky Beef Network, LLC	Fayette
A2016-0192	Kentucky Beef Network, LLC <i>Statewide Beef Marketing & Education</i>	Fayette

APPENDIX B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0179	Scott County Conservation District	Scott	\$250,000.00
A2016-0180	Pendleton County Agricultural Diversification Association, Inc.	Pendleton	\$201,611.00
A2016-0181	Menifee County Beef Producers, Inc.	Menifee	\$93,953.00
A2016-0183	Clinton County Farm Bureau, Inc., of Albany, Kentucky	Clinton	\$190,000.00
A2016-0187	Hart County Cattlemen's Association, Inc.	Hart	\$350,000.00
A2016-0188	Trigg County Soil Conservation District	Trigg	\$70,650.00
A2016-0191	Buffalo Trace Area Development District, Inc.	Bracken	\$281,579.00
			\$1,437,793.00

Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0190	Russell County Conservation District	Russell	\$7,500.00
			\$7,500.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0182	Warren County Cattle Producers Association, Inc.	Warren	\$2,213.00
			\$2,213.00

Total County Funds Recommended for Approval in Programs: **\$1,447,506.00**

APPENDIX C: Requested Program Amendments

App # A2015-0187
Applicant Name Whitley County Cattlemen’s Association, Inc.
 Original Amount Approved \$38,764
 Execution Date 10/21/15
 Requested Change The applicant requests an additional \$10,000 in Whitley County funds for the *CAIP Program*. The request received a high priority from the Whitley 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 \$48,764.
Recommend Approval



App# A2016-0002
Applicant Name Logan County Cattlemen’s Association Incorporated
 Original Amount Approved \$91,915
 Execution Date 2/10/16
 Requested Change The applicant requests an additional \$62,271 in Logan County funds for the *CAIP Program*. The request received a high priority from the Logan 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 \$154,186.
Recommend Approval



On-Farm Energy Programs Recommended for Approval

APP #	APPLICANT	COUNTY	FUNDS REQUESTED
A2016-0083	Westerfield Farms <i>On-Farm Energy Efficiency - Grain</i>	Ohio	\$10,000.00
A2016-0087	Gilles Farms LLC <i>On-Farm Energy Efficiency - Grain</i>	Daviess	\$10,000.00
A2016-0113	Gimple Farms <i>On-Farm Energy Efficiency - Poultry</i>	Graves	\$10,000.00
A2016-0143	Starnes Brothers <i>On-Farm Energy Efficiency - Dairy</i>	Lincoln	\$1,295.00
A2016-0152	Wedel Farms, Inc. <i>On-Farm Energy Efficiency - Poultry</i>	Calloway	\$10,000.00
A2016-0153	Top Chic, Inc. <i>On-Farm Energy Efficiency - Poultry</i>	Marshall	\$10,000.00
A2016-0160	Ping Dairy <i>On-Farm Energy Efficiency - Dairy</i>	Pulaski	\$4,077.00
A2016-0161	Mitchell Burton Dairy <i>On-Farm Energy Efficiency - Dairy</i>	Adair	\$9,975.00
A2016-0162	Myatt Poultry Farms <i>On-Farm Energy Efficiency - Poultry</i>	Ballard	\$2,697.00
A2016-0163	T and K Dairy <i>On-Farm Energy Efficiency - Dairy</i>	Monroe	\$10,000.00
A2016-0164	Buck Knob Poultry <i>On-Farm Energy Efficiency - Poultry</i>	Wayne	\$10,000.00
A2016-0165	Steven Rutherford <i>On-Farm Energy Efficiency - Poultry</i>	Graves	\$10,000.00
A2016-0166	Rollin S Farms, Inc. <i>On-Farm Energy Efficiency - Poultry</i>	Graves	\$10,000.00
A2016-0167	Breezy Ridge Farm <i>On-Farm Energy Efficiency - Dairy</i>	Marion	\$3,195.00
A2016-0168	Billy K. Long <i>On-Farm Energy Efficiency - Dairy</i>	Barren	\$5,201.00
A2016-0169	Chaney's Dairy Barn <i>On-Farm Energy Efficiency - Dairy</i>	Warren	\$10,000.00
A2016-0170	Shady Springs Farm <i>On-Farm Energy Efficiency - Poultry</i>	Wayne	\$10,000.00
A2016-0171	Larry A. Dame <i>On-Farm Energy Efficiency - Grain</i>	McLean	\$10,000.00
A2016-0172	Thomas E. Wilson <i>On-Farm Energy Efficiency - Poultry</i>	Marshall	\$10,000.00

On-Farm Energy Programs Recommended for Approval

APP #	APPLICANT	COUNTY	FUNDS REQUESTED
A2016-0173	Merit Farms of Kansas, Inc. <i>On-Farm Energy Efficiency - Poultry</i>	Monroe	\$10,000.00
Total State Funds Recommended for Approval in Program:			\$166,440.00