

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the August 16, 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.



**Kentucky Agricultural Development Board
Summary Minutes of the Regular Business Meeting
Kentucky Fair and Exposition Center
Louisville, KY**

Call to Order

Commissioner Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:03 a.m. (EDT).

Roll Call

The following members were present: Commissioner Quarles, presiding, Sarah Butler (designee for Secretary Vivek Sarin), Dr. Kirk Pomper (designee for Dr. M. Christopher Brown II., President), Dean Nancy Cox, Al Pedigo, Dr. Gordon Jones, Bobby Foree, Fritz Giesecke, Pat Henderson, Matt Hinton, Wayne Hunt, Stewart Hughes, Katie Moyer and Mark Barker.

Members absent: Governor Bevin and Jim Mahan.

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 updated the board on what has been happening in Kentucky regarding agriculture.

Commissioner Quarles welcomed 2019 Miss Kentucky Alex Francke. Ms. Francke is the ambassador for the Kentucky State Fair and the Kentucky Department of Agriculture's Kentucky Proud Program.

Commissioner Quarles yielded the floor to Dean Nancy Cox to introduce Dr. Laura Stephenson, Associate Dean and Director of Cooperative Extension Service, University of Kentucky (UK) to the board.

Commissioner Quarles remarked that the ribbon cutting ceremony for the University of Kentucky Grain and Forage Center of Excellence will be September 19, 2019.

Executive Director's 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 Agriculture and Rural Development (KCARD), to update the board on activities of the organization.

Ms. Botts introduced Eddie Melton, first vice president of Kentucky Farm Bureau and KCARD board chair.

Mr. Melton spoke about the KCARD board and his goals and vision for KCARD.

Mr. Beeler introduced Dr. Chad Lee, Executive Director of the UK Grain and Forage Center of Excellence, to address the board. Dr. Lee gave an update on the center and addressed the upcoming ribbon cutting ceremony on September 19, 2019.

Mr. Beeler yielded the floor to Brian Lacefield, State Executive Director of the Farm Service Agency. Mr. Lacefield discussed the 2019 Farm Bill and updated the board on the Farm Service Agency.

Commissioner Quarles introduced Rep. Michael Meredith to the board.

Mr. Beeler introduced Whitney Carman, Grayson County Extension Agriculture and Natural Resource Agent to give an update to the board.

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

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the July 19, 2019 board meeting.

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

VOTE: Motion Passed; Unanimous.

Deputy Executive Director's Report

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

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

Mr. McCloskey addressed the State Pool Tobacco Funds as of July 31, 2019 (*on file*).

Mr. McCloskey addressed the July 31, 2019 KADB Cash Flow (*on file*).

Mr. McCloskey directed the board's attention to the county account balances report as of July 26, 2019 (*on file*).

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position as of July 31, 2019 (*on file*).

Mr. McCloskey referenced the August 9, 2019 KAFC Meeting Agenda and the KAFC Loan Applications (*on file*).

Mr. Hughes moved to accept the KAFC Financial Report; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Unanimous.

Presentations

A2018-0013

U. S. Geological Survey, Indiana-Kentucky Water Science Center
Angela Crain - Water Quality Specialist

Mr. Foree moved to accept the presentation, as presented; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

Commissioner Quarles yielded the chair to Keith Rogers at this time.

A2018-0145

UK Viticulture Enology and Extension
Patsy Wilson – Extension Specialist – Viticulture

Ms. Moyer moved to accept this presentation, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

Memo Action Items

Mr. Rogers called on Renee Carrico and Shelby Wade to present the following memo action items:

A2015 - 0220 University of Kentucky Research Foundation

Ms. Carrico presented a memorandum (*on file*) on the above referenced project requesting a six (6) month time extension until March 6, 2020 to complete the project and allow time to draw down the remaining funds.

Staff recommended approval.

Mr. Hinton moved to approve the recipient request, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

A2017 - 0106 Victory Foods, PBC.

Ms. Carrico presented a memorandum (*on file*) on the above referenced project requesting a six (6) month time extension until January 17, 2020 to allow time to draw down the remaining funds.

Staff recommended approval.

Mr. Foree moved to approve the recipient request, as presented; Ms. Moyer seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019 – 0180 Buffalo Skull Ranch – On-Farm Water Management

Ms. Carrico presented a memorandum (*on file*) on the above referenced project related to a request by the On-Farm Water Management Committee Technical Advisory Group requesting an exception to the 2019 KADB/KAFC Hemp Policy.

Mr. Foree asked if the board should hold the application pending review of the 2020 KADB/KAFC Hemp Policy.

Mr. Pedigo asked the question if the applicant could re-apply after the board reviews its 2020 hemp policy.

Ms. Carrico responded that the project would be completed in 2019.

Ms. Butler asked whether the applicant's clone plants were similar to certified seed.

In response to a question from Ms. Butler, Ms. Moyer clarified that the clone plants are different from certified seed.

Mr. Hunt responded that the 2019 KADB/KAFC Hemp Policy permits projects for certified seed and education only at this time.

Mr. Henderson moved to deny the Technical Advisory Group request, as presented; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019 - 0200 4% County Agricultural Development Council Administrative Funds

Ms. Wade presented a memorandum (*on file*) on the above referenced memo for the following counties: (Anderson, Carlisle, Casey, Clay and Shelby) to allow their county councils to set aside up to 4% of their individual county allocation on an annual basis for administrative expenses.

Staff recommended approval.

Mr. Hughes moved to approve the recipient request, as presented; Mr. Giesecke 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 two (2) new applications for referral.

Dr. Jones moved to refer the submitted applications to the appropriate committees; Dean Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval²

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

Mr. McCloskey called attention to the handout on Grayson County.

Mr. McCloskey referenced seven (7) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$1,352,474; four (4) Dead Animal Removal applications requesting county funds totaling \$27,000; three (3) Youth Ag Incentive Program applications requesting \$45,000. This makes the total programs funding \$1,424,474.

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

VOTE: Motion Passed; Unanimous.

Requested Program Amendments³

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

Mr. McCloskey referenced five (5) counties requesting additional funds for an existing CAIP (Bullitt, Carroll, Harrison, Ohio and Whitley) for total additional funding of \$190,557.

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

VOTE: Motion Passed; Unanimous.

*See appendices on last page

Project Recommendations for Funding

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

A2019-0157 PHARM Roadside Market, LLC

Mr. McCloskey referenced the above application requesting \$51,000 in State funds and \$9,000 in Trimble County funds to renovate and expand an existing roadside farmers retail market space.

The White Application Review Committee recommended approving the request to match up to \$9,000 in State funds to Trimble County funds for a total of \$18,000, subject to terms and conditions.

Mr. Hunt moved to approve the committee recommendation, as presented; Mr. Barker seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0169 Hancock County Cattlemen's Association LTD.

Ms. Milbern referenced the above application requesting \$5,000 in Hancock County funds for a Hancock County Youth Agriculture Production Cost-Share Program.

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

Mr. Henderson moved to approve the committee recommendation, as presented; Mr. Hinton seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0178 City of Marion Tourism Commission

Mr. McCloskey referenced the above application requesting \$11,350 in State funds and \$3,000 in Crittenden County funds to pave the parking lot at the farmers market structure.

The White Application Review Committee recommended funding the request for up to \$11,350 in State funds and \$3,000 in Crittenden County funds, subject to terms and conditions.

In a response to a question from Mr. Foree, staff confirmed the requested and recommended amount was \$11,350.

Ms. Moyer moved to approve the committee recommendation, for \$11,350; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0179 Rockcastle County Industrial Development Authority

Ms. Milbern referenced the above application requesting \$170,000 in State funds and \$5,000 Rockcastle County funds for the construction of a farmers market building and pavilion.

The White Application Review Committee recommended funding the request for up to \$5,000 in Rockcastle County funds and \$170,000 in State funds, subject to terms and conditions.

Mr. Hughes moved to approve the committee recommendation, as presented; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for No Funding

Mr. Rogers called on Mr. McCloskey to present the projects recommended for no funding:

A2018-0222 Kipley J. McNally

Mr. McCloskey referenced the above application requesting \$5,500 in State funds to implement water management practices on his farm.

The On-Farm Water Management Committee recommends denying the request due to other grant funding source options available.

Mr. Hunt moved to approve the committee recommendation, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0168 Liferforce Organics, LLC

Mr. McCloskey referenced the above application requesting \$11,638 in State funds to conduct a feasibility study.

The White Application Review Committee recommends denying this request due to limited producer impact.

Mr. Hunt moved to approve the committee recommendation, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0175 National Energy Education Development (NEED) Project, Inc.

Mr. McCloskey referenced the above application requesting \$150,625 in State funds to implement energy for Agriculture workshops.

The White Application Review Committee recommends denying the request due to limited producer impact and lack of matching funds.

Mr. Hunt moved to approve the committee recommendation, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019-0181 Verti Grow Farms, LLC

Mr. McCloskey referenced the above application requesting \$2,000,000 in State funds to construct an agritourism and organic farm.

The White Application Review Committee recommends denying the request due to limited producer impact.

Mr. Hunt moved to approve the committee recommendation, as presented; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

*Note: The four applications above (A2018-0222, A2019-0168, A2019-0175 and A2019-0181) were voted on as a block motion. Individual entries are for the benefit of records management.

Pending Applications

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

A2018 – 0211	University of Kentucky Beef IRM Committee
A2019 – 0045	Brown Ag, LLC
A2019 - 0176	Nicholas County Cooperative Extension
A2019 – 0180	Buffalo Skull Ranch, LLC

No action necessary on pending applications.

Closing Remarks

Mr. Rogers reminded the board of the September 20, 2019 board meeting in Princeton, KY.

Adjournment


Mr. Rogers entertained a motion to adjourn.


Mr. Henderson moved to adjourn the August KADB meeting; Mr. Hinton seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:31 p.m. (EDT).

APPROVED DATE: 9/20/2019

PRESIDING OFFICER: 

BOARD SECRETARY: 
Tracey Park

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1. A detailed list of the New Applications for Referral is attached as Appendix A
 2. A detailed list of the applications funded under the listed programs is attached as Appendix B
 3. A detailed list of amendments funded under the listed programs is attached as Appendix C
 4. A detailed list of the KADB CAIP meeting minutes is attached as Appendix D
 5. A copy of the KADB Blue Application Review Committee minutes is attached as Appendix E
 6. A copy of the KADB White Application Review Committee minutes is attached as Appendix F

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY	Cmte.
A2019-0194	Brangers Angus Farm <i>On-Farm Water Management - RDD</i>	Hardin	Water
A2019-0195	Kentucky State University <i>Small Farm Grant Program</i>	Franklin	White

Appendix B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0145	Jefferson County Farm Bureau, Inc.	Jefferson	\$55,000.00
A2019-0182	Barren County Conservation District	Barren	\$280,000.00
A2019-0184	Grayson County Cattlemens Association Inc.	Grayson	\$120,000.00
A2019-0188	McCracken County Conservation District	McCracken	\$70,000.00
A2019-0190	Franklin County Cattlemen's Association, Inc.	Franklin	\$152,474.00
A2019-0192	Buffalo Trace Area Development District, Inc.	Mason	\$275,000.00
A2019-0199	Bourbon County Fiscal Court	Bourbon	\$400,000.00
			\$1,352,474.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0187	Nicholas County Conservation District	Nicholas	\$7,500.00
A2019-0189	Casey County Conservation District	Casey	\$7,500.00
A2019-0191	Franklin County Conservation District	Franklin	\$4,500.00
A2019-0193	Harrison County Fiscal Court	Harrison	\$7,500.00
			\$27,000.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0186	Rowan County Extension District Board	Rowan	\$20,000.00
A2019-0196	Wayne County Agriculture Development Council, Inc.	Wayne	\$10,000.00
A2019-0198	Carroll County Conservation District	Carroll	\$15,000.00
			\$45,000.00

Total County Funds Recommended for Approval in Programs: **\$1,424,474.00**

Appendix C: Requested Program Amendments

App # A2019-0125
Applicant Name Harrison County Beef Cattle Association
Original Amount Approved \$332,479
Execution Date 05/29/2019
Requested Change The applicant requests an additional \$17,834 in Harrison 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 \$350,313.
Recommend Approval

App# A2019-0062
Applicant Name Carroll County Conservation District
Original Amount Approved \$138,081
Execution Date 06/03/2019
Requested Change The applicant requests an additional \$7,200 in Carroll 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 \$145,281.
Recommend Approval

App# A2019-0042
Applicant Name Ohio County Cattlemen's Association, Inc.
Original Amount Approved \$16,900
Execution Date 04/29/2019
Requested Change The applicant requests an additional \$81,751 in Ohio 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 \$98,651.
Recommend Approval

Appendix C: Requested Program Amendments

App # **A2019-0111**
Applicant Name **Whitley County Cattlemen's Association, Inc.**
Original Amount Approved **\$3,500**
Execution Date **06/18/2019**
Requested Change The applicant requests an additional \$33,600 in Whitley 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 \$37,100.
Recommend Approval

App# **A2019-0040**
Applicant Name **Bullitt County Conservation District**
Original Amount Approved **\$85,000**
Execution Date **04/24/2019**
Requested Change The applicant requests an additional \$50,172 in Bullitt 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 \$135,172.
Recommend Approval

Appendix D: CAIP Evaluation Review Committee Meeting Minutes



Meeting Date:	08/08/19
Meeting Location:	GOAP office, 404 Ann Street, Frankfort, KY
Meeting Chair:	Renee Carrico
Attendees:	Committee: Pat Henderson, Matthew Hinton, Keith Rogers, Gordon Jones GOAP Staff: Stefanie Osterman, Sandra Gardner, Bill McCloskey, Renee Carrico, Shelby Wade UK: Kevin Laurent (on phone) TN Staff: Wendy Sneed, Kevin Ferguson, Dr. Kirkpatrick
Minutes Issued By:	Stefanie Osterman
Meeting Call to Order:	10:00 am
Meeting Adjourned:	4:30 pm

Agenda Items:
<p>Bullet Points Discussion:</p> <ul style="list-style-type: none"> • Need to send county data per investment area to ANR agents to assist in yearly education planning (They are doing Plan of Work this fall) • Shared Use program for counties with less than \$50,000 – recommend by Program Committee • Vet equipment program – need more info from State Vet Assoc. and State Examiners Board before discussing with full Board • Youth program – leave alone and let counties do individual projects if they would like • DAR increase? – place on survey and let board members write in how much to increase if they choose that option • Create levels of funding within cost-share? – wait until year 2 of pilot • Change/update qualifying standards? – staff work on and present to committee • Adopt genomic testing? – 2020: 40% cost share on regular EPD bull & 50% on genomic tested bull • How do we incentivize producer networking? Create question for producer application • Do we take away hay rake type of equipment? Place all Forage and Grain equipment on survey and let Board members decide what to keep • Do we limit \$, years, etc.? revisit after pilot • Should we eliminate CAIP? Revisit after pilot • Do we require Ag Water Quality Plan? 2020: transition year 2021: required • Index incorporation? Angus index or EPD option in 2020 • Tennessee information to try? Bull Calculator by UK to be used in KY and shared on UT sites to assist producers on the line. • EPD? Possibly change carcass category to all purpose

Appendix D: CAIP Evaluation Review

Committee Meeting Minutes



Agenda Items:

Kentucky Beef Pilot Program Information:

- 3 year pilot program
- 10-12 counties across the state
- Start date will be the same in all counties
- Minimum head – 25 Cows and/or 60 Backgrounders
- \$10,000/producer at 50/50 cost-share (spend \$20,000 to get \$10,000)
- County buy-in needed. Funds will be 50% County funds and 50% State funds each year
- Committee discussed the goal to be \$100,000 for the County (\$50,000 County KADF funds and \$50,000 State funds)
 - (Board may change funding or cap state funds available when presented for final approval)
- Producers in that county can either participate in CAIP or Beef Pilot
 - If producer drops Pilot after year 1 he is still ineligible for CAIP until pilot is complete
 - Producers can begin program in year 2 if funding is available
 - Producers may “skip” a year within pilot but cannot receive CAIP money in that year
- An online database/tracking system will be developed within Year 1 with a goal to launch in the pilot counties by Year 3.
 - The goal is to make tracking of producer’s purchases and requirements available to county administrators in real time and in a digital format.
- Suggest including genomics requirement
- One end goal is the ability to market age and source verified calves.
- Before statewide implementation, funding options for counties that receive low amounts of KADF County funds will be discussed.
- UK Group asked to assist in program development
 - Kenny Burdine
 - Morgan Hayes
 - Josh Jackson
 - Chris Teutsch
 - Jimmy Henning
 - Darrh Bullock
 - Kevin Laurent
 - Jeff Lehmkuhler
 - Les Anderson
 - Steve Higgins
 - Ray Smith
 - Michelle Arnold
 - Gregg Rentfrow
 - Ben Crites

Appendix D: CAIP Evaluation Review Committee Meeting Minutes



Agenda Items:

Information which will be provided by GOAP to assist UK working Group are:

- Mid October Meeting date
- CAIP Investment Area Breakdowns (Large Animal, Fencing and On-Farm Water, Forage and Grain)
 - \$, # of Producers, Counties with most involvement, bull and heifers purchased, etc.

Action items: from May meeting-----

Staff-

- Obtain ANR agent input

Extension-

- Formulate holistic program for beef cattle herd management (forage, water, herd health, genetics/reproduction)

Next Meeting – October 16, 2019

Topic: Pilot program.

Appendix E: Blue Application Review Committee Minutes



Meeting Date:	8/16/2019
Meeting Location:	Kentucky Exposition Center 937 Phillips Lane Louisville, KY 40209
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Sarah Butler, Wayne Hunt, Al Pedigo, Keith Rogers, Bobby Foree and Katie Moyer GOAP staff: Warren Beeler, Bill McCloskey, Robb Goff, Danielle Milbern, Renee Carrico UK: Dean Cox, Associate Dean Stevenson, Dr. Richard Coffey KCARD: Aleta Botts
Minutes Issued By:	Renee Laurent
Meeting Call to Order:	9:00 a.m.
Meeting Adjourned:	9:45 a.m.

Agenda Items:
<p>Applications:</p> <ol style="list-style-type: none"> 1. A2018-0211 University of Kentucky Beef IRM Committee. <ol style="list-style-type: none"> a. Update on project and time extension request <ol style="list-style-type: none"> 1. Applicant updated committee on progress of X10D project and potential USDA federal grant as source of funding. 2. As a result of Committee discussion, Applicant requested a time extension for its application of 1 month to allow time to determine the status of the USDA grant. 3. Committee recommended to approve the request with a new expiration date of 10/28/2019.

Appendix F: White Application Review Committee Minutes



Meeting Date:	8/16/2019
Meeting Location:	Kentucky Exposition Center 937 Phillips Lane Louisville, KY 40209
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Fritz Giesecke, Keith Rogers, Matt Hinton, Nancy Cox, Gordon Jones GOAP staff: Warren Beeler, Bill McCloskey, Renee Carrico, Rob Goff, Danielle Milbern KCARD: Aleta Botts
Minutes Issued By:	Renee Carrico
Meeting Call to Order:	12:30 p.m.
Meeting Adjourned:	1:15 p.m.

Agenda Items:
1. A2018-0132 Jessamine County FFA Alumni Association a) Committee recommends approving the request for a 4-month time extension until 12/6/2019 to allow Recipient time to finish construction of the outdoor classroom.
2. A2019-0195 Kentucky State University a) Committee recommends funding the request for \$990,000 over 2 years.