

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the February 15, 2019 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.



Call to Order

Commissioner Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:16 a.m. (EST).

Roll Call

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

Members absent: Governor Bevin, Fritz Giesecke, Stewart Hughes and Richard Warner.

Notification of Media

Commissioner Quarles received verification from Marielle McElmurray, Director of Public Affairs, 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 introduced new staffers at KDA: Dana Feldman, Executive Director of Consumer and Environmental Protection, and Michael Williams, Director of Environmental Service.

Commissioner Quarles also mentioned the promotion of Tim Hughes to Senior Trade Advisor.

Commissioner Quarles called on Melanie Blandford, Executive Director of Agricultural Marketing, to give an update regarding recent marketing campaigns to the board.

Ms. Blandford recognized Mark Barker as the new president of the Kentucky Agricultural Council.

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the January 18, 2019 board meeting.

Mr. Hunt moved to approve the minutes, as presented; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Unanimous.

Executive Directors Report

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

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

Mr. Beeler yielded the floor to Heather Graham, Wolfe County ANR Agent, to present to the board.

Mr. Beeler yielded the floor to Dean Cox to give an update on the University of Kentucky Grain and Forage Center of Excellence in Princeton, KY.

Mr. Beeler introduced Hoppy Hinton, former Executive Director of the Kentucky Center for Agricultural Development and Entrepreneurship (KCADE), to the board.

Mr. Beeler introduced new GOAP staff: Ali Hulett, Administrative Loan Manager, and Shelby Wade, Compliance Manager.

Mr. Beeler informed the board that Danielle Milbern and Renee Laurent have transitioned their roles to Project Managers.

Mr. Beeler updated the board on his activities since the last board meeting.

Deputy Executive Director's Report

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

Mr. McCloskey mentioned the update packet to the board.

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

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file*) as of January 31, 2018.

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of February 5, 2019.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of January 31, 2019.

Mr. McCloskey referenced the January 8, 2019 KAFC Meeting Agenda and the KAFC Loan Applications (*on file*).

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

VOTE: Motion Passed; Unanimous.

Recipient Review Committee Reports

Commissioner Quarles called on Jim Mahan to deliver the Kentucky Beef Network Recipient Review Committee¹ report.

Mr. Mahan commented benchmarks and goals are far exceeded for the year.

Mr. Mahan stated they were on track with money and expect to be giving a refund at the end of February.

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

VOTE: Motion Passed; Unanimous.

Commissioner Quarles called on Dr. Jones to deliver the Kentucky Dairy Development Council Recipient Review Committee² report.

Dr. Jones mentioned that Maury Cox, Executive Director of KDDC would be retiring March 1, 2019.

Dr. Jones mentioned that the KDDC should have extra funds at the end of the program year.

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

VOTE: Motion Passed; Unanimous.

Presentations

The Commissioner yielded the floor to Sandra Gardner to introduce the following presentations required by the respective legal agreements:

Community Farm Alliance (2017-0004) – Martin Richards, Executive Director – final update.

Berea College Grow Appalachia (2017-0226) – Chris McKenzie and Matt Wilson – midterm update.

Dr. Jones moved to approve the release of the second year funding; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

Keith Rogers assumed the chair at 11:28 a.m.

New Business

New Applications for Referral³

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

Mr. McCloskey referenced four (4) new applications for referral.

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

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval⁴

Mr. Rogers called on Mr. McCloskey to present programs recommended for approval.

Mr. McCloskey referenced five (5) County Agricultural Investment Programs (CAIP) applications requesting county funds totaling \$501,485: Two (2) Deceased Animal Farm Removal Program requesting county funds totaling \$15,000: One (1) Shared-Use Equipment requesting county funds totaling \$12,750: Two (2) Youth Ag Incentives Programs requesting county funds totaling \$80,000. This makes the total programs funding \$609,235.

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

VOTE: Motion Passed; Mr. Henderson abstained.

Requested Program Amendments⁵

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

Mr. McCloskey referenced four (4) requested program amendments seeking additional county funds, (Franklin, Barren, Bracken and Owen counties), totaling \$96,859 in additional funds.

Dr. Jones moved to approve the program amendments, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Mr. Rogers called on Renee Laurent and Danielle Milbern to present the following recommendations for funding:

A2019-0001 Kentucky State Fair Board

Ms. Laurent referenced the above application from the Kentucky State Fair Board requesting up to \$1,000,000 in State funds to address various deferred maintenance and renovation needs for agricultural events held at the Kentucky Fair & Exposition Center.

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

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

VOTE: Motion Passed; Unanimous.

A2019-0002 Community Farm Alliance, Inc.

Ms. Milbern referenced the above application from Community Farm Alliance, Inc. requesting \$382,343 in State funds to continue supporting the Kentucky Double Dollars and Market Manager cost share programs as well as provide technical assistance through the 2019-2020 Farmers Market Support Program.

The Application Review Committee recommended funding the request for two (2) years in the reduced amount of up to \$247,201 subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2019-0003 Washington County Livestock Center, Inc.

Ms. Laurent referenced the above application from Washington County Livestock Center, Inc. requesting \$144,223 in State funds and \$144,223 in multiple County funds for a building addition and construction of two (2) new support buildings.

The Red Application Review Committee recommended funding the request for up to \$144,223 in State funds and \$144,223 in County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

On-Farm Energy Programs Recommended for Approval⁶

Mr. Rogers called on Stefanie Osterman to present the On-Farm Energy Incentives Program Applications recommended for approval.

Ms. Osterman referenced eight (8) requested On-Farm Energy Incentives Program Applications seeking funds for a total of \$50,467.

Mr. Barker moved to approve the program requests; Mr. Pedigo seconded the motion

VOTE: Motion Passed; Unanimous.

Pending Applications

Mr. McCloskey referenced the following four (4) pending applications:

A2018-0199	Litsinger Enterprises, LLC
A2018-0211	University of Kentucky Beef IRM Committee
A2018-0222	Kipley J. McNally
A2018-0237	City of Columbia

No action necessary on pending applications.

Expired/Withdrawn Applications

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

A2018-0053	St. William's Parish of Knottsville, Kentucky
A2018-0232	Hopkins County Board of Education

No action necessary on withdrawn applications.

Closing Remarks

Mr. Rogers stated the Red Application Review Committee would meet one hour after adjournment of the full board meeting in this Room E/F.

Mr. Rogers stated that the next KADB meeting would be on March 15, 2019 at the Franklin County Extension Office, Frankfort, Ky.

Adjournment

Mr. Rogers entertained a motion to adjourn.

Mr. Hunt moved to adjourn the February KADB meeting; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:56 a.m. (EST).

APPROVED DATE: 3-15-19

PRESIDING OFFICER: [Signature]

BOARD SECRETARY: [Signature]
Tracey Park

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- 1 A copy of the KBN Committee minutes is attached as Appendix E
 - 2 A copy of the KDDC Committee minutes is attached as Appendix F
 - 3 A detailed list of New Applications for Referral is attached as Appendix A
 - 4 A detailed list of applications funded under the listed programs is attached as Appendix B
 - 5 A detailed list of amendments funded under the listed programs is attached as Appendix C
 - 6 A detailed list of On-Farm Energy programs funded are attached as Appendix D
 - A copy of the Blue Application Review Committee minutes is attached as Appendix G
 - A copy of the Red Application Review Committee minutes is attached as Appendix H

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY	CMTE
A2019-0015	Summersville Volunteer Fire Department, Inc. <i>Grain Bin Rescue Equipment</i>	Green	Red
A2019-0023	Imel's Greenhouse, LLC <i>On-Farm Water Management: Imel's Greenhouse, LLC</i>	Greenup	Water
A2019-0024	Ohio Valley Farm Analysis Group, Inc. <i>Kentucky Farm Business Management Specialist</i>	Henderson	Red
A2019-0028	Marksbury Farm Foods, LLC <i>Global Food Safety Initiative (GFSI) Audit and Equipment</i>	Garrard	Red

Appendix B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0021	Campbell County Conservation District	Campbell	\$30,328.00
A2019-0026	Bath County Conservation District	Bath	\$185,523.00
A2019-0027	Breckinridge County Conservation District	Breckinridge	\$220,000.00
A2019-0031	Logan County Cattlemens Association Incorporated	Logan	\$60,134.00
A2019-0032	Owen County Farm Bureau, Inc.	Owen	\$5,500.00
			\$501,485.00

Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0166	Nicholas County Conservation District	Nicholas	\$7,500.00
A2019-0029	Hardin County Fiscal Court	Hardin	\$7,500.00
			\$15,000.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0022	Washington County Conservation District	Washington	\$12,750.00
			\$12,750.00

Youth Ag Incentives Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0025	Bath County Cattleman Association, Inc.	Bath	\$20,000.00
A2019-0030	Logan County Cattlemens Association Incorporated	Logan	\$60,000.00
			\$80,000.00

Total County Funds Recommended for Approval in Programs: **\$609,235.00**

Appendix C: Requested Program Amendments


App # A2018-0180
Applicant Name Franklin County Cattlemen's Association
Original Amount Approved \$109,719
Execution Date 10/11/2018
Requested Change The applicant requests an additional \$12,003 in Franklin 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 \$121,722.
Recommend Approval

App# A2018-0168
Applicant Name Barren County Soil Conservation District
Original Amount Approved \$280,000
Execution Date 9/7/2018
Requested Change The applicant requests an additional \$44,600 in Barren 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 \$324,600.
Recommend Approval

App# A2018-0206
Applicant Name Buffalo Trace Area Development District, Inc. (Bracken)
Original Amount Approved \$180,000
Execution Date 11/9/2018
Requested Change The applicant requests an additional \$34,736 in Bracken 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 \$214,736.
Recommend Approval

Appendix C: Requested Program Amendments

App # A2018-0056
Applicant Name Owen County Farm Bureau Inc.
Original Amount Approved \$245,000
Execution Date 5/23/2018
Requested Change The applicant requests an additional \$5,520 in Owen County funds for the *CAIP Program*. The request received a high priority from the County Council.
This is the second 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 \$275,520.
Recommend Approval



Appendix D: On-Farm Energy Programs Recommended for Approval

APP #	APPLICANT	COUNTY	FUNDS REQUESTED
A2018-0235	Milky Way Dairy <i>Total Budget \$19,802 Dairy</i>	Adair	\$10,051.00
A2018-0236	Roy Family Dairy <i>Total Budget \$5,489 Dairy</i>	Russell	\$2,899.00
A2018-0238	Chapel Gap Dairy <i>Total Budget \$11,220 Dairy</i>	Lincoln	\$5,760.00
A2019-0004	Next Generation Farms <i>Total Budget \$12,500 Poultry</i>	Grayson	\$6,400.00
A2019-0005	Manford D. Crum <i>Total Budget \$7,324 Dairy</i>	Graves	\$7,324.00
A2019-0006	Rickey S. Nuckols <i>Total Budget \$5,138 Dairy</i>	Barren	\$5,138.00
A2019-0007	Timmy G. Jones <i>Total Budget \$5,188 Poultry</i>	Marion	\$2,745.00
A2019-0008	Myatt Poultry, LLC <i>Total Budget \$46,412 Poultry</i>	Ballard	\$10,150.00

Appendix E: KBN Recipient Review Committee Meeting Minutes

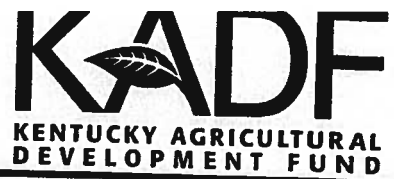


Meeting Date:	02/14/19
Meeting Location:	Governor's Office of Ag Policy
Meeting Chair:	Stewart Hughes
Attendees:	Committee: Stewart Hughes, Al Pedigo-via phone, Tim Hughes, Jim Mahan GOAP Staff: Stefanie Osterman, Sandra Gardner, Bill McCloskey, Steve Doan, Renee Laurent, Shelby Wade UK Staff: Les Anderson, Dr. Bullock, Dr. Jeff Lehmkuhler
Minutes Issued By:	Stefanie Osterman
Meeting Call to Order:	2:00 pm
Meeting Adjourned:	3:30 pm

Agenda Items:

1. Grant Benchmarks, Goals and Objectives- Progress Update
 - a. Integrated Reproductive Management Farm Program-benchmarks exceeded.
 - i. \$5,100 added revenue to those participating
 - ii. Add 20 more in the future
 - iii. Best example was from Graves farm in Adair county.
 - b. KBN Field Associates-benchmarks met
 - i. 38 new contacts across the state
 - c. Backgrounding Short Course-"New" in 2018-
 - i. Anticipate holding this event March 28-29
 - Herd health
 - Ag engineering
 - d. Linking Environment and Farming-benchmarks met
 - i. All events were held at Eden Shale but they would like to get the same BMPs at Princeton
 - e. BQCA Cattle Handling & Care-benchmarks exceeded
 - i. 1,024 certifications this quarter in 70 counties
 - ii. next modules that will be added will be on health issues and calving.
 - f. Bull Value Assessment Program-in progress
 - i. 3 sites with over 80 participants
 - ii. Participants go thru various scenarios on type of bull to buy and go thru the whole process during the workshop.
 - g. Applied Master Cattlemen-in progress
 - i. 6 classes (2 in January)
 - ii. Over 160 participants-program is hands on and part of it includes doing hay analysis

Appendix E: KBN Recipient Review Committee Meeting Minutes



Agenda Items:

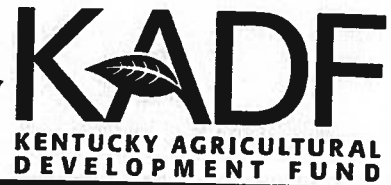
- h. Master Grazer-in progress
 - i. over 50 attended in Versailles
- i. Weaning 101
 - i. 20 producers attended field day at Eden Shale with several stations on feed rations, marketing, and facilities
- j. Beef Efficiency Conference-January 17, 2019 Owensboro Convention center
 - i. Over 350 participants
 - ii. They will combine this program with the forage conference/trade show next year with a reduced amount of speakers
 - iii. They ask participants what they would be willing to pay and they said between \$10-\$20
2. CAIP discussion-throughout the meeting there was discussion about thinking forward to what may be beneficial to producers, whether it be cross-bred incentives, genomic testing for EPDs, package for CAIP on feeding design or feeding pads.
3. Budget and program were discussed in depth.
4. Next Meeting-TBD
5. Next Presentation

Appendix F: Kentucky Dairy Development Council Recipient Review Committee Meeting Minutes



Meeting Date:	February 15, 2019
Meeting Location:	Franklin County Cooperative Extension Service 101 Lakeview Court, Room C Frankfort, KY 40601
Committee Chair:	Dr. Gordon Jones
Attendees:	Committee members: Dr. Gordon Jones, Nancy Cox and Mark Barker, Tim Hughes GOAP staff: Warren Beeler, Bill McCloskey, Steve Doan, Danielle Milbern, Sandy Gardener; others present include Maury Cox, KDDC
Minutes Issued By:	Danielle Milbern, Project Manger
Meeting Call to Order:	8:20 a.m.
Meeting Adjourned:	9:55 a.m.
Agenda Items:	
<p>I. A2016-0184 Review and discussion of 2017-2018 KDDC budget. Warren Beeler asked everyone to review the revised KDDC budget. The committee reviewed the expenditures of the 2017-2018 funds. Maury stated the 4th quarter payments haven't been disbursed, that's why there was so much money left over.</p> <p>II. Other: Warren talked about how the dairy industry is going through the same thing the hog industry did back in the 80's. The committee also talked about how dairy farmers need to get away from fluid milk and go towards cheese, butter and creamer. They talked about an idea like Beef Solutions but only for dairy. A question that the committee wondered was, "What's the true value of our cheese with the federal order?" A concern from the committee was, "Are we really helping the Dairy farmers or hurting them by allowing them to dig farther into debt?" KDDC said the farmers said the checks were more like a subsidy. Some Dean's producers are actually making profit, and Dairy Farmers of American is taking some producers from Maryland/Virginia Cooperative. Warren asked if KDDC was sustainable without KADF and the answer was no.</p> <p>III. Newsletter: Maury said the newsletter maybe breaking even. He stated that KDDC sends out more than 2500 newsletters. They are sending some out via email and are looking into the possibility of send more out via email.</p> <p>IV. The KDDC Recipient Review Committee recommends, "Rising the Milk program limitation. Contingent upon the Dairy Companies' agreeing to match the new limits for producers.</p>	

Appendix G: Blue Application Review Committee Minutes



Meeting Date:	2/15/2019
Meeting Location:	Franklin County Cooperative Extension Service 101 Lakeview Court, Room C Frankfort, KY 40601
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Bobby Foree, Sarah Butler, Wayne Hunt, Al Pedigo, Katie Moyer, Keith Rogers, and Nancy Cox; GOAP staff: Bill McCloskey, Steve Doan, and Renee Laurent; KCARD: Aleta Botts and Spencer Guinn
Minutes Issued By:	Renee Laurent
Meeting Call to Order:	8:30 a.m.
Meeting Adjourned:	10:10 a.m.

Agenda Items:

Applications:

1. A2017-0185 Beef & Bacon Custom Processing, LLC.
 - a. Pended by committee.
 1. Obtain approval of budget change from County Council.
 2. Present documentation of USDA inspection/approval.
2. A2017-0198 Vances Mill Farms, Inc.
 - a. Pended by committee.
 1. Awaiting payment to KCARD for Phase I and Phase II of Feasibility Study.
3. A2018-0211 University of Kentucky Beef IRM Committee.
 - a. Pended by committee.
 1. Report back on formation of LLC.
4. A2018-0232 Hopkins County Board of Education
 - a. Withdrawn (No action needed)

Appendix H: Red Application Review Committee Minutes



Meeting Date:	2/15/19
Meeting Location:	Franklin County Cooperative Extension Service 101 Lakeview Court, Room E/F Frankfort, KY 40601
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Pat Henderson, Dr. Pomper, Mark Barker, Keith Rogers, Dr. Jones GOAP staff: Warren Beeler, Bill McCloskey, Steve Doan, Tracey Park, Renee Laurent, Danielle Milbern ; KCARD: Aleta Botts
Minutes Issued By:	Danielle Milbern
Meeting Call to Order:	12:50 p.m.
Meeting Adjourned:	1:54 p.m.

Agenda Items:

Pending:

A2018-0237 City of Columbia

- a. Pended by committee at the request (via email) of new Mayor Pam Hoots to give the city time to address two items of concern.

Applications:

1. A2019-0015 Summersville Volunteer Fire Department, Inc.

- a) The Committee recommends funding \$445 dollars in Green County Funds.

2. A2019-0024 Ohio Valley Farm Analysis Group, Inc.

- a) The Committee recommends funding Ohio Valley Farm Analysis Group for 5 years for a total of \$105,000. The Committee recommends to have an annual written report yearly before the next year funds are disbursed.
 1. UK has committed to 60% of the budget
 2. The Committee wants the Ohio Valley Farm Analysis Group to be a self-sustaining group after the 5 years.

3. A2019-0028 Marksbury Farm Foods, LLC

- a) The Committee recommends funding Marksbury Farm Foods in two different parts.
 1. GFSI Certification: \$62,350 in the form of a grant
 2. Grinder and Sorter: \$42,163 in the form of a forgivable loan for five years