

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the August 21, 2015 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  
August 21, 2015**

**Call to Order**

Commissioner James Comer, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:09 a.m. (EDT)

**Roll Call**

The following members were present: Wayne Hunt, Dr. Betty Bailey, Roy Collins, Sam Lawson, Wayne Mattingly, Pat Henderson, Jim Sidebottom, Troy Rankin, Don Goodin (designee for Secretary Larry Hayes), Karen Curtis, Sam Moore, KSU President Raymond Burse, Dean Nancy M. Cox, and Commissioner James R. Comer.

Members absent: Jamie Link, Jim Mahan.

**Notification of Media**

Commissioner Comer received verification from Angela Blank, GOAP Director of Public Affairs/Public Relations, that the media had been notified of the KADB monthly meeting.

**Approval of Minutes**

Commissioner Comer entertained a motion to approve the minutes of the July 17, 2015 board meeting.

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

VOTE: Motion Passed; Unanimous.

**Executive Directors Report**

Commissioner Comer yielded the floor to Roger Thomas, GOAP Executive Director, to give his report to the board.

Mr. Thomas called on Bill McCloskey, GOAP Director of Financial Services, to review the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position *(on file with the Boards Coordinator)* as of July 31, 2015.

After the review, Mr. McCloskey announced that the next scheduled KAFC Board meeting will be held on Friday, September 4, 2015 at 10:00 a.m. (EDT) in room C-107 of the Transportation Cabinet Office Building in Frankfort.

Mr. Sidebottom moved to accept the KAFC Financial Report; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

Mr. Thomas called on Joel Neaveill, GOAP Chief of Staff, to review the material contained in the Board's update packet. *(on file with the Boards Coordinator)*

Mr. Neaveill referenced a memo *(on file with the Boards Coordinator)* from Angela Blank, Director of Public Affairs/Public Relations, summarizing the value of the Kentucky Broadcasters Association Public Education Partnership (PEP) program for June 2015.

Mr. Thomas referenced the GOAP Quarterly Compliance Report from Sandra Gardner, Director of Compliance & Outreach. *(on file with the Boards Coordinator)*

Mr. Thomas called on Aleta Botts, Executive Director, Kentucky Center for Agriculture and Rural Development (KCARD) to update the board regarding the activity of her organization since the last board meeting.

Mr. Thomas called on Lowell Atchley, Kentucky Legislative Research Commission, to inform the board of the upcoming Interim Legislative Committee Meetings relating to Agriculture.

Mr. Thomas reported that the Kentucky 4-H Breakfast took place earlier in the morning and was very successful.

**Presentation**

Commissioner Comer yielded the floor to Ms. Gardner.

Ms. Gardner introduced Patsy Wilson, Extension Viticulture Specialist at the University of Kentucky College of Agriculture, Food & Environment. Ms. Wilson gave a presentation entitled "Viticulture and Enology Extension and Research Program: Update." *(PowerPoint on file with the Boards Coordinator)* The presentation given satisfied a reporting requirement for the University of Kentucky Research Foundation's project A2014-0164.

**Old Business**

## **Memo Action Items**

Commissioner Comer called on staff to present the following memo action items:

### **A2013-0275            The Weekly Juicery**

Biff Baker, Project Manager, presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested a 12-month no-cost time extension of the reimbursement period to continue searching for a permanent facility. The Recipient is currently operating out of a temporary production facility as it looks for a permanent facility.

Staff recommended approval of the request presented in the memorandum.

Mr. Moore moved to approve the staff recommendation, as presented; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

### **A2013-0300            Fayette County 4-H Council, Inc.**

Mr. Baker presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested a 5-month no-cost time extension to complete their project.

Staff recommended approval of the request presented in the memorandum.

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

VOTE: Motion Passed; Unanimous.

### **A2014-0078            Owensboro Community and Technical College Foundation**

Mr. Baker presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested a 6-month no-cost time extension to complete their project.

Staff recommended approval of the request presented in the memorandum.

Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous.

### **A2014-0190            Kentucky Beef Network, Inc.**

Brian Murphy, GOAP General Counsel presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested that the original grant agreement be amended to allow the KBN to use the \$76,729 in state funds returned from their MAG-60 Project (A2011-0048) to add \$76,634 to their budget for this project.

The KBN Recipient Review Committee recommended approval of the request presented in the memorandum.

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

VOTE: Motion Passed; Unanimous.

### **New Business**

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

Commissioner Comer called on Mr. Thomas to present new applications for referral.

Mr. Thomas referenced two (2) applications for referral.

Mr. Rankin moved to refer the submitted applications; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

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

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

Mr. Thomas referenced six (6) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$1,115,385; and one (1) Shared-Use Equipment Program application requesting county funds totaling \$10,837. Total program funding requested \$1,126,222.

Ms. Curtis moved to approve the program recommendations, as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

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

Commissioner Comer called on Mr. Thomas to present the requested program amendments.

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

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

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

Mr. Thomas referenced two (2) CAIP Amendments requesting county funds totaling \$132,215.

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

VOTE: Motion Passed; Unanimous.

### **Project Recommendations for Funding**

Commissioner Comer called on Dr. Luther Hughes, Project Manager, to present the following recommendations for funding:

#### **A2015-0098 Summit Meat Processing, Inc.**

Dr. Hughes referenced the above application from Summit Meat Processing, Inc, requesting \$82,500 in State funds, \$75,000 in Pulaski County funds, \$5,000 in Laurel County funds, and \$2,500 in Lincoln County funds to establish a meat processing facility to be located in Pulaski County.

The White Application Review Committee recommended funding the request for up to \$82,500 in State funds, \$75,000 in Pulaski County funds, \$5,000 in Laurel County funds, and \$2,500 in Lincoln County funds in the form of a forgivable loan totaling \$165,000, subject to terms and conditions.

After discussion, Mr. Lawson moved to approve the committee recommendation; Mr. Moore seconded the motion.

VOTE: Motion Passed; with dissention.

#### **A2015-0106 Cumberland Agricultural Management, LLC**

Dr. Hughes referenced the above application from Cumberland Agricultural Management, LLC requesting \$5,000 in Metcalfe County funds, \$10,000 in Taylor County funds, \$15,000 in Green County funds, \$20,000 in Barren County funds, and \$305,000 in State funds to purchase equipment and construct an animal rendering facility in Metcalfe County.

The White Application Review Committee recommended funding this request for up to \$5,000 in Metcalfe County funds, \$10,000 in Taylor County funds, \$15,000 in Green County funds, \$20,000 in Barren County funds, \$50,000 in State grant funds, and a loan of \$255,000, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

#### **A2015-0108 Seven Springs Sorghum Producers, LLC**

Dr. Hughes referenced the above application from the Seven Springs Sorghum Producers, LLC requesting \$10,000 in Hart County funds, \$5,000 in Barren County funds, \$30,000 in Metcalfe County funds, and \$72,500 in State funds to establish a "Sorghum Festival" argitourism business in Metcalfe County.

The White Application Review Committee recommended funding this request for up to \$15,000 in Metcalfe County funds, \$10,000 in Hart County funds, \$5,000 in Barren County funds, and \$30,000 in state funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

Commissioner Comer yielded the chair to Warren Beeler for the remainder of the meeting.

**A2015-0112            Daviess County Fiscal Court**

Dr. Hughes referenced the above application from Daviess County Fiscal Court requesting \$55,000 in Daviess County funds for Phase II of a Storm Water Master Plan.

The White Application Review Committee recommended funding this request for up to \$25,000 in Daviess County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

**A2015-0131            Hickman County Board of Education**

Dr. Hughes referenced the above application from Hickman County Board of Education requesting \$4,221 in Hickman County funds to purchase welding equipment.

The White Application Review Committee recommended funding this request for \$4,221 in Hickman County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

**Recommendation for No Funding**

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

**A2015-0046            Shoppes of Kentucky, LLC**

Dr. Hughes referenced the above application from Shoppes of Kentucky, LLC, requesting \$95,559 in State funds, \$5,000 in Campbell County funds, and \$25,000 in Kenton County funds to purchase equipment for a commercial kitchen and to refurbish a retail store in northern Kentucky.

A combined total of \$30,000 was requested from Campbell County and Kenton County. A total of \$5,000 was committed from Campbell County; Kenton County committed no funds.

The Red Application Review Committee recommended no funding due to lack of regional support and lack of significant county contributions.

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

VOTE: Motion Passed; Unanimous.

### **Pending Applications**

Mr. Beeler called on Mr. Neaveill to review the following pending applications.

A2015-0081	Center for Appalachian Philanthropy/Kentucky Market Fresh
A2015-0143	Franklin County Conservation District
A2015-0148	Breckinridge County Extension District Board
A2015-0149	Kentucky State University

No action necessary.

### **Closing Remarks**

Mr. Beeler thanked the board members for their work.

### **Adjournment**

Mr. Beeler entertained a motion to adjourn.

Dr. Bailey moved to adjourn the August KADB meeting; President Burse seconded the motion.

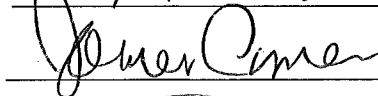
VOTE: Motion Passed; Unanimous.

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


APPROVED DATE:

9-18-15

PRESIDING OFFICER:



BOARD SECRETARY:

  
Ray Arnold

## Appendix A: New Applications for Referral

<u>APP #</u>	<u>APPLICANT</u>	<u>COUNTY</u>
A2015-0158	Boys & Girls Club of Franklin-Simpson, Inc. <i>Boys and Girls Club Garden Project</i>	Simpson
A2015-0167	Woodford County High School Agriculture Department <i>Equipment and Tools for Woodford County High School</i>	Woodford



**Appendix B: Programs Recommended for Approval**

<b>CAIP</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0168	Buffalo Trace Area Development District, Inc.	Bracken	\$250,000.00
A2015-0170	Menfee County Beef Producers, Inc.	Menfee	\$120,832.00
A2015-0171	Simpson County Conservation District	Simpson	\$142,932.00
A2015-0172	Scott County Conservation District	Scott	\$330,000.00
A2015-0173	LaRue County Beef Cattle Association, Inc.	LaRue	\$110,000.00
A2015-0174	Carter County Agriculture Advancement Council, Inc.	Carter	\$161,621.00
			<b>\$1,115,385.00</b>

<b>Shared-use Equipment</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0169	Marion County Conservation District	Marion	\$10,837.00
			<b>\$10,837.00</b>

Total County Funds Recommended for Approval in Programs: **\$1,126,222.00**

**Appendix C: Requested Program Amendments**

**App #** A2014-0176  
**Applicant Name** Graves County Agricultural Development Fund LLC  
**Original Amount Approved** \$86,084  
**Execution Date** 12/02/2014  
**Requested Change** The applicant requests an additional \$36,000 in Graves County funds for the CAIP Program. The request received a high priority from the Graves 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 \$122,084.  
**Recommend Approval**



**App#** A2015-0031  
**Applicant Name** Ohio County Cattlemen's Association  
**Original Amount Approved** \$60,000  
**Execution Date** 4/10/2015  
**Requested Change** The applicant requests an additional \$96,215 in Ohio County funds for the CAIP Program. The request received a high priority from the Ohio 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 \$146,215.  
**Recommend Approval**

