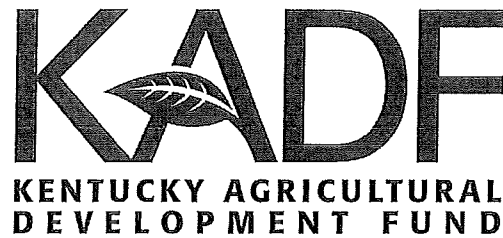


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the November 20, 2015 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board  
Summary Minutes of the Regular Business Meeting  
Thomas D. Clark Center for Kentucky History  
Brown-Forman Room  
Frankfort, Kentucky  
November 20, 2015**

**Call to Order**

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

**Roll Call**

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

Members absent: Jamie Link, Roy Collins, Karen Curtis.

**Notification of Media**

Commissioner Comer received verification from Angela Blank, Governor's Office of Agricultural Policy (GOAP) Director of Public Affairs/Public Relations, that the media had been notified of the KADB monthly meeting.

**Welcome**

Commissioner Comer welcomed everyone to the meeting.

Commissioner Comer recognized the success of the 2015 North American International Livestock Exposition held at the Kentucky Exposition Center.

Commissioner Comer introduced Kentucky Commissioner of Agriculture-Elect Ryan Quarles and congratulated him on his election.

Commissioner-Elect Quarles spoke about his excitement to work with GOAP, the KADB, and as chair of the Kentucky Agricultural Finance Corporation (KAFC) board.

## **Approval of Minutes**

Commissioner Comer entertained a motion to approve the minutes of the October 16, 2015 board meeting.

Mr. Henderson moved to approve the minutes, as presented; Mr. Mahan 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 read a statement from Jamie Link, designee for Governor Steven L. Beshear, expressing Mr. Link's appreciation for the opportunity to serve and thanking the board for its work.

Mr. Thomas updated the board regarding the activity of GOAP staff since the October KADB meeting.

Mr. Thomas informed the board that Brian Murphy resigned his position as GOAP General Counsel to pursue another opportunity. Shannon Morgan, GOAP Policy Advisor, will be serving as General Counsel during the gubernatorial transition period.

Mr. Thomas introduced Richard Warner and congratulated him on his appointment to the KADB. Mr. Warner will serve as the Kentucky Chamber of Commerce representative on the board.

Mr. Warner expressed his appreciation for the opportunity to serve on the board.

Mr. Thomas referenced a memo (*on file with the Boards Coordinator*) from Ms. Blank, summarizing the value of the Kentucky Broadcasters Association Public Education Partnership (PEP) program for September 2015.

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 October 31, 2015.

After the review, Mr. McCloskey announced that the next scheduled KAFC Board meeting will be held on Friday, December 4, 2015, at 10:00 a.m. (EST) in the Morrow room of the Galt House Hotel in Louisville, Kentucky.

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

VOTE: Motion Passed; Unanimous.

Mr. Thomas called on Aleta Botts, Executive Director, Kentucky Center for Agricultural and Rural Development (KCARD), and John McCauley, USDA Farm Service Agency (FSA) State Executive Director, to update the board regarding the activities of their organizations since the last board meeting.

### **Presentations**

Commissioner Comer called on staff to introduce the following presentations:

Mr. Neaveill introduced Dr. Alison Davis, Executive Director, Community & Economic Development Initiative of Kentucky (CEDIK.) Dr. Davis presented to the board an overview of a study entitled *An Evaluation of Agricultural Development Board Investments in Kentucky Agriculture 2007-2014. (PowerPoint on file with the Boards Coordinator)*

Sandra Gardner, GOAP Director of Compliance & Outreach, introduced Mac Stone, Executive Director of the Kentucky Horticulture Council. Mr. Stone gave a presentation highlighting progress toward benchmarks, goals, and objectives. The presentation was a requirement for project A2014-0172 to receive second year funds.

Mr. Mahan moved to accept the report and approve second year funding; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

Ms. Gardner introduced Maury Cox, Executive Director of the Kentucky Dairy Development Council. Mr. Cox gave a presentation highlighting progress toward benchmarks, goals, and objectives. The presentation was a requirement for project A2014-0185 to receive second year funds. *(PowerPoint on file with the Boards Coordinator)*

Mr. Rankin moved to accept the report and approve second year funding; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

Ms. Gardner introduced Kristen Branscum, Executive Director of the Office of Marketing at the Kentucky Department of Agriculture. Ms. Branscum gave a presentation highlighting the Kentucky Proud program's progress toward benchmarks, goals, and objectives. The presentation was a requirement for project A2014-0189 to receive second year funds.

Mr. Henderson moved to accept the report and approve second year funding; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Commissioner Comer abstained.

Ms. Gardner introduced Becky Thompson, Director of the Kentucky Beef Network. Ms. Thompson gave a presentation highlighting progress toward benchmarks, goals, and objectives. The presentation was a requirement for project A2014-0190 to receive second year funds. (*PowerPoint on file with the Boards Coordinator*)

Mr. Moore moved to accept the report and approve second year funding; Mr. Goodin seconded the motion.

VOTE: Motion Passed; Unanimous.

## **Old Business**

### **Memo Action Items**

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

#### **A2014-0188 Logan County Agricultural Extension Foundation**

Biff Baker, GOAP Project Manager, presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. The Recipient requested a reallocation of \$5,432 in funding from the original categories to the fan category within their budget.

Staff recommended approval of the request.

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

VOTE: Motion Passed; Unanimous.

#### **On-Farm Energy Efficiency Incentives Program Time Extensions**

Mr. McCloskey presented a memorandum (*on file with the Boards Coordinator*) from Angie Justice, GOAP Energy Programs Manager, regarding applications A2014-0125 (Shelton Dairy) and A2014-0218 (Coleman Crest Dairy.) The recipients requested that the deadline for completion of their projects be extended from December 30, 2015 to March 30, 2016. Financial restrictions, planting obligations, and inclement weather contributed to delays in completion of their projects.

Staff recommended approval of the requests.

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

VOTE: Motion Passed; Unanimous.

#### **Quarterly Report Deadline & Recipient Review Committee Meeting Amendments**

Joel Neaveill, GOAP Chief of Staff, presented a memorandum (*on file with the Boards Coordinator*) requesting to amend contracts with projects A2014-0172 (Kentucky

Horticulture Council,) A2014-0185 (Kentucky Dairy Development Council,) A2014-0189 (Kentucky Department of Agriculture,) and A2014-0190 (Kentucky Beef Network.)

The amendments would change the recipient review committee meeting schedule to eliminate the January 2016 and 2017 meetings, as well as change the due dates for quarterly reports.

Staff recommended approval of the requests.

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

VOTE: Motion Passed; Unanimous.

## **New Business**

### **Compliance Committee Report**

Commissioner Comer called on Mr. Goodin to deliver the Compliance Committee Report.

Mr. Goodin reported that the Compliance Committee held its quarterly meeting earlier in the morning and gave a summary of the topics discussed.

Mr. Goodin reported a proposal outlined in a memo from Mr. McCloskey (*on file with the Boards Coordinator*) regarding project A2008-0280, Foothills Products and Services, Inc. As a result of the project applicant's delinquency in making loan payments, GOAP staff requested that the Kentucky Center of Agriculture and Rural Development (KCARD) conduct an analysis of their business. KCARD recommended that the business hire marketing staff to help increase revenue, and suggested that the KADB defer loan payments for 18 months, beginning in January 2016. Another lender, the Kentucky Highlands Investment Corporation (KHIC) agreed to accept a lower monthly payment to allow the business to pay \$650 a month toward the KADB loan balance during the deferment period. After 18 months, around July 2017, the business will be re-evaluated and a future course of action will be proposed.

The Compliance Committee recommended approval of the proposal, as presented.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; with dissention.

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

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

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

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

Mr. Rankin moved to refer the submitted applications to the Blue Application Review Committee; Dr. Bailey 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 two (2) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$371,354; one (1) Deceased Farm Animal Removal (DAR) application requesting county funds totaling \$4,500 and one (1) Shared-Use Equipment Program application requesting county funds totaling \$18,240. Total program funding requested \$394,094.

Mr. Hunt moved to approve the program recommendations, as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

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

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

Mr. Thomas referenced three (3) CAIP Amendments requesting additional county funds totaling \$142,453.

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

VOTE: Motion Passed; Unanimous.

### **Project Recommendation for Funding**

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

#### **A2015-0193          Russell County Cattlemen's Association, Inc**

Dr. Hughes referenced the above application from Russell County Cattlemen's Association, Inc, requesting \$20,200 in Russell County funds to initiate a heifer chain program for 4-H/FFA youth.

The Blue Application Review Committee recommended funding the request for \$20,200 in Russell County funds, subject to terms and conditions.

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<sup>2</sup> A detailed list of projects funded under the County Agricultural Investment Program, Shared-Use Equipment 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. Mahan moved to approve the committee recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

**Pending Application**

Commissioner Comer called on Mr. Neaveill to review the following pending application:

A2015-0148 Breckinridge County Extension District Board

No action necessary.

**Closing Remarks**

Commissioner Comer thanked the board members for their work.

**Adjournment**

Commissioner Comer entertained a motion to adjourn.

Mr. Mahan moved to adjourn the October KADB meeting; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:50 p.m. (EST).

APPROVED DATE: 12-18-15

PRESIDING OFFICER: 

BOARD SECRETARY: 

Ray Arnold

## Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY
A2015-0204	Woodford County Fair Association, Incorporated <i>Woodford County Livestock and Agricultural Pavilion</i>	Woodford
A2015-0205	Washington County Cattlemen Association, Inc. <i>Beginning Farmer Program</i>	Washington
A2015-0206	City of Marion KY Tourism Commission <i>Farmers Market Facility</i>	Crittenden
A2015-0207	Bracken County Conservation District <i>Dumpster Rental</i>	Bracken



**Appendix B: Programs Recommended for Approval**

**CAIP**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0208	Lewis County Conservation District	Lewis	\$281,554.00
A2015-0210	Lee County Conservation District	Lee	\$89,800.00
			<u>\$371,354.00</u>

**Deceased Farm Animal Removal Program**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0143	Franklin County Conservation District	Franklin	\$4,500.00
			<u>\$4,500.00</u>

**Shared-use Equipment**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0209	Bracken County Conservation District	Bracken	\$18,240.00
			<u>\$18,240.00</u>

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Total County Funds Recommended for Approval in Programs: **\$394,094.00**

## Appendix C: Requested Program Amendments

<b>App #</b>	<b>A2015-0135</b>
<b>Applicant Name</b>	<b>Buffalo Trace Area Development District</b>
<b>Original Amount Approved</b>	\$316,100
<b>Execution Date</b>	8/10/2015
<b>Requested Change</b>	<p>The applicant requests an <u>additional</u> \$33,374 in Mason County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Mason County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$349,474.</p> <p><b>Recommend Approval</b></p>



<b>App#</b>	<b>A2015-0140</b>
<b>Applicant Name</b>	<b>Clinton/Cumberland Cattlemen's Assoc., Inc.</b>
<b>Original Amount Approved</b>	\$175,197
<b>Execution Date</b>	8/10/2015
<b>Requested Change</b>	<p>The applicant requests an <u>additional</u> \$27,500 in Cumberland County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Cumberland County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$202,697.</p> <p><b>Recommend Approval</b></p>



<b>App#</b>	<b>A2015-0168</b>
<b>Applicant Name</b>	<b>Buffalo Trace Area Development District</b>
<b>Original Amount Approved</b>	\$250,000
<b>Execution Date</b>	9/08/2015
<b>Requested Change</b>	<p>The applicant requests an <u>additional</u> \$81,579 in Bracken County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Bracken County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$331,579.</p> <p><b>Recommend Approval</b></p>

