

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the September 17, 2021 business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Kentucky Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board  
Summary Minutes of the Regular Business Meeting  
September 17, 2021  
Franklin Co. Extension Office and Video Teleconference – Frankfort, KY**

**Call to Order**

Commissioner of Agriculture Dr. Ryan Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:02 a.m. (EDT).

**Roll Call**

The following members were present: Agriculture Commissioner Dr. Ryan Quarles, Dr. Kirk Pomper (designee for KSU President Clara Stamps), Dean Nancy Cox, Bobby Foree, Fritz Giesecke, Dr. Gordon Jones, Brenda Paul, Al Pedigo, and Michael Peterson. The following members participated via Zoom: Dorsey Ridley (designee for Governor Andy Beshear), Matt Hinton, Wayne Hunt, Tom McKee, and Mark Barker.

Members Absent: Suzanne Cecil White & Sarah Butler (designee for interim Secretary Larry Hayes)

**Notification of Media**

Commissioner Quarles received verification from Hannah Johnson, Boards and Special Events Manager, that the media had been notified of the KADB monthly meeting.

**Welcome**

Commissioner Quarles welcomed everyone to the KADB board meeting. Board members and guest participated in person and video teleconference.

**Approval of Minutes**

Commissioner Quarles entertained a motion to approve the minutes of the August 20, 2021 board meeting.

Mr. Foree moved to approve the minutes, as presented; Ms. Paul seconded the motion.

VOTE: Motion Passed; Unanimous.

**Kentucky Department of Agriculture Report**

Commissioner Quarles updated the board on activities of the Kentucky Department of Agriculture (KDA). Commissioner Quarles announced that Perfetti Van Melle North American, makers of Airheads, Mentos and more donated more than 23,000 pounds of candy to God's Food Pantry in Winchester. Commissioner Quarles then referenced the LAND forum series to bridge the gap between agriculture and manufacturing industries to develop and expand upon existing supply chains for agricultural products.

**Executive Director's Report**

Commissioner Quarles called on Brian Lacefield, KOAP Executive Director, to report to the board.

Mr. Lacefield referenced Dale Dobson's mission for farmer suicide prevention and bringing awareness to the issue with Dixie Ag Safety Team. Mr. Dobson informed legislators at the Tobacco Oversight Committee about the "challenge coin initiative". Bill McCloskey became the 228<sup>th</sup> person to take the farmer suicide prevention pledge at the Tobacco Oversight Committee.

Mr. Lacefield mentioned the recent staff changes and introduced Hannah Johnson who replaced Milinda Sosby this past month. Mr. Lacefield lastly introduced Lane Ryan who replaced Lindsay Bates as Administrative Loan Officer.

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

Commissioner Quarles yielded the floor to Bill McCloskey to report to the board.

Mr. McCloskey referenced the July 2021 Kentucky Broadcaster's Association Public Education Partnership (PEP) Program memorandum (*on file*).

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of September 1, 2021.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of September 1, 2021.

Mr. McCloskey reviewed the KAFC Statement of Financial Position (*on file*) as of August 31, 2021.

Mr. McCloskey referenced the August KAFC agenda and list of applications presented for approval (*on file*).

Mr. Giesecke moved to approve the Financial Reports, as presented; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Unanimous.

#### **Marketing and Entrepreneurship Committee Report**

Commissioner Quarles called on Mr. Hunt to give the Marketing and Entrepreneurship Committee report. The committee met to discuss the future of the KADB's participation in the KBA-PEP program. Mr. Hunt reported that the committee will be allowing the contract for KBA-PEP to expire.

Mr. Hunt moved to accept the committee report, as presented; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

#### **KADB Compliance Committee**

Commissioner Quarles called on Mr. Barker to give the KADB Compliance Committee report. Mr. Barker reported on the activities of the committee and indicated the committee would hold a special meeting 30 minutes after the board meeting.

Mr. Barker moved to accept the committee report, as presented; Ms. Paul seconded the motion.

VOTE: Motion Passed; Unanimous.

#### **Program Evaluation Committee**

Commissioner Quarles called on Ms. Gardner to give the Program Evaluation Committee report. Ms. Gardner provided an update on the timeline for 2022 program and guideline changes and the committee's discussions during its meeting.

Dr. Jones moved to accept the committee report, as presented; Mr. Hinton seconded the motion.

VOTE: Motion Passed; Unanimous.

#### **Meat Processing Expansion Committee Report**

Commissioner Quarles called on Mr. Hunt to provide the Meat Processing Expansion Committee report. Mr. Hunt reported on activities of the committee, including the Meat Processing Report provided by KOAP and KCARD staff.

Mr. Hunt moved to accept the committee report, as presented; Mr. McKee seconded the motion.

VOTE: Motion Passed; Unanimous.

**Presentation**

**A2020-0197**

**KDA: Kentucky Grape & Wine Council Initiatives**

Commissioner Quarles called on Sandra Gardner to introduce presenter Tyler Madison to provide information about the Kentucky Grape and Wine Council initiatives, as a requirement for release of second year funds.

Mr. Pedigo moved to approve the report and release second year funds; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Commissioner Quarles abstained

**Memo Action Items**

Commissioner Quarles called on Mr. McCloskey and Danielle Milbern to present the following memo action items.

**Project Time Extensions**

Mr. McCloskey referenced two (2) projects requesting time extensions (*on file*).

Staff recommended approval of these time extension requests.

**A2019-0273**

**On Tapp Dairy, LLC**

Mr. McCloskey reviewed the above referenced project's request for a 6-month time extension to finish the project. There have been several delays with materials due to COVID-19. The new deadline will be March 11, 2022.

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

VOTE: Motion Passed; Unanimous.

**A2020-0101**

**Bill & Teresa Flaughner**

Mr. McCloskey reviewed the above referenced project's request for a 6-month time extension, since the applicant's construction of the project has been delayed due to unfortunate weather conditions and backed up contractors. The new deadline will be March 10, 2022.

Mr. Ridley moved to approve the staff recommendation, as presented; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Unanimous.

**A2020-0200**

**Moonlight Meat Processing Inc.**

Ms. Milbern presented a memorandum (*on file*) on the above referenced project's request for a 6-month time extension, and a budget reallocation, due to an increase in the cost of cooling unit for the processing room. The new deadline will be April 26, 2022.

The Meat Processing Expansion Committee recommends approval of the request.

Dr. Pomper moved to approve the committee recommendation, as presented; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

**A2020-0228**

**Menifee County Board of Education**

Ms. Milbern presented a memorandum (*on file*) on the above referenced project's request for a budget reallocation, since some of the items are no longer available.

The Blue Application Review Committee recommends approval of the request

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

VOTE: Motion Passed; Unanimous.

**A2021-0053**

**Moonlight Meat Processing Inc.**

Ms. Milbern presented a memorandum (*on file*) on the above referenced project's requesting a budget amendment and additional funds of \$16,458. The additional funds will allow the applicant to purchase the new freezer. The applicant was unable to purchase in the freezer listed in the original application, due to an increase in the cost of the cooling system.

The Meat Processing Expansion Committee recommends approval of the request, including \$16,458 in additional state funds.

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

VOTE: Motion Passed; Unanimous.

**New Business**

**New Applications for Referral**

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

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

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

VOTE: Motion Passed; Unanimous.

**Programs Recommended for Approval**

Commissioner Quarles called on Sarah Bryant to present programs recommended for approval.

Ms. Bryant referenced six (6) County Agricultural Investment Program (CAIP) applications totaling \$1,180,815; two (2) DAR applications totaling \$22,500; one (1) Next Gen Program applications totaling \$25,000; two (2) Shared-Use Equipment totaling \$46,725; three (3) Youth Ag Incentives applications totaling \$82,000. The total program funding is \$1,357,040.

Staff recommended approval of these applications.

Ms. Paul moved to approve all programs meeting state guidelines, as presented; Mr. Hinton seconded the motion.

VOTE: Motion Passed; Unanimous.

**Requested Program Amendments**

Commissioner Quarles called on Ms. Bryant to present requested program amendments.

Ms. Bryant referenced two (2) counties request for additional funds for existing CAIPs totaling \$23,600 (Oldham County and Nicholas County); (1) Requested for additional funds for an existing YAIP program totaling \$1,000 (Oldham County). Total additional funding \$24,600.

Staff recommended approval of these amendments.

Mr. Peterson moved to approve staff recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.



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

VOTE: Motion Passed; Unanimous.

**Applications for No Funding**

**A2021-0184 Ryan Bratcher**

Mr. McCloskey referenced the above application requesting funds to install a municipal water meter, pipe, and hydrant to run water to a sheep herd and for poultry use.

The On-Farm Water Management Committee recommends not funding this request of \$7,500 in state funds due to the lack of Gross Farm Income.

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

VOTE: Motion Passed; Unanimous.

**Expired/Withdrawn Applications**

**A2021-0103 David Fair**

No action necessary on expired/withdrawn projects or programs.

**Pending Applications**

Mr. McCloskey stated three (3) applications were pending.

No action necessary on pending projects or programs.

**Closing Remarks**

Commissioner Quarles announced Chaney's Dairy Barn is partnering with Kroger Stores to feature its chocolate milk in hopes to expand throughout Kentucky.

Commissioner Quarles stated the KADB Compliance Committee will meet 30 minutes after adjournment of the business meeting with the- Blue Application Review Committee will meet immediately upon adjournment of the Compliance Committee meeting.

The next KADB meeting will be October 15, 2021 at 11:00 a.m. (EDT).

**Adjournment**

There being no further business, Commissioner Quarles entertained a motion to adjourn the meeting at 11:40 am (EDT).

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

VOTE: Motion Passed; Unanimous.

APPROVED DATE:

10-27-21

PRESIDING OFFICER:

Ryan Quarles

Commissioner Ryan Quarles

BOARD SECRETARY:

Hannah Johnson

Hannah Johnson, Board Secretary

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 requested Program Amendments is attached as Appendix C.

- 
4. A detailed list of time extensions is attached as Appendix D.
  5. A copy of the Meat Processing Expansion Committee minutes is attached as Appendix E.
  6. A copy of the Program Evaluations Committee minutes is attached as Appendix F.
  7. A copy of the Blue Application Review Committee minutes is attached as Appendix G.
  8. A copy of the On-Farm Energy Committee minutes is attached as Appendix H.
  9. A copy of the KADB Compliance Committee minutes is attached as Appendix I.

## APPENDIX A: New Applications for Referral

Kentucky Agricultural Development Fund

### New Applications for Referral

APP #	APPLICANT	COUNTY	Cmte.
A2021-0199	Hancock County Cattleman's Association LTD. <i>Youth Cost-Share Program</i>	Hancock	Blue
A2021-0206	City of LaGrange <i>Farmer's Market Project</i>	Oldham	Blue
A2021-0216	Kentucky State University <i>KSU Mini Grant Program</i>	Franklin	Blue
A2021-0217	Kentucky Center for Agriculture and Rural Development, Inc. <i>Technical Assistance Services</i>	Hardin	Blue

Board Meeting



## APPENDIX B: Programs Recommended for Approval

Kentucky Agricultural Development Fund

### Programs Recommended for Approval

<b>CAIP</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2021-0198	Hancock County Conservation District	Hancock	\$118,697.00
A2021-0200	Scott County Soil Conservation District	Scott	\$250,000.00
A2021-0201	Boyle County Farm Bureau	Boyle	\$152,000.00
A2021-0208	Menifee County Beef Producers, Inc.	Menifee	\$101,118.00
A2021-0210	Buffalo Trace Area Development District, Inc.	Mason	\$234,000.00
A2021-0213	Bourbon County Fiscal Court	Bourbon	\$325,000.00
			<b>\$1,180,815.00</b>

<b>Deceased Farm Animal Removal (DAR)</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2021-0202	Boyle County Conservation District	Boyle	\$15,000.00
A2021-0214	Shelby County Fiscal Court	Shelby	\$7,500.00
			<b>\$22,500.00</b>

<b>Next Generation Farmer (NextGen)</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2021-0204	Scott County Soil Conservation District	Scott	\$25,000.00
			<b>\$25,000.00</b>

<b>Shared-Use Equipment Program</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2021-0218	Hopkins County Farm Bureau of Hopkins County, Kentucky	Hopkins	*\$25,162.00
A2021-0219	Hopkins County Farm Bureau of Hopkins County, Kentucky	Hopkins	\$21,563.00
			<b>\$46,725.00</b>

<b>Youth Ag Incentives Program (Youth)</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2021-0205	LaRue County Farm Bureau of LaRue County Kentucky	LaRue	\$30,000.00
A2021-0211	Buffalo Trace Area Development District, Inc.	Mason	\$20,000.00

---

## APPENDIX B: Programs Recommended for Approval

\*Indicates a portion of this project is funded from "State Funds to Counties Limited Allocation Initiative."

---

Board Meeting

September 17, 2021  
Kentucky Agricultural Development Fund

---

### Programs Recommended for Approval

A2021-0212	Buffalo Trace Area Development District, Inc.	Bracken	\$32,000.00
			<hr/>
			<b>\$82,000.00</b>
<hr/>			
Total County Funds Recommended for Approval in Programs:			<b>\$1,357,040.00</b>

## APPENDIX C: Requested Program Amendments

A Kentucky Agricultural Development Fund

### Requested Program Amendments

**App #** A2021-0066 YAIP  
**Applicant Name** Oldham County Farm Bureau  
**Original Amount Approved** \$5,000  
**Execution Date** 05/26/2021  
**Requested Change** The applicant requests an additional \$1,000 in Oldham County funds for the YAIP 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 \$6,000.  
**Recommend Approval**

**App#** A2021-0067  
**Applicant Name** Oldham County Farm Bureau  
**Original Amount Approved** \$25,000  
**Execution Date** 05/26/2021  
**Requested Change** The applicant requests an additional \$11,000 in Oldham 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 \$36,000.  
**Recommend Approval**

**App #** A2021-0148  
**Applicant Name** Nicholas County Conservation District  
**Original Amount Approved** \$252,000  
**Execution Date** 07/15/2021  
**Requested Change** The applicant requests an additional \$12,600 in Nicholas 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 \$264,600.  
**Recommend Approval**

## APPENDIX D: Request Time Extensions

A Kentucky Agricultural Development Fund

### Requested Time Extensions

**App#** A2019-0273  
**Applicant Name** On Tapp Dairy, LLC  
Amount Approved \$27,500 in State funds and \$27,500 in Washington County  
Execution Date 3/11/2020  
Requested Change The applicant requests a 6-month time extension to finish the project. There have been several delays with materials due to COVID-19. The new deadline will be March 11, 2022.

Recommend Approval

**App#** A2020-0101  
**Applicant Name** Bill & Teresa Flaughner  
Amount Approved \$58,999 in State Funds  
Execution Date 9/10/2020  
Requested Change The applicant requests a 6-month time extension, since the applicant's construction of the project has been delayed due to unfortunate weather conditions and backed up contractors. The new deadline will be March 10, 2022.

Recommend Approval

## APPENDIX E: Meat Processing Expansion Committee Meeting Minutes

<b>Meeting Date:</b>	September 17, 2021
<b>Meeting Location:</b>	Hybrid Meeting at Franklin County Extension Office
<b>Meeting Chair:</b>	Wayne Hunt
<b>Attendees:</b>	Committee: Wayne Hunt, Dr. Gordon Jones, Bobby Foree, Brenda Paul, Al Pedigo, Keith Rogers and Thomas McKee KCARD Staff: Aleta Botts KOAP Staff: Brian Lacefield, Bill McCloskey, Danielle Milbern, Brian Murphy, Martin Williams, Sarah Bryant, Sandra Gardner, Nick Van Over, Kara Keeton Other: Tim Hughes, Renee Carrico, Dave Maples, Becky Thompson, Katelyn Hawkins, Dr. Rentfrow and Stefanie Osterman
<b>Minutes Issued By:</b>	Danielle Milbern
<b>Meeting Call to Order:</b>	8:00 AM EDT
<b>Meeting Adjourned:</b>	9:57 AM EDT
<b>Agenda Items:</b>	

I. Chairman Wayne Hunt called the meeting to order.

Current Balance \$175,920 and the Current Request \$9,953 of Meat Processing Expansion Committee Funds.

II. Staff gave an update on the current balance of \$269,025.

III. New Business:

Level 2:

A2021-0220 Goldy's Meats Co.

Mr. Pedigo moved to approve \$30,426 in State funds, second by Mr. Foree. Motion passed unanimously.

Level 3:

A2021-0169 Burnett's Enterprise, LLC

Dr. Jones moved to approve \$238,599 in State funds; contingent upon the board approving an additional \$93,105 since the Meat Processing Expansion Committee only has \$145,494 available, second by Mr. Pedigo. Motion passed unanimously.

Level 4:

A2021-0014 Hayz Meatz, LLC

Mr. Foree moved to approve an additional \$14,696 in the budget category in State funds, second by Mrs. Paul. Motion passed unanimously.

IV. Other:

- Review Kentucky Meat Processing Report and Maps  
*KOAP Staff presented the Meat Processing Report to the Committee.*

## **APPENDIX E: Meat Processing Expansion Committee Meeting Minutes**

---

---

- **Update on Beef Solutions (A2017-0018)**  
*Dave Maples and Katelyn Hawkins gave a short presentation on Beef Solution and the challenges they have faced in the last year. Bobby Pace offered some suggestions to help with the shelf life issues.*
- **2022 Meat Processing Guidelines**  
*The Committee suggested shifting away from Meat Processing, and into priorities such as: Safety and Training Programs for Meat Processing, Poultry Processors and a Meat Processing Association.*

Mr. Pedigo moved to adjourn, seconded by Dr. Jones. Motion passed unanimously.

Next Meeting: TBD

## APPENDIX F: KADB Program Evaluation Committee Meeting Minutes

<b>Meeting Date:</b>	September 16, 2021
<b>Meeting Location:</b>	KOAP <i>via</i> Zoom Meeting ID: 859 1333 0051
<b>Meeting Chair:</b>	Sarah Bryant
<b>Attendees:</b>	Committee: Matthew Hinton and Gordon Jones Absent: Mark Barker and Keith Rogers Staff: Brian Lacefield, Bill McCloskey, Sarah Bryant, Sandra Gardner, Martin Williams, Nick VanOver, and Kara Keeton KCARD: Aleta Botts
<b>Minutes Issued By:</b>	Sarah Bryant
<b>Meeting Call to Order:</b>	1:31 p.m. EDT
<b>Meeting Adjourned:</b>	3:29 p.m. EDT
<b>Agenda Items:</b>	
<ol style="list-style-type: none"> <li>I. Sarah Bryant called the meeting to order.</li> <li>II. Ms. Bryant and Mrs. Gardner gave a brief overview of the schedule for program changes</li> <li>III. <b>Review of Board Survey</b> <ul style="list-style-type: none"> <li>• Committee reviewed the Board Questionnaire thoroughly and gave staff feedback</li> </ul> </li> <li>IV. <b>Review of additional items to be included on survey</b> <ul style="list-style-type: none"> <li>• Drones <ul style="list-style-type: none"> <li>◦ Committee recommends including the question on the questionnaire</li> </ul> </li> <li>• Medical alert device <ul style="list-style-type: none"> <li>◦ Committee recommends leaving off this question on the questionnaire</li> </ul> </li> <li>• Lifetime limits for CAIP <ul style="list-style-type: none"> <li>◦ Committee recommends including it on the questionnaire, but have staff make a few adjustments to the questions</li> </ul> </li> <li>• Tobacco policy <ul style="list-style-type: none"> <li>◦ Committee recommends leaving it off the questionnaire, as there needs to be more discussion from the Board before receiving feedback from the questionnaire</li> </ul> </li> </ul> </li> <li>V. <b>Updates on Previous Agenda Items</b> <ul style="list-style-type: none"> <li>• Pilot tiered system <ul style="list-style-type: none"> <li>◦ Sarah Bryant called on Sandra Gardner for an update on the pilot tiered system</li> <li>◦ Mrs. Gardner discussed that based on previous meetings, the Beef Assessment Tool was originally going to be a key part in developing this system</li> <li>◦ Committee members recommended starting meetings back up in February to discuss different avenues for pursuing a tiered system</li> </ul> </li> </ul> </li> </ol>	

---

The meeting was adjourned by acclamation.

Next Meeting: February, time and date TBD



## APPENDIX G: Blue Application Review Committee Minutes

<b>Meeting Date:</b>	9/17/2021
<b>Meeting Location:</b>	Franklin Co. Extension Office and Zoom Video Conferencing
<b>Meeting Chair:</b>	Bill McCloskey
<b>Attendees:</b>	Committee Members: Keith Rogers, Bobby Foree, Wayne Hunt, Al Pedigo, and Michael Peterson KOAP Staff: Bill McCloskey, Danielle Milbern, Martin Williams, Sandra Gardner, Brian Murphy, Hannah Johnson, Nick VanOver, Kara Keeton, Sarah Bryant and Lane Ryan Brian Laceyfeld KCARD: Aleta Botts Kentucky State University: Dr. Kirk Pomper, Joni Nelson, and Kevin Gurtowski City of La Grange: Russ Morris and Mayor Black
<b>Minutes Issued By:</b>	Martin Williams
<b>Meeting Call to Order:</b>	1:37 p.m. EDT
<b>Meeting Adjourned:</b>	2:15 p.m. EDT

### Agenda Items:

1. A2021-0199            Hancock Co. Cattlemen's Association LTD.  
a). Mr. Pedigo moved to approve the application for \$5,000 in Hancock County funds contingent upon the application providing a copy of the 2022 youth application before the Kentucky Ag Development Board Meeting in October. Mr. Foree seconded the motion. Motion passed unanimously.
  2. A2021-0206            City of LaGrange  
a) Mr. Rogers moved to approve \$245,000 in State funds and \$5,000 in Oldham County Funds to build a farmers market seconded by Mr. Pedigo. Motion passed unanimously.
  3. A2021-0216            Kentucky State University  
a) Mr. Hunt moved to approve \$990,000 over the course of two years, Mr. Foree seconded the motion. Motion passed unanimously.
  4. A2021-0217            Kentucky Center for Agriculture and Rural Development Inc.  
a) Mr. Pedigo. Move to approve the applicant for \$900,000 in state funds over the course of town years, Mr. Rogers Seconded the motion. Motion passed unanimously.
- Mr. Foree moved to adjourn seconded by Mr. Hunt. Motion passed unanimously.

## APPENDIX H: On-Farm Energy Committee Meeting Minutes

<b>Meeting Date:</b>	September 22, 2021
<b>Meeting Location:</b>	KOAP via Zoom Meeting ID: 870 6180 5198
<b>Meeting Chair:</b>	Bill McCloskey
<b>Attendees:</b>	Committee Members: Scott Maas, Michael Montross, Alan Gobel Absent: Sarah Butler KOAP Staff: Brian Lacefield, Bill McCloskey, Sarah Bryant, and Martin Williams UK: Doug Overhults and Sam McNeil MACED: Josh Bills
<b>Minutes Issued By:</b>	Sarah Bryant
<b>Meeting Call to Order:</b>	9:02 a.m.
<b>Meeting Adjourned:</b>	10:33 a.m.
<b>Agenda Items:</b>	
<p>I. Bill McCloskey called the meeting to order and called on Brian Lacefield.</p> <p>II. Mr. Lacefield introduced himself to speak on Senate Bill 3, and introduce new staff.</p> <ol style="list-style-type: none"> <li>1. A2020-0343 Susana Lein Committee recommends funding the request of \$2,650 in state funds for expanding existing solar array for her horticulture farm.</li> <li>2. A2021-0209 Pumpkin Vine Creek, LLC Committee discussed the residence within the building, calculated new energy savings, and recommends funding the request of \$10,150 in state funds for installing a solar array for the horticulture business.</li> <li>3. A2021-0105 Wilson Workman Farm Committee recommends funding the request of \$10,150 in state funds for replacing poultry barn heaters for the poultry operation.</li> <li>4. A2021-0135 William Kuegel Committee recommends funding the request of \$10,150 in state funds for installing a solar array for their on-farm value-added processing facility.</li> <li>5. A2021-0167 Eddie Humphrey Committee recommends funding the request of \$10,150 in state funds for installing a solar array for his poultry operation.</li> <li>6. A2021-0203 Tom &amp; DeeAnn Bauerle Committee recommends funding the request of \$2,520 in state funds for installing a variable speed controller for their dairy operation.</li> <li>7. A2021-0207 Lee's Plant Farm Committee recommends funding the request of \$10,150 in state funds for installing a solar array for the horticulture operation.</li> <li>8. A2021-0215 Lancaster Poultry</li> </ol>	

## **APPENDIX H: On-Farm Energy Committee Meeting Minutes**

---

Committee recommends funding the request of \$10,150 in state funds for replacing poultry barn heaters for the poultry operation.

### **9. 2022 Guidelines**

- Meters for solar panels
  - Committee discussed the current guidelines and recommends changing the guidelines to encourage, rather than require, separate meters for solar panels, and to be eligible at least 50% of energy usage must be used for the farm. The committee recommends that guideline wording be worked on by staff before presenting to the KADB in November.
- 2022 Suggestions
  - There was a suggestion from the dairy focus group to add the purchase of new products rather than replacement products. Committee recommends not adding it to the guidelines as it is outside the scope of the program.
- 2022 Deadlines: April 29, August 27, December 16

III. With no further discussion, the meeting was adjourned.

Next meeting: January 11, 2022 at 9 a.m.

## APPENDIX I: KADB Compliance Committee Meeting Minutes

<b>Meeting Date:</b>	September 14, 2021
<b>Meeting Location:</b>	KOAP <i>via</i> Zoom Meeting ID: 886 8270 8607
<b>Meeting Chair:</b>	Sandra Gardner, Director of Compliance & Outreach
<b>Attendees:</b>	Committee: Mark Barker, Sarah Butler, Brenda Paul Staff: S. Bryant, S. Gardner, K. Keeton, B. Lacefield, B. McCloskey, D. Milbern, B. Murphy, N. Van Over
<b>Minutes Issued By:</b>	Sandra Gardner
<b>Meeting Call to Order:</b>	2:02 p.m. EDT
<b>Meeting Adjourned:</b>	3:29 p.m. EDT
<b>Agenda Items:</b>	
<p><b>I. Call to Order</b></p> <p><b>II. Old Business</b></p> <p><b>A. The Weekly Juicery (A2013-0275)</b> Brian Murphy, general counsel, reported that staff had proceeded with procedures outlined in the Legal Agreement for notice of default as directed by committee at its July 6 meeting. Mr. Murphy also reported that the Recipient has paid the remaining balance on its loan in full.</p> <p><b>B. American Black Hereford Association (ABHA) - A2017-0025</b> <i>representative present: Scott Bachart</i></p> <ol style="list-style-type: none"> <li>1. Brian Murphy, general counsel, reviewed the background and recent counter offer related to the issue of the KADB requesting ABHA pay back a pro-rated amount of funds for the remaining two years of the project.</li> <li>2. The committee had recommended and the board approved a pro-rated payback of \$22,138 for the remainder of the agreement (Jan. 2021 – May 2021). In ABHA's counter offer, an Oct. 2021 default date was proposed with cost-savings calculated (\$5,120) and costs the organization will incur to keep its employee. ABHA offered half the cost-savings to be refunded: \$2,560.</li> <li>3. Committee members discussed the ABHA's counter offer. Questions about the staff member recently hired, including duties and hours, were asked. ABHA representation will follow up to provide information requested.</li> <li>4. After review and discussion, <i>the Committee agreed by consensus</i> that it needed additional time to review the materials presented by staff.</li> </ol> <p><b>Action:</b> Staff will follow-up with the Recipient on questions asked. Staff will schedule a follow-up KADB Compliance meeting for Friday, Sept. 17 30-minutes after board meeting adjournment.</p> <p><b>C. Ohio Valley Farm Analysis Group Inc. (OVFAG) - A2019-0024</b></p> <ol style="list-style-type: none"> <li>1. Sandra Gardner, director of compliance &amp; outreach, reviewed the background on this project and its current status. Ms. Gardner also outlined a request from OVFAG to make two revisions to its existing agreement: 1) allow KADF expenditures in non-KADF budget categories and 2) allow KADF funds for year 1 and year 2 to be applied to Year 1 expenditures.</li> </ol>	

2. In Sept. 2020, staff was made aware that the business management specialist hired in Sept. 2019 had resigned. Due to budget cuts of UK's matching support, the OVFA board has decided that it will not be filling the third business management specialist position for the remaining years of this agreement.
3. After review and discussion, *the Committee agreed by consensus* that it needed additional time to review the request and materials presented by staff.

**Action:** Staff will include this item on the to-be-scheduled follow-up KADB Compliance meeting referenced in B. above.

### III. New Business

#### Conflict of Legal Agreement Terms

1. Mr. Murphy explained the issue and proposed solution to modify Legal Agreement language.
  - a. The issue is the current forgiveness language that amortizes forgivable loans (most specifically the Meat Processing projects) across 5 years conflicts with the standard moratorium for construction projects of 10 years.
  - b. This conflict causes an issue in interpreting how much and if a pro-rated payback of forgivable loan funds is due in years 6 – 10, if the facility is sold.
2. After review and discussion, *the Committee agreed by consensus* that going forward the length of forgiveness should match the length of standard moratorium (5-years if equipment / 10-years if construction). Additionally, these terms should be discussed during Application Review Committee to confirm.
3. Ms. Gardner asked the committee for clarification on when forgivable loans should begin: "date of operation" or "effective date" of the Legal Agreement, noting that early "new style" forgivable loans use the former and the meat processing forgivables use the latter.
4. After discussion, *the Committee agreed by consensus* that "effective date" should be used going forward on any forgivable loan.

### IV. Compliance Review

- A. The list of ten (10) **0-2% interest loans** was reviewed. Updates were given on Foothills Products and Services and METCO loans, as well as Owens Garden Center and The Weekly Juicery, which are both paid in full.
- B. The list of open **forgivable loans** (25) was reviewed. Staff noted that two "old style" forgivable loans remained. Twenty (20) of the forgivable loans are from the Meat Processing Investment Program.
- C. The list of projects/programs with **reporting 31 or more days late** was reviewed. Out of 686 active projects/programs, 48 were listed. Staff provided updates on disbursement status and follow-up activities.
- D. An update on the 2022 KADB Program & Policy Updates Timeline was given by staff.

V. **Next Regular Quarterly Meeting – January 2021 – date TBD**  
*Special Meeting on Sept. 17, 30-minutes after adjournment of KADB business meeting*

VI. **Meeting adjourned by acclamation at 3:29 p.m. EDT.**