

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the March 17, 2017 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
University of Kentucky South Farm
Lexington, Kentucky
March 17, 2017**

Call to Order

Commissioner Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:11 a.m. (EDT)

Roll Call

The following members were present: Commissioner Ryan Quarles, Dr. Betty Bailey, Dr. Kirk Pomper (designee for KSU Interim President Aaron Thompson), Dean Nancy M. Cox, Stewart Hughes, Katie Smith (designee for Economic Development Secretary Terry Gill), Bobby Foree, Pat Henderson, Wayne Hunt, Wayne Mattingly, Sam Moore and Al Pedigo.

Members absent: Jim Mahan, Richard Warner, Dr. Gordon Jones and Governor Matt Bevin.

Notification of Media

Commissioner Quarles received verification from Hannah Forte, GOAP Communications & Special Events Manager, that the media had been notified of the KADB monthly meeting.

Welcome

Commissioner Quarles welcomed everyone to the meeting.

Commissioner Quarles updated the board on the activities of himself and the KDA since the February 12, 2017 board meeting.

Commissioner Quarles mentioned legislation affecting agricultural including food immunity, weight variance on trucks, hemp, agritourism and equine abuse.

Mr. Penn referenced Senate Bill 139 that classifies equine as livestock.

Commissioner Quarles thanked the University of Kentucky South Farm for hosting the board meeting.

Commissioner Quarles stated that the Kentucky Agriculture Council will be performing the third strategic plan for Kentucky agriculture.

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the February 17, 2017 board meeting.

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

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Commissioner Quarles yielded the floor to Warren Beeler, Executive Director, to report to the board.

Mr. Beeler called on Wayne Mattingly to deliver the Kentucky Department of Agriculture Recipient Review Committee report.

Mr. Beeler called on Al Pedigo to deliver the Kentucky Horticulture Council Recipient Review Committee report.

Deputy Executive Director's Report

Commissioner Quarles yielded the floor to Bill McCloskey, GOAP Deputy Executive Director, to report to the board.

Mr. McCloskey referenced his report to the Kentucky Agricultural Finance Corporation.

Mr. McCloskey directed the board's attention to a memo regarding the (A2016-0100) Washington County Livestock Center, Inc. final county funds update (*on file*).

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*).

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

VOTE: Motion Passed; Unanimous.

Presentations

Commissioner Quarles yielded the floor to the following for presentations:

Paul Woosley, WKU Assistant Department Chair, presented to the board as a requirement of the legal agreement on Western Kentucky University Research Foundation's project, A2009-0244 (*on file*).

Mr. Brady asked where the facility is located.

Dr. Woosley said that the cheese making facility is on the WKU farm in Bowling Green, Ky.

Ms. Smith asked where the cheese would be sold.

Dr. Woosley responded that the cheese will initially be sold at farmers markets, but eventually they hope to expand to an online market. He said that they hope to start offering workshops and classes for WKU students and the public within the year.

Jeremy Hardin, President, Washington County Cattleman's Association, and Jonathan Shepherd, UK Extension Specialist, presented to the board as a requirement of the legal agreement on Washington County Cattlemen Association, Inc.'s project, A2015-0193 Next Generation Beginning Farmer Pilot (*on file*).

Old Business

Memo Action Items

Commissioner Quarles called on Steve Doan and Stefanie Osterman to present the following memo action items:

A2008-0280 Foothills Products and Services, Inc.

Mr. Doan presented a memorandum (*on file*) regarding the above-referenced project. This is a request to restructure the repayment terms.

Mr. Hunt moved to approve the request, as presented; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

A2016-0193 Casey County Board of Education

Ms. Osterman presented a memorandum (*on file*) regarding the above-referenced project. This is a budget amendment request.

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

VOTE: Motion Passed; Unanimous.

New Business

New Application for Referral¹

Commissioner Quarles called on Mr. McCloskey to present new applications for referral.

Mr. McCloskey referenced seven (7) new applications for referral.

Mr. Pedigo moved to refer the submitted applications to the appropriate committees; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval²

Commissioner Quarles called on Mr. McCloskey to present programs recommended for approval.

Mr. McCloskey referenced five (5) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$772,915; two (2) Deceased Farm Animal Removal Program applications requesting county funds totaling \$12,500; three (3) Shared-Use Equipment Program applications requesting county funds totaling \$30,367; and one (1) Youth Cost-Share Program application requesting county funds totaling \$8,000. Total program funding requested was \$823,782.

Mr. Henderson moved to approve the program recommendations, as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

Requested Program Amendments³

Commissioner Quarles called on Mr. McCloskey to present requested program amendments.

Mr. McCloskey referenced one (1) requested program amendment seeking additional county funds totaling \$127,000.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Commissioner Quarles called on Mr. McCloskey, Steve Doan and Stefanie Osterman to present the following recommendations for funding:

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.

A2017-0001 Ohio Valley Food Connection

Mr. McCloskey referenced the above application from OVFC requesting \$5,000 in Campbell County funds, \$5,000 in Fayette County funds, \$5,000 in Woodford County funds and \$73,439 in State funds to grow Kentucky farm sales.

The Red Application Review Committee recommended funding the request for up to \$88,439 in State and County, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2017-0002 Community Agricultural and Nutritional Enterprises, Inc.

Mr. Doan referenced the above application from CANE requesting \$150,000 in State funds to expand its commercial kitchen.

The Red Application Review Committee recommended funding the request for up to \$150,000 in State funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2017-0004 Community Farm Alliance

Ms. Osterman referenced the above application from Community Farm Alliance requesting \$266,888 in State funds to continue to support the Double Dollars and Market Manager incentive programs.

The Red Application Review Committee recommended funding the request for two years up to \$266,888 in State funds, subject to terms and conditions.

After discussion, Dean Cox moved to approve the committee recommendation; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

A2017-0017 Louisville/Jefferson County Metro Government

Mr. McCloskey referenced the above application from Louisville/Jefferson County Metro Government requesting \$100,000 in State funds to help fund its Farm to Table program.

The Red Application Review Committee recommended referring the application back to committee.

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

VOTE: Motion Passed; Unanimous.

Pending Applications

Mr. McCloskey referenced three (3) following pending applications:

A2016-0069	Hardin County Agricultural Extension Foundation, Inc.
A2017-0018	Beef Solutions, LLC
A2017-0034	Jessamine County FFA Alumni Association, Inc.

No action necessary on pending applications.

Withdrawn Application

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

A2016-0227	Kentucky Horticulture Council, Inc.
------------	-------------------------------------

No action necessary on pending applications.

Closing Remarks

Commissioner Quarles stated that the next KADB meeting is on April 21, 2017 at the Franklin County Extension Office in Frankfort, Ky.

Commissioner Quarles stated that the White Application Review Committee would meet immediately following adjournment for a working lunch. The Red Application Review Committee will meet at 1:30 p.m.

KADB and KAFC members discussed legislation affecting agriculture.

Adjournment

Commissioner Quarles entertained a motion to adjourn.

Commissioner Quarles moved to adjourn the March KADB meeting; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:42 p.m. (EDT).

APPROVED DATE: 4/21/17

PRESIDING OFFICER: [Signature]

BOARD SECRETARY: [Signature]
Hannah Forte

APPENDIX A: New Applications for Referral

APPLICANT		COUNTY
A2017-0020	Crowley's Mill L.L.C. <i>Wool Fiber Mill</i>	Woodford
A2017-0021	Taylor County Board of Education <i>School Greenhouse</i>	Taylor
A2017-0023	Nicholasville Farmers' Market, Inc. <i>Market Manager and Marketing</i>	Jessamine
A2017-0024	Creation Gardens, Inc. <i>Equipment for Efficient Retail Packaging</i>	Jefferson
A2017-0025	American Black Hereford Association <i>Establishing Association Office in Ky</i>	Fayette
A2017-0026	Russell County Conservation District <i>Grain Bin Safety Program</i>	Russell
A2017-0038	Hopkins County Schools <i>School Greenhouse</i>	Hopkins

APPENDIX B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2017-0027	Campbell County Conservation District	Campbell	\$24,588.00
A2017-0028	Gallatin County Livestock Association, Inc.	Gallatin	\$100,000.00
A2017-0031	Warren County Conservation District	Warren	\$225,584.00
A2017-0032	Lincoln County Cattlemen's Association	Lincoln	\$240,000.00
A2017-0036	Clark County Conservation District	Clark	\$182,743.00
			\$772,915.00

Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2017-0033	Fleming County Fiscal Court	Fleming	\$5,000.00
A2017-0037	Clark County Conservation District	Clark	\$7,500.00
			\$12,500.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2017-0019	Mercer County Conservation District	Mercer	\$11,950.00
A2017-0029	Warren County Cattlemen Association	Warren	\$5,947.00
A2017-0030	Hopkins County Farm Bureau	Hopkins	\$12,470.00
			\$30,367.00

Youth Cost-Share Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2017-0035	Jessamine County FFA Alumni Association	Jessamine	\$8,000.00
			\$8,000.00

Total County Funds Recommended for Approval in Programs: **\$823,782.00**

APPENDIX C: Requested Program Amendments

App #	A2016-0206
Applicant Name	Barren County Conservation District
Original Amount Approved	\$250,000
Execution Date	11/21/2016
Requested Change	<p>The applicant requests an <u>additional</u> \$127,000 in Barren County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Barren 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 \$377,000.</p> <p>Recommend Approval</p>
