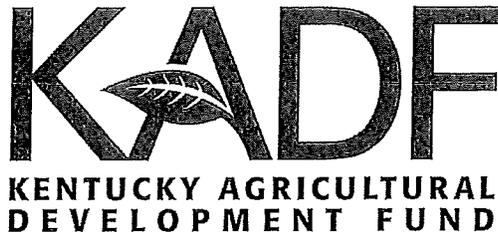


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the March 18, 2016 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 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  
March 18, 2016**

**Call to Order**

Keith Rogers, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:05 a.m. (EDT)

**Roll Call**

The following members were present:

Dr. Betty Bailey, Dean Nancy M. Cox, Bobby Foree, 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, Keith Rogers (designee for Commissioner Ryan Quarles), Jim Sidebottom, and Richard Warner.

Members absent: Governor Matt Bevin and Karen Curtis.

**Notification of Media**

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

**Welcome**

Mr. Rogers welcomed everyone to the meeting.

Mr. Rogers updated the board on the activity of the Kentucky Department of Agriculture (KDA) since the last board meeting.

Mr. Rogers yielded the floor to Warren Beeler, GOAP Executive Director, to introduce a new member of the board and present a plaque.

Mr. Beeler introduced recently appointed board member Bobby Foree, a lawyer who raises cattle on his farm in Henry County. Mr. Foree thanked Governor Bevin for his appointment and expressed his excitement to serve on the board.

Mr. Beeler recognized the attendance of Dr. Luther Hughes, former GOAP Projects Manager, and presented him with a plaque recognizing his service.

### **Approval of Minutes**

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

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

VOTE: Motion Passed; Unanimous.

### **Executive Director's Report**

Mr. Rogers yielded the floor to Mr. Beeler to report to the board.

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

Mr. Beeler updated the board on the status of the state budget process.

Mr. Beeler announced that Steve Doan had been hired as GOAP General Counsel, Emily Milam had been hired as GOAP Public Relations Officer, and Stefanie Osterman had been hired as a GOAP Project Manager.

Mr. Beeler announced that Bill McCloskey has been promoted to GOAP Deputy Executive Director.

Mr. Beeler called on Mr. Rankin to report to the board regarding a recent site visit he attended and the status of the Washington County Cattlemen Association's Beginning Farmer program.

Mr. Rankin expressed his appreciation for the work being done by the Washington County Cattlemen Association's Beginning Farmer program to get youth involved in agriculture.

### **Director of Financial Services Report**

Mr. Rogers yielded the floor to Mr. McCloskey to report to the board.

Mr. McCloskey directed the board's attention to a report showing the status of State funds as of March 9, 2016. *(on file with the Boards Coordinator)*

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

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (K AFC) Statement of Financial Position *(on file with the Boards Coordinator)* as of February 29, 2016.

After the review, Mr. McCloskey announced that the next scheduled K AFC Board meeting would be held on Friday, April 8, 2016, at 10:00 a.m. (EDT) in room C118 of the Transportation Cabinet building in Frankfort.

Mr. Rankin moved to accept the K AFC Financial Report; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Presentation**

Mr. Rogers yielded the floor to Sandra Gardner, GOAP Director of Compliance & Outreach, to introduce a presentation.

Ms. Gardner introduced Joni Nelson, Extension Associate at Kentucky State University (KSU.) Ms. Nelson gave a presentation outlining the impact of the Center for Sustainability of Farms and Families Small Scale Farm Grant Program; project A2012-0007. *(PowerPoint on file with the Boards Coordinator)*

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

### **Old Business**

#### **Memo Action Item**

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

#### **On-Farm Energy Efficiency Incentives Program Time Extensions (A2014-0125, A2014-0216, A2014-0218, A2014-0229, A2014-0230, & A2014-0235)**

Mr. McCloskey presented a memorandum *(on file with the Boards Coordinator)* regarding the above-referenced projects. The Recipients requested that the deadline for the completion of their projects be extended from March 30, 2016 to June 30, 2016 due to financial restrictions and delays in completion due to inclement weather.

Staff recommended approval of the requests.

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

VOTE: Motion Passed; Unanimous.

## **New Business**

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

Mr. Rogers called on Mr. McCloskey to present a new application for referral.

Mr. McCloskey referenced one (1) new application for referral.

Mr. Rankin moved to refer the submitted application to the Red Application Review Committee; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous.

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

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 \$954,529; and one (1) Shared-Use Equipment Program application requesting county funds totaling \$8,000. Total program funding requested was \$962,529.

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

VOTE: Motion Passed; Unanimous.

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

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

Mr. McCloskey referenced four (4) CAIP Amendments requesting additional county funds totaling \$46,241.

Mr. Moore moved to approve the program amendment, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Mr. Rankin abstained.

### **Project Recommendations for Funding**

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

#### **A2016-0015 Owen County 4-H Club Council, Incorporated**

Mr. McCloskey referenced the above application from Owen County 4-H Club Council, Incorporated requesting \$1,090 in Owen County funds to purchase a ham curing facility.

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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 Shared-Use Equipment Program is attached as Appendix B.

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

The Red Application Review Committee recommended funding the request for \$1,090 in Owen County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

**A2016-0017            Western Kentucky University Research Foundation, Inc.**

Mr. McCloskey referenced the above application from the Western Kentucky University Research Foundation, Inc. requesting \$105,250 in State funds for instrumentation upgrades to the 65 Kentucky Mesonet sites in Kentucky.

The Red Application Review Committee recommended funding the request in the amount of \$105,250 in State funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

**A2016-0019            Gateway Gardens, LLC**

Mr. McCloskey referenced the above application from the Gateway Gardens, LLC requesting \$500,000 in State funds to establish a commercial scale automated indoor agri-business facility in Boyd County that will focus on year-round short leaf lettuce production.

The Red Application Review Committee recommended funding the request in the amended amount of \$1,000,000 in State funds in the form of a loan, subject to terms and conditions.

After discussion, Dr. Bailey moved to approve the committee recommendation amended to include an additional condition requiring the applicant to submit additional documentation outlining the management structure of the company; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous.

**A2016-0020            Appalachian Alternative Agriculture of Jackson County**

Mr. McCloskey referenced the above application from Appalachian Alternative Agriculture of Jackson County requesting \$10,000 in Jackson County funds and \$10,000 in State funds for sustaining the operation of the Jackson County Food Center.

The Red Application Review Committee recommended funding the request in the reduced amount of \$10,000 in Jackson County funds and \$10,000 in State funds, subject to terms and conditions.

Mr. Warner moved to approve the committee recommendation; Mr. Sidebottom 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; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:35 a.m. (EDT).

APPROVED DATE: 4/15/2016

PRESIDING OFFICER: [Signature]

BOARD SECRETARY: Emily Druy Milam

~~Ray Arnold~~  
Emily milam