

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the December 16, 2022 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
December 16, 2022
Franklin County Extension Office
101 Lakeview Ct Frankfort, KY**

Call to Order

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

Roll Call

The following members were present: Commissioner of Agriculture Ryan Quarles, Travis Mayo (designee for Governor Andy Beshear), Dr. Laura Stephenson (designee for Dean Nancy Cox), Bobby Foree, Dr. Gordon Jones, Al Pedigo, Matt Hinton, Tom McKee, Mark Barker, Brenda Paul, Suzanne Cecil White, Michael Peterson, Matt Hinton, and Dr. Kirk Pomper (designee for KSU Interim President Dr. Ronald Johnson).

Absent Members: Wayne Hunt and Sarah Butler (designee for Secretary Jeff Noel).

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 meeting. Board members and guests participated in person.

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the November 18, 2022, board meeting.

Dr. Jones 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).

Executive Director's Report

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

Mr. Lacefield gave an overview of his activities since the November board meeting. Mr. Lacefield recognized board members for their recent awards and recognition.

A2008-0440 Kentucky Agricultural Finance Corporation

Mr. Lacefield presented memorandum (*on file*) regarding the Kentucky Agricultural Finance Corporation request for transfer of \$5 million dollars.

Mr. Hinton moved to approve the board recommendation, as presented; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Unanimous.

Deputy Executive Director's Report

Commissioner Quarles called on Bill McCloskey, KOAP Deputy Executive Director, to present the compliance and financial report to the board.

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of November 28, 2022.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of November 23, 2022.

Mr. McCloskey reviewed the KAFD Statement of Financial Position (*on file*) as of November 30, 2022.

Mr. McKee moved to approve the Financial Report, as presented; Mr. Barker seconded the motion.

VOTE: Motion Passed; Unanimous.

KADB Compliance Committee

Commissioner Quarles called on Brian Murphy to give the KADB Compliance Committee report.

Mr. Peterson moved to accept the committee report, as presented; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

Presentations

Kentucky Department of Agriculture Kentucky Proud

Commissioner Quarles called on Mr. McCloskey to introduce presenter Melanie McPartlin to provide an update on the progress of the Kentucky Proud towards its benchmark's goals and objectives.

Memo Action Items

Project Time Extensions

Mr. McCloskey referenced (5) projects requesting a time extension (*on File*).

Staff recommended approval of two time extensions request.

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

VOTE: Motion Passed; Unanimous.

KADF Project Guidelines Budget Revisions

Martin Williams presented memorandum (*on file*) regarding the KADF Project Guidelines Budget Revisions request. The KADB Compliance Committee recommends the KADF Project Guidelines be modified to increase the maximum reallocation limit between budget items from 10 percent to 20 percent.

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

VOTE: Motion Passed; Unanimous.

KADF County Program Compliance Policies Revisions

Sarah Bryant presented memorandum (*on file*) regarding the KADF County Program Compliance Policies Revisions request. The KADB Compliance Committee met and recommends revising the KADF County Program Compliance Policies to allow staff to have the discretion to approve administrative entities to operate more than one cost-share type program while on Probation.

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

VOTE: Motion Passed; Unanimous.

KADF Owsley Brown Frazier Historical Arms Museum Foundation, Inc.

Jesslyn Watson presented memorandum (*on file*) regarding the Owsley Brown Frazier Historical Arms Museum Foundation, Inc. request. The KADB Compliance Committee voted unanimously to recommend funding the Applicant \$10,745 as a final payment and afterwards closing the project.

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

VOTE: Motion Passed; Unanimous.

New Business

Programs Recommended for Approval

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

Ms. Bryant referenced two (2) County Agricultural Investment Program (CAIP) applications totaling \$391,280; three (3) Deceased Farm Animal Removal (DAR) applications totaling \$25,000; two (2) Shared-Use Equipment Program applications totaling: \$44,288: The total program funding is \$460,568.00

Staff recommended approval of these applications.

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

VOTE: Motion Passed; Unanimous.

Projects

Commissioner Quarles called on Mr. Williams, Ms. Watson, and Chelsea Smither to present the following projects.

A2022-0205

Kentucky Dairy Development Council, Inc.

Ms. Watson referenced the above application requesting \$1,891,560 in state funds for calendar years 2023-2024 to continue educating, representing, and promoting Kentucky's dairy producers and industry.

The Kentucky Dairy Development Council Recipient Review Committee recommends the funding of \$945,780 in state funds for calendar year 2023 and \$945,780 in state funds for calendar year 2024 for a total allocation of \$1,891,560 in state funds over a two-year period, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2022-0207 Kentucky Beef Network, LLC

Mr. Williams referenced the above application requesting \$2,293,810 in state funds for calendar years 2023 \$1,139,609 and 2024 \$1,154,201 to continue to provide programs to cattle producers that will enhance their net returns through increased marketing opportunities, data managements, education, and comprehensive farms management systems.

The Kentucky Beef Network Recipient Review Committee recommends funding the applicant for Kentucky Beef Network programming in the amount of \$2,057,237 in state funds over a two year period, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2022-0217 Lincoln County Board of Education

Ms. Smither referenced the above application requesting \$13,112 in Lincoln County funds to expand the current greenhouse at Lincoln County High School.

The Blue Application Review Committee recommends funding the applicant's request of \$13,112 in Lincoln County funds, subject to the following terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2022-0224 Kentucky Agriculture and Environment in the Classroom, Inc.

Ms. Smither referenced the above application requesting \$151,250 in state funds for educational materials and program services over a 2-year period (through December 2024).

The Blue Application Review Committee recommends funding the applicant's request of \$151,250 in state funds over a 2-year period, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2022-0175 J.R. Farms

Mr. Williams referenced the above application requesting \$10,000 in state funds as a Small Scale Grant to invest in water harvesting equipment for beef cattle.

The On-Farm Water Management Committee recommends funding the applicant \$10,000 in state funds, subject to the terms and conditions.

Mr. Pedigo moved to approve the committee recommendation, as presented; Mr. Foree

seconded the motion.

VOTE: Motion Passed; Unanimous.

Pending Applications

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

A2022-0115 Kentucky Cattlemen's Foundations, Inc.

A2022-0163 Rich Earth Grains, LLC

A2022-0190 Bluegrass AgTech Development Corp

No action necessary on pending projects or programs.

Closing Remarks

Commissioner Quarles stated the KADB Blue Application Review Committee would meet thirty minutes upon adjournment of the KADB business meeting. The KADB Compliance Committee will meet immediately following the Blue Application Review Committee.

The next KADB meeting will be held at the Franklin County Extension Office on January 20, 2023, at 10:00 a.m. (EST).

Adjournment

There being no further business, Commissioner Quarles entertained a motion to adjourn the meeting at 11:25 a.m. (EST).

Mr. Hinton moved to adjourn the December KADB meeting; Mr. McKee seconded the motion

VOTE: Motion Passed; Unanimous.

APPROVED DATE:

1-20-2023

PRESIDING OFFICER:

Ryan Quarles

Commissioner Ryan Quarles

BOARD SECRETARY:

Hannah Johnson
Hannah Johnson, Board Secretary

1. A detailed list of the applications funded under the listed programs is attached as Appendix A.
2. A detailed list of time extensions is attached as Appendix B.
3. A copy of the Blue Application Review Committee meeting minutes is attached as Appendix C.
4. A copy of the KADB Compliance Committee meeting minutes attached as Appendix D.

Programs Recommended for Approval

CAIP			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0226	Todd County Conservation District	Todd	\$266,865.00
A2022-0233	Northern Kentucky Cattle Association, Inc.	Boone	\$124,415.00
			\$391,280.00
Deceased Farm Animal Removal (DAR)			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0225	Garrard County Conservation District	Garrard	\$2,500.00
A2022-0231	Madison County Conservation District	Madison	\$10,000.00
A2022-0232	Hardin County Fiscal Court	Hardin	\$12,500.00
			\$25,000.00
Shared-Use Equipment Program			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0229	Madison County Farm Bureau, Inc. of Madison County, Kentucky	Madison	\$18,638.00
A2022-0230	Madison County Farm Bureau, Inc. of Madison County, Kentucky	Madison	\$25,650.00
			\$44,288.00
Total County Funds Recommended for Approval in Programs:			\$460,568.00

APPENDIX B: Requested Time Extensions

App# A2021-0056
Applicant Name Corbin Tourism
Amount Approved \$101,500 State Funds
Execution Date 06/21/2021
Requested Change The applicant is requesting a 6-month time extension to complete the project due to delays with environmental clearance and water table issues.

\$0 in State funds have been disbursed this far.
The new deadline will be June 21, 2023.

Staff Recommends Approval

App# A2021-0057
Applicant Name City of Whitesburg
Amount Approved \$250,084
Execution Date 8/3/2021
Requested Change The applicant is requesting a 6-month time extension to complete the project due to delays from the previous flooding in the area.

\$0 in State Funds have been disbursed this far.
The new deadline will be August 3, 2023.

Staff Recommends Approval

App# A2020-0093
Applicant Name Summit Meats
Amount Approved \$149,072 State Funds
Execution Date 08/10/2020
Requested Change The applicant is requesting a 6-month time extension to complete the GFSI Audit since they will not be returning until February to start it.

\$120,376 in State funds have been disbursed this far.
The new deadline will be August 10, 2023.

Staff Recommends Approval

APPENDIX B: Requested Time Extensions

App# A2020-0145
Applicant Name Summit Meats
Amount Approved \$249,922 State Funds
Execution Date 12/03/2020
Requested Change The applicant is requesting a 3-month time extension to complete the project since he is having a hard time getting contractors to finish, but said it should hopefully be done in the next 30 days.

\$243,246 in State funds have been disbursed this far.
The new deadline will be March 3, 2023.

Staff Recommends Approval

App# A2020-0286
Applicant Name Spencer Co. Butcher Block
Amount Approved \$37,500 State Funds
Execution Date 04/08/2021
Requested Change The applicant is requesting a 6-month time extension to complete the project since they are needing to do a budget reallocation and have gotten behind track with deer season.

\$18,452 in State funds have been disbursed this far.
The new deadline will be June 8th, 2023.

Staff Recommends Approval

APPENDIX C: Blue Application Review Committee Minutes

Meeting Date:	12/16/2022
Meeting Location:	Franklin County Extension Office
Meeting Chair:	Bill McCloskey
Attendees:	Committee Members: Bobby Foree, Sarah Butler, Al Pedigo, and Keith Rogers. KOAP Staff: Bill McCloskey, Brian Lacefield, Brian Murphy, Diana Carrier, Hannah Johnson, Chelsea Smither and Jesslyn Watson.
Minutes Issued By:	Jesslyn Watson
Meeting Call to Order:	1:00pm EST
Meeting Adjourned:	2:17 pm EST

Agenda Items:	
1. A2022-0190	<p>Bluegrass AgTech Development Corp</p> <p>a) Present for the applicants were Dean Nancy Cox, Keith Rogers, Mayor Linda Gorton, and Commissioner Ryan Quarles.</p> <p>b) After discussion, the Committee recommended approving the applicant's request for \$1,000,000 total in state funds to be split in the calendar years 2023 and 2024. The Committee will review terms and conditions proposed by KOAP staff prior to the next Kentucky Agricultural Development Board (KADB) meeting held on January 20th, 2023.</p> <p>c) Mrs. Sarah Butler made the motion; Mr. Michael Peterson seconded the motion. Motion passed unanimously.</p> <p>d) Mr. Rogers abstained from voting.</p> <p>Adjournment.</p>

APPENDIX D: Compliance Committee Meeting



Meeting Date:	December 16, 2022
Meeting Location:	Franklin County Extension Office Frankfort, KY
Meeting Chair:	Brian Murphy
Attendees:	Committee Members: Mark Barker, Sarah Butler, Brenda Paul, Bobby Foree and Al Pedigo Guests: University of Kentucky Research Foundation: Dr. Les Anderson and Eric Hartman KOAP Staff: Brian Lacefield, Bill McCloskey, Brian Murphy, Chelsea Smith
Minutes Issued By:	Diana L. Carrier
Meeting Call to Order:	2:00 pm
Meeting Adjourned:	Meeting was adjourned by acclamation.

Agenda Items:
<p>1. University of Kentucky Research Foundation (A2018-0211)</p> <p>After discussion between the representatives of UKRF and the Committee Members, Sarah Butler made a motion for the Committee to make a recommendation to the Board to vote to amend the terms of the agreement with UKRF according to the following terms and conditions:</p> <p>If UKRF provides to the Board a non-binding letter of commitment from the primary investor that expresses the intention of the new company to pay \$83,302 to UKRF upon execution of the license agreement, then the Board shall enter into an amendment to the original terms of the agreement to:</p> <ol style="list-style-type: none"> a. Give a time-limited permission for UKRF until December 31, 2023, to enter into a license agreement with the new company. If UKRF fails to enter into a license agreement by that time, the Board's permission to do so expires; b. Require UKRF to include in its license agreement with the new company a payment of \$83,302 upon execution of the license agreement; and c. Allow UKRF to retain the \$116,698 received from county funds and require repayment of the \$83,302 received from state funds. <p>Mark Barker seconded the motion; all voted in favor.</p> <p>Meeting was adjourned by acclamation.</p> <p>2. Next Meeting</p> <ol style="list-style-type: none"> a. TBD