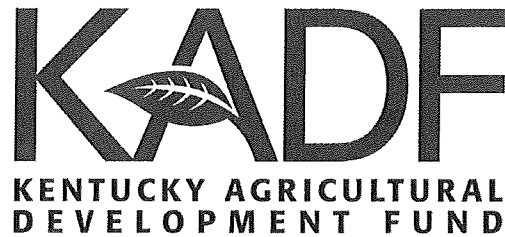


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the January 20, 2017 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board
Summary Minutes of the Regular Business Meeting
Lexington Convention Center
Lexington, Kentucky
January 20, 2017**

Call to Order

Keith Rogers, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:01 a.m. (EST)

Roll Call

The following members were present: Keith Rogers (designee for Commissioner Ryan Quarles), Dr. Betty Bailey, Dr. Kirk Pomper (designee for KSU Interim President Aaron Thompson), Dean Nancy M. Cox, Don Goodin (designee for the Secretary of Economic Development), Stewart Hughes, Bobby Foree, Pat Henderson, Wayne Hunt, Wayne Mattingly, Richard Warner, Dr. Gordon Jones and Al Pedigo.

Members absent: Jim Mahan, Sam Moore and Governor Matt Bevin.

Notification of Media

Mr. Rogers received verification from Hannah Forte, GOAP Boards Coordinator, that the media had been notified of the KADB monthly meeting.

Welcome

Mr. Rogers welcomed everyone to the meeting.

Mr. Rogers stated that Commissioner Quarles could not attend because he is in Washington, D.C. for the Inauguration and Bluegrass Ball.

Approval of Minutes

Mr. Rogers entertained a motion to approve the minutes of the December 16, 2016 board meeting.

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

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Mr. Rogers yielded the floor to Warren Beeler, Executive Director, to report to the board.

Mr. Beeler welcomed everyone to the Kentucky Cattlemen's Association Convention and thanked KCA for hosting. Mr. Beeler yielded the floor to Dave Maples, Executive Vice President of KCA.

Mr. Maples recapped the KCA convention and introduced students that attended the Nebraska Youth Beef Leadership Symposium as part of the KBN program funded by the KADF.

Mr. Beeler called on Aleta Botts, Executive Director, KCARD, to update the board on the activities of the organization.

Mr. Beeler called on Leslie Oliver, Director, UK Grain and Forage Center of Excellence, to update the board on the status of the project.

Mr. Beeler updated the board on the activities of the GOAP since the December 16, 2016 board meeting.

Mr. Beeler referenced his schedule of upcoming activities (*on file*) and invited board members to attend any of the events.

Mr. Beeler recognized retiring board member Don Goodin and presented him with a commemorative plaque.

Mr. Beeler yielded the floor to Mr. Goodin.

Mr. Goodin talked about his intention to remain involved in the agricultural industry.

Deputy Executive Director's Report

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

Mr. McCloskey recognized two audience members: Jennifer Hudnall, former GOAP staff member; and Troy Rankin, former KADB board member.

Mr. McCloskey reviewed the summary of results from the 2017 KADB Priority Setting Questionnaire (*on file*).

Mr. McCloskey reviewed a memo updating the board on the status of MozzaPi, LLC (*on file*).

Mr. McCloskey reviewed a memo updating the board on the status of Boones Abbatoir, Inc. (*on file*)

Mr. McCloskey directed the board's attention to the PEP program report from Ms. Gardner that shows the value of radio & TV commercials this year (*on file*).

Mr. McCloskey directed the board's attention to the GOAP financial report as of January 5, 2017 (*on file*).

Mr. McCloskey directed the board's attention to the county account balances report as of December 21, 2016.

Mr. McCloskey reviewed the expenditure detail summary record for FY17 as of January 3, 2017 (*on file*).

Mr. McCloskey directed the board's attention to the agenda from the KAFC January 13, 2017 board meeting (*on file*).

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file*) as of December 31, 2016.

Mr. Hunt moved to accept the KAFC Financial Report; Mr. Warner seconded the motion.

VOTE: Motion Passed; Unanimous.

Presentations & Committee Reports

Mr. Rogers yielded the floor to the following for a presentation on the status of Kentucky's Hemp Industry:

Joe Bilby, General Counsel, KDA; Dr. David W. Williams, Director, Robinson Center for Appalachian Resource Sustainability, University of Kentucky College of Agriculture, Food and Environment; Doris Hamilton, Industrial Hemp Program Manager, KDA; and Brent Burchett, Director, KDA Division of Value-Added Plant Production presented to the board on Kentucky industrial hemp research (*on file*).

Mr. Rogers opened the floor for questions.

Old Business

Memo Action Items

Mr. Rogers called on Bill McCloskey and Biff Baker to present the following memo action items:

4% County Agricultural Development Council Admin Funds

Mr. McCloskey presented a memorandum (*on file*) regarding the above-referenced project. The following restructure to the administration of 4% funding was presented:

"New" Funding Requests

- Funding requests will be considered on a cost-reimbursement basis
- Receipts shall be submitted to GOAP for reimbursement on all eligible expenses
- GOAP shall not process any request until a minimum of \$100 has been incurred
- Requests may only be submitted once a month

- Payments may only be made to County Extension Office authorized personnel

“Old” Funds

- Any county that has received 4% council funds for years 2013-2016 shall be required to submit an expenditure report for all expenses incurred
- Any funds that have not been utilized and reported shall be returned to GOAP by June 1, 2017 and will be credited back to that individual county account

Dr. Jones moved to approve the request, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

A2015-0106 Cumberland Agricultural Management LLC

Mr. Baker presented a memorandum (*on file*) regarding the above-referenced project. This is a 4-month no-cost time extension request. The new deadline will be May 21, 2017.

Mr. Mattingly moved to approve the request, as presented; Mr. Hughes seconded the motion.

VOTE: Motion Passed; Unanimous.

A2016-0070 Hardin County Agricultural Extension Foundation, Inc.

Mr. McCloskey presented a memorandum (*on file*) regarding the above-referenced project. This is an extension request for county funds. The new deadline would be May 31, 2017.

Mr. Henderson moved to approve the request, as presented; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

New Application for Referral¹

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

Mr. McCloskey referenced five (5) new applications for referral.

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

VOTE: Motion Passed; Unanimous.

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

Programs Recommended for Approval²

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

Mr. McCloskey referenced three (3) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$475,000; one (1) Deceased Farm Animal Removal Program application requesting county funds totaling \$7,500; and two (2) Shared-Use Equipment Program applications requesting county funds totaling \$24,663. Total program funding requested was \$507,163.

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

VOTE: Motion Passed; Unanimous.

Requested Program Amendments³

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

Mr. McCloskey referenced two (2) requested program amendments seeking additional county funds totaling \$49,437.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Mr. Rogers called on Stefanie Osterman to present the following recommendation for funding:

A2016-0220 Oldham County Schools

Ms. Osterman referenced the above application from Oldham County Schools requesting \$5,000 in Oldham County funds to replace the roof of the high school green house.

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

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

VOTE: Motion Passed; Unanimous.

² A detailed list of projects funded under the County Agricultural Investment Program and Shared-Use Equipment Program is attached as Appendix B.

³ A detailed list of Requested Program Amendments is attached as Appendix C.

Project Recommendations for No Funding

Mr. Rogers called on Mr. McCloskey to present the following recommendation for no funding:

A2016-0219 Lexington Fayette Urban County Government (LFUCG)

Mr. McCloskey referenced the above application from LFUCG requesting \$2,500 in Fayette County funds and \$20,000 in State funds for a part-time festival coordinator for the Kentucky Sheep and Fiber Festival in 2017 and 2018.

The Blue Application Review Committee recommended no funding due to projected income being greater than festival costs.

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

VOTE: Motion Passed; Unanimous.

Pending Applications

Mr. McCloskey referenced six (6) following pending applications:

- A2016-0069 Hardin County Agricultural Extension Foundation, Inc.
- A2016-0216 Kentucky Hemp Research Foundation, Inc.
- A2016-0218 Sunstrand, LLC
- A2016-0222 Hopkinsville Elevator Co., Inc.
- A2016-0224 Eastern Kentucky University
- A2016-0227 Kentucky Horticulture Council, Inc.

No action necessary on pending applications.

Closing Remarks

Mr. Rogers stated that the next KADB meeting is February 17, 2017 at the Franklin County Extension Office in Frankfort, Ky.

Mr. Rogers stated that the Blue Application Review Committee would meet immediately following adjournment. The Red Application Review Committee will meet at 1:30 p.m.

Adjournment


Mr. Rogers entertained a motion to adjourn.

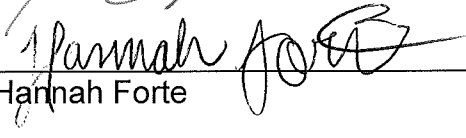
Mr. Warner moved to adjourn the December KADB meeting; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:14 p.m. (EST).

APPROVED DATE: 2/18/17

PRESIDING OFFICER:  _____

BOARD SECRETARY:  _____
Hannah Forte

APPENDIX A: New Applications for Referral

APP #	APPLICANT	COUNTY
A2014-0010	Trackside Butcher Shoppe, LLC <i>Food Safety Certification</i>	Henry
A2017-0001	Ohio Valley Food Connection <i>Regional Food Cooperative</i>	Campbell
A2017-0002	Community Agricultural And Nutritional Enterprises, Inc. <i>Community Commercial Kitchen</i>	Letcher
A2017-0003	KY Agricultural Opportunities, Inc. <i>Comprehensive Valuation of Business</i>	Henry
A2017-0004	Community Farm Alliance, Inc. <i>Farmers Market Incentive Program</i>	Madison

APPENDIX B: Programs Recommended for Approval

CAIP			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0229	Breathitt County Farm Bureau of Breathitt County, Kentucky	Breathitt	\$75,000.00
A2017-0005	Logan County Cattlemen Association Incorporated	Logan	\$100,000.00
A2017-0006	Pulaski County Conservation District	Pulaski	\$300,000.00
			<u>\$475,000.00</u>

Deceased Farm Animal Removal Program			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0230	Nicholas County Soil Conservation	Nicholas	\$7,500.00
			<u>\$7,500.00</u>

Shared-use Equipment			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2016-0231	Nicholas County Conservatin District	Nicholas	\$3,175.00
A2016-0232	Graves County Conservation District	Graves	\$21,488.00
			<u>\$24,663.00</u>

Total County Funds Recommended for Approval in Programs: **\$507,163.00**

APPENDIX C: Requested Program Amendments

App # A2016-0187
Applicant Name Hart County Cattlemen’s Association, Inc.
 Original Amount Approved \$350,000
 Execution Date 10/05/16
 Requested Change The applicant requests an additional \$20,490 in Hart County funds for the *CAIP Program*. The request received a high priority from the Hart 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 \$370,490.
Recommend Approval

App# A2016-0191
Applicant Name Buffalo Trace Area Development District, Inc.
 Original Amount Approved \$281,579
 Execution Date 10/05/16
 Requested Change The applicant requests an additional \$28,947 in Bracken County funds for the *CAIP Program*. The request received a high priority from the Bracken 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 \$310,526.
Recommend Approval