

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the July 20, 2018 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
101 Lakeview Court
Frankfort, KY 40601
July 20, 2018**

Call to Order

Commissioner Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:08 a.m. (EDT).

Roll Call

The following members were present: Commissioner Quarles, Keith Rogers (designee for Commissioner Quarles), Dean Nancy M. Cox, Dr. Kirk Pomper (designee for Dr. M. Christopher Brown II., President), Sarah Butler (designee for Secretary Terry Gill), Mark Barker, Bobby Foree, Pat Henderson, Stewart Hughes, Dr. Gordon Jones, Jim Mahan, Katie Moyer and Al Pedigo.

Members absent: Governor Matt Bevin, Fritz Giesecke, Wayne Hunt and Richard Warner.

Notification of Media

Commissioner Quarles received verification from Marielle Manning, Public Affairs Manager, that the media had been notified of the KADB monthly meeting.

Welcome

Commissioner Quarles welcomed everyone to the meeting.

Commissioner Quarles provided an update on activities at KDA since the last board meeting.

Commissioner Quarles mentioned the trade mission to Canada, with Kelly Craft, U.S. Ambassador to Canada.

Commissioner Quarles stated that 20 percent of Canadian imports come from Kentucky.

Mr. Beeler introduced new board member Mark Barker to the board.

Commissioner Quarles mentioned he had been to Biloxi, Mississippi for the Southern Association of State Departments of Agriculture (SASDA) conference and was voted Vice President of SASDA.

Commissioner Quarles stated that Kentucky would be hosting SASDA in two years.

Commissioner Quarles yielded the chair to Keith Rogers at 10:29 a.m. (EDT).

Approval of Minutes

Mr. Rogers entertained a motion to approve the minutes, and to amend to include Stewart Hughes and Wayne Hunt as present at the June 15, 2018 board meeting.

Mr. Pedigo moved to approve the minutes, as amended; Dean Cox 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 recognized Hannah Forte for her service to Governor's Office of Agricultural Policy, KAFC and KADB.

Mr. Beeler recognized the GOAP summer interns; Anna Arthur, Andrew Glass and McKaylee Copher.

Mr. Beeler yielded the floor to Dr. Chad Lee, Executive Director of UK Grain and Forage Center of Excellence, to update the board on the progress of the expansion.

Mr. Beeler yielded the floor to Aleta Botts, Executive Director of the Kentucky Center for Rural Development to update the board on the status of the organization.

Ms. Botts noted that USDA value added producer grant winners would be announced soon.

Ms. Botts introduced Myrisa Christy, project manager director for eastern Kentucky.

Mr. Beeler introduced new GOAP employee Joe Montgomery to the board.

Mr. Beeler yielded floor to Dean Nancy Cox to introduce Dr. Bob Houtz, Associate Dean for Research and Director, Kentucky Agricultural Experiment Station.

Mr. Beeler updated the board on his activities since the June 15, 2018 board meeting.

Deputy Executive Director's Report

Mr. Rogers yielded the floor to Bill McCloskey, GOAP Deputy Executive Director, to report to the board.

Mr. McCloskey called on Steve Doan to address the ethics memo provided to the board (*on file*).

Mr. McCloskey called on Sandy Gardner and Sadie Middleton to review the spring quarterly compliance report.

Ms. Gardner highlighted points in the report and stated that the GOAP searchable site would be relaunched and ready to view on July 27, 2018.

Ms. Middleton gave a presentation regarding completed and successful projects that have been funded by KADB: Purple Toad Winery and Hopkins County High School greenhouse.

Mr. McCloskey directed the board's attention to The Kentucky Broadcasters Association Public Education Partnership report (*on file*).

Mr. McCloskey discussed the GOAP financial report as of June 30, 2018 (*on file*).

Mr. McCloskey directed the board's attention to the budget page about predictions for future projects.

Mr. McCloskey directed the board's attention to the county account balances report as of June 20, 2018 (*on file*).

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file*) as of June 30, 2018.

Mr. McCloskey highlighted the agenda from the June KAFC meeting.

Mr. Henderson moved to accept the KAFC Financial Report; Ms. Moyer seconded the motion.

VOTE: Motion Passed; Unanimous.

Presentation

Becky Thompson, Executive Director, Kentucky Beef Network presented on the status of the organization, as part of the KADB's 2018 Review Strategy for Statewide investments.

Ms. Thompson stated that there are 38,000 independent family owned beef cattle farms in Kentucky with an average herd size of 29 head.

Ms. Thompson discussed the Kentucky Beef Network programs, and addressed the following questions posed by the board:

1. Of your program/service categories, which have had the most impact on profitability at the farm level?
2. If you were to eliminate a program/service category, which would it be?
3. How do you see your organization in five years if you had no KADF funding?

Recipient Review Committee Reports

Mr. Rogers called on Dr. Kirk Pomper to deliver the Kentucky Horticulture Council Recipient Review Committee report. (*Committee minutes attached as Appendix D*).

Dr. Pomper reported that to date, the horticulture industry has had \$1.5 billion in sales and is a vibrant, lively industry.

Dr. Pomper stated last year there was a change in leadership and mentioned that Cindy Finneseth is the new executive director.

Dr. Pomper stated the goals for this year are to protect agricultural food safety, education regarding growing crops and one on one farmer training.

Dr. Pomper reviewed benchmarks and goals for the year.

Mr. Mahan moved to approve the committee report, as presented; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

Mr. Rogers called on Pat Henderson to deliver the Kentucky Department of Agriculture Recipient Review Committee report. (*Committee minutes attached as Appendix E*).

Mr. Henderson stated the KDA has a great marketing program.

Mr. Henderson reviewed the budget and stated KDA is on track.

Mr. Pedigo moved to approve the committee report, as presented; Mr. Barker seconded the motion.

VOTE: Motion Passed; Unanimous.

Old Business

Memo Action Items

Mr. Rogers called on Stefanie Osterman, Sadie Middleton and Steve Doan, to present the following memo action items:

A2017-0084 Equus Run Vineyards, LLC

Ms. Osterman presented a memorandum (*on file*) on the above referenced project regarding the request for a 6-month time extension.

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

VOTE: Motion Passed; Unanimous, Mr. Barker abstained.

A2018-0160 4% County Agricultural Development Council Administrative Funds

Ms. Middleton presented a memorandum (*on file*) on the above referenced request for the following counties:

Anderson	\$1,808
Casey	\$1,345
Clay	\$1,658
Logan	\$650
Russell	\$500
Shelby	\$500

Dr. Jones moved to approve the staff recommendation, as recommended; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

2018 CAIP Video Prerequisites

Mr. Doan presented a memorandum (*on file*), regarding the removal of list video pre-requisites. The videos would be an optional educational tool, but not a requirement. With this change, the "Certification for Educational Requirement" form becomes required. These changes are retroactive for all 2018 CAIPs.

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

VOTE: Motion Passed; Unanimous.

New Business

New Applications for Referral¹

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

Mr. McCloskey referenced three (3) new applications for referral.

Mr. Hughes moved to refer the submitted applications to the appropriate committee; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

¹ A detailed list of New Applications for Referral is attached as Appendix A.

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 \$1,020,867; one (1) Deceased Farm Animal Removal Program applications requesting county funds totaling \$7,500. This makes the total programs funding \$1,028,367.

Mr. Foree moved to approve the program recommendations, as presented; Mr. Pedigo 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 \$124,104.

Dr. Jones moved to approve the program amendments as presented; Mr. Barker seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Mr. Rogers called on Biff Baker, Anna Arthur and Andrew Glass to present the following recommendations for funding:

A2018-0126 Kentucky State Fair Board

Mr. Baker referenced the above application from the Kentucky State Fair Board (KSFB), requesting up to \$5,000,000 in State funds to demolish Cardinal Stadium at the Kentucky State Fair and Exposition Center.

The White Application Review Committee recommended funding the request for \$5,000,000 in State funds, subject to terms and conditions.

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

Mr. Henderson moved to amend the motion to add a term related to reporting of Kentucky Proud locally grown purchases, as well as the development of a resolution from the board to KSFB related to Ky Proud products at its facilities. Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

A2018-0127 Kentucky State Fair Board

Mr. Baker referenced the above application, from the (KSFB) requesting up to \$1,000,000 in State funds to demolish the old Department of Transportation building at the Kentucky State Fair & Exposition Center.

The White Application Review Committee recommended funding the request for up to \$1,000,000 in State funds subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

² A detailed list of applications funded under the listed programs is attached as Appendix B.

³ A detailed list of program amendments is attached as Appendix C.

A2018-0128 The Berry Center, Inc.

Ms. Arthur referenced the above application from The Berry Center, Inc. requesting up to \$5,000 in Henry County funds to purchase mobile cattle scales.

The White Application Review Committee recommended funding the request for up to \$5,000 in Henry County funds.

Ms. Hughes moved to approve the committee recommendation; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

A2018-0131 Mercer County 4-H Council, Incorporated

Mr. Glass referenced the above application from Mercer County 4-H Council, Incorporated, requesting up to \$1,500 in Mercer County funds to purchase gates to build pens for small livestock.

The White Application Review Committee recommended funding the request for up to \$1,500 in Mercer County funds subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2018-0132 Jessamine County FFA Alumni Association, Inc.

Mr. Glass referenced the above application from Jessamine County FFA Alumni Association, Inc., requesting funds for up to \$5,000 in Jessamine County funds to expand their existing educational walking trail including the construction of a koi pond, raised beds, fruit trees and beehives.

The White Application Review Committee recommended funding the request for up to \$5,000 in Jessamine County funds subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2018-0138 Hancock County Fair Board

Mr. Glass referenced the above application from Hancock County Fair Board, Inc. requesting \$600 in Hancock County funds to purchase small animal holding pens.

The White Application Review Committee recommended funding the request for \$600 in Hancock County funds subject to terms and conditions.

Ms. Butler moved to approve the committee recommendation; Ms. Moyer seconded the motion.

VOTE: Motion Passed; Unanimous.

A2018-0139 Hancock County Farm Bureau of Hancock County, Kentucky

Mr. Glass referenced the above application from Hancock County Farm Bureau, requesting up to \$1,800 in Hancock County funds to purchase four (4) sets of grain bin rescue equipment.

The White Application Review Committee recommended funding the request for \$1,800 in Hancock County funds subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for No Funding

Mr. Rogers called on Ms. Osterman and McKaylee Copher to present the following recommendation for no funding.

A2017-0146 Pumpkin Vine Creek, LLC

Ms. Osterman referenced the above application from Pumpkin Vine Creek, requesting \$40,500 in Madison County funds and \$455,500 in State funds to acquire RediFlame business equipment and startup costs.

The White Application Review Committee recommended not funding this project due to limited producer impact.

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

VOTE: Motion Passed; Unanimous.

A2018-0116 Eastern Kentucky University

Ms. Copher referenced the above application from Eastern Kentucky University, requesting \$1,258.04 in Madison County funds for their community garden.

The White Application Review Committee recommended not funding this project due to no county funds being committed and project was given low priority.

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

VOTE: Motion Passed; Unanimous.

Pending Applications

Mr. McCloskey referenced the following two (2) pending applications:

A2017-0173	Two Rivers Fisheries, Inc.
A2018-0140	JSW Farm Chop Shop, Inc.

Mr. McCloskey stated there would be an update to JSW Farm Chop Shop, Inc. one-half hour after adjournment of the full board meeting with the project manager.

No action necessary on pending applications.

Closing Remarks

Mr. Rogers stated that the White Application Review Committee would meet at 1 pm in Room E/F.

Mr. Rogers stated that the next KADB meeting is on Friday August 17, 2018 beginning at 10:00 a.m. (EDT) at the Saddle and Sirloin Club in Freedom Hall of the Kentucky Exposition Center, 937 Phillips Lane, Louisville, KY 40209.

Adjournment

Mr. Rogers entertained a motion to adjourn.

Mr. Hughes moved to adjourn the July KADB meeting; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:24 p.m. (EDT).

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY
A2018-0143	Edmonson County Farm Bureau of Edmonson County, Kentucky <i>Grain Bin Rescue Equipment</i>	Edmonson
A2018-0145	The University of Kentucky Research Foundation <i>Enology Research Project</i>	Fayette
A2018-0156	Kentucky Department of Agriculture <i>Promotion and Marketing for Grape and Wine Industries</i>	Franklin

Appendix B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0141	Gallatin County Farm Bureau of Gallatin County, Kentucky	Gallatin	\$150,000.00
A2018-0142	Allen County Conservation District	Allen	\$109,505.00
A2018-0144	Edmonson County Cattleman Assoc.	Edmonson	\$70,000.00
A2018-0146	Boyle County Farm Bureau	Boyle	\$113,000.00
A2018-0149	Elliott County Conservation District	Elliott	\$129,128.00
A2018-0150	Shelby County Farm Bureau, Inc.	Shelby	\$210,000.00
A2018-0154	Nicholas County Conservation District	Nicholas	\$239,234.00
			\$1,020,867.00

Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0147	Boyle County Conservation District	Boyle	\$7,500.00
			\$7,500.00

Total County Funds Recommended for Approval in Programs: **\$1,028,367.00**

Appendix C: Requested Program Amendments

App # A2018-0033
Applicant Name Magoffin County Agriculture Investment Program Incorporated
Original Amount Approved \$60,000
Execution Date 3/16/2018
Requested Change The applicant requests an additional \$71,366 in Magoffin County funds for the *CAIP Program*. The request received a high priority from the 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 \$131,366.
Recommend Approval

App# A2018-0026
Applicant Name Greenup County Conservation District
Original Amount Approved \$65,222
Execution Date 6/5/2018
Requested Change The applicant requests an additional \$52,738 in Greenup County funds for the *CAIP Program*. The request received a high priority from the 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 \$117,960.
Recommend Approval

Appendix D: White Application Committee Meeting Minutes



Meeting Date:	7/20/2018
Meeting Location:	Franklin County Extension Office
Meeting Chair:	Bill McCloskey
Attendees:	Nancy Cox, Gordon Jones, Jim Mahan, Keith Rogers, Steve Doan, Biff Baker and Warren Beeler
Minutes Issued By:	Joseph Montgomery
Meeting Call to Order:	1:00 p.m.
Meeting Adjourned:	3:30 p.m.

Agenda Items: Pending and New applications

1. A2018-0140 JSW Farm Chop Shop Inc.
 - a. Recommend to pend project monthly to gather more financial information.
2. A2018-0143 Edmonson County Farm Bureau
 - a. Recommend to approve as submitted.
3. A2018-0145 U.K. Research Foundation: Viticulture and Enology Research & Extension
 - a. Recommend to approve with change of growth in vineyard acres.
4. A2018-0156 KDA: Kentucky Grape & Wine Council
 - a. Recommend to approve with changes of growth of vineyard acres, guidelines for the three budget categories and establish a funding cap in each budget category.
5. A2016-0070 Hardin County Agricultural Extension Foundation.
 - a. Recommend to approve as submitted.

Appendix E: KY Horticulture Council Recipient Review Committee Meeting Minutes



Meeting Date:	July 19, 2018
Meeting Location:	Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, KY
Committee Chair:	Dr. Kirk Pomper
Attendees:	Dr. Kirk Pomper, Bobby Foree, John McCauley, Taylor Burnett, Dr. Cindy Finneseth, Mac Stone, Joel Wilson, Sandy Gardner, Bill McCloskey, Steve Doan
Minutes Issued By:	Marielle Manning
Meeting Call to Order:	10:00 a.m.
Meeting Adjourned:	11:53 a.m.

Agenda Items:

I. A2016-0186 Grant

A. Review of Budget - Dr. Finneseth reported that KHC is on-target with the budget and should exhaust the funds by the end of the year.

KHC Board has asked that Mac Stone stay on in part-time manner through the end of the year in a reduced amount.

B. Benchmarks, Goals & Objectives – Progress Update
On-Farm Demonstration & Consultations

123 site visits and face to face technical consultations conducted by Extension Associates and KHC Director in 2018 so far

GOAL: 500 in 2018

Horticulture Council Operational Achievements

Hired Dr. Cindy Finneseth as full-time Executive Director, established a permanent address, email and website (www.kyhortcouncil.org)

Programmatic Focus Area Achievements

Protected agriculture, food safety and UK Center for Crop Diversification

Special Projects

KADF-funded greenhouse assessment, shared-use equipment inventory and geographic horticulture directory

Farm Family Consultations and On-Farm Demonstrations

Development & Evaluation of Production and Marketing Systems

18+ crops under trial for improved production recommendations, 15 direct and 15 indirect research trials

GOAL: 20-30 trials

Horticulture Market Research, Analysis and Marketing Education

Conducted three MarketReady workshops with one more planned for 2018, three market reports published with 10 other reports in progress

GOAL: 15 educational meeting programs/presentations

**Appendix E: KY Horticulture Council
Recipient Review Committee Meeting
Minutes**



<p><u>Sustainable Market Access & Demand for Horticultural Products</u> <i>38 on-farm visits working with 28 farmers in 17 counties, completed 23 Comprehensive Food Safety Plans and preparing for GAP audits, 8 cost-share participants</i> <i>GOAL: 10 growers -3rd party GAP Audits, 15 GAP audit cost-share participants</i></p>
<p>II. Next Meeting – Thursday, November 15, 2018 Next Presentation – Friday, August 17, 2018 KADB Meeting</p>

Appendix F: Kentucky Dept. of Agriculture RRC Meeting Minutes



Meeting Date:	July 19, 2018
Meeting Location:	GOAP
Meeting Chair:	Pat Henderson
Attendees:	Committee: Sarah Butler, Pat Henderson, Wayne Hunt, Katie Moyer KDA Staff: Melanie Blandford, Tim Hughes, Tyler Madison, Chad Smith, Tiffany Harper GOAP Staff: Biff Baker, Bill McCloskey, Steve Doan, Sandy Gardner, Joe Montgomery
Minutes Issued By:	Biff Baker
Meeting Call to Order:	2:00 PM
Meeting Adjourned:	4:30 PM

Agenda Items:

1. A2016-0210 Grant (Budget)
 - a. Reviewed the various budget categories. As expected, Point of Purchase and Branding & Advertising funds are mostly spent or encumbered. Other funded categories are in line with expectations.
 - b. It was agreed that future budget expenses would be rounded to the nearest dollar.

2. A2016-0210 Grant (Benchmarks)
 - a. POP- 65 applications were approved in this reporting period. Most of the funds have been spent or encumbered.
 - b. Branding & Advertising- The Kentucky Proud Wedding campaign is going well. Many events were sponsored in this reporting period. Most of the funds have been spent or encumbered.
 - c. Buy Local- Enrollment is up 31% since the last reporting period (105 to 138), and most of them were new participants.
 - d. Retail Program- Several new partnerships were initiated in this reporting period, including Louisville's Fresh Thyme Market and Beef Solutions.
 - e. LAND- Five regional LAND meetings have been scheduled throughout the state. Two have already been held in Boone Co. and London. The other three will be held in Cave City, Murray, and Shelbyville.
 - f. Farm-to-Fork- As of April 30, 14 dinners in 12 Counties have been approved with projected attendance at more than 3,100 people.

3. Sustainability, Benchmarks
 - a. The members emphasized that KDA staff continue to explore different avenues towards achieving financial sustainability.
 - b. In future RRC meetings, more emphasis will be given to tracking existing benchmarks and developing more quantifiable benchmarks.

APPROVED DATE : 8-17-18
PRESIDING OFFICER: [Signature]
BOARD SECRETARY: Tracey Park
Tracey Park