

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the October 12, 2018 joint 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 Joint Business Meeting
Kentucky Farm Bureau Headquarters
9201 Bunsen Parkway
Louisville, KY 40220**

Call to Order

Governor Matt Bevin, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:06 a.m. (EDT).

Roll Call

The following members were present: Governor Matt Bevin, presiding, Keith Rogers (designee for Commissioner Quarles), Dean Cox, Sarah Butler (designee for Secretary Terry Gill), Louis Rivers (designee for Dr. M. Christopher Brown II), Mark Barker, Bobby Foree, Fritz Giesecke, Pat Henderson, Stewart Hughes, Wayne Hunt, Dr. Gordon Jones, Al Pedigo and Richard Warner.

Members absent: Jim Mahan and Katie Moyer.

Notification of Media

Governor Bevin received verification from Marielle McElmurray, Public Affairs Manager, that the media had been notified of the KADB monthly meeting.

Welcome

Governor Bevin welcomed everyone to the meeting.

Governor Bevin asked that the staff and board members introduce themselves.

Governor Bevin thanked the board and staff for their commitment to GOAP and Kentucky agriculture.

Approval of Minutes

Governor Bevin entertained a motion to approve the minutes of the September 21, 2018 board meeting.

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

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Governor Bevin 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 Rural Development, to update the board on the status of the organization.

Mr. Beeler yielded floor to Mr. Hughes to give the Recipient Review Committee report for the Kentucky Beef Network.

Mr. Beeler yielded the floor to Dr. Jones to give the Recipient Review Committee report for the Kentucky Dairy Development Council.

Mr. Beeler yielded the floor to Mr. Foree to give the Recipient Review Committee report for the Kentucky Horticulture Council.

Mr. Beeler asked the board to watch a video sent by Dr. Chad Lee, Executive Director of UK Grain and Forage Center of Excellence.

Mr. Beeler called on Sandy Gardner to review the Summer 2018 Quarterly KADB Compliance Report (*on file*).

Ms. Gardner yielded the floor to Renee Laurent to present two GOAP success stories: Owens Garden Center and Traxside Butcher Shoppe.

Deputy Executive Director's Report

Governor Bevin yielded the floor to Bill McCloskey, GOAP Deputy Executive Director, to report to the board.

Mr. McCloskey addressed the State Pool Tobacco Funds (*on file*) as of October 1, 2018.

Mr. McCloskey discussed the KADB Cash flow (*on file*) as of October 1, 2018.

Mr. McCloskey directed the board's attention to the county account balances report (*on file*) as of September 27, 2018.

Mr. McCloskey reviewed the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file*) as of September 30, 2018.

Mr. McCloskey reviewed the Category B loans (*on file*) as of October 1, 2018.

Mr. McCloskey directed the board's attention to the KAFC agenda (*on file*).

Mr. McCloskey directed the board's attention to the KAFC application's by program (*on file*).

Mr. McCloskey directed the board's attention to the KADF updated agenda (*on file*).

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

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

VOTE: Motion Passed; Unanimous.

Memo Action Items

Governor Bevin called on Steve Doan to present the following memo action items:

A2008-0407 University of Kentucky (Kentucky Agricultural Leadership Program)

Mr. Doan presented a memorandum (*on file*) on the above referenced project regarding a request for additional funding. The recipient is requesting an additional \$500,000 in funds.

The Blue Application Review Committee recommends approving \$500,000 in state funds.

Mr. Henderson moved to approve the Blue Application Review Committee recommendation; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Dean Cox abstained.

A2015-0106 Cumberland Agricultural Management, LLC

Mr. Doan presented a memorandum (*on file*) on the above referenced request to transfer agreement to Ag Renew Partners, LLC.

The KADB Compliance Committee reviewed the request on September 21, 2018 and recommends approving this request.

Mr. Hunt moved to approve the KADB Compliance Committee recommendation; Mr. Barker seconded the motion.

VOTE: Motion Passed; Unanimous.

A2017-0104 City of Mt. Sterling

Mr. Doan presented a memorandum (*on file*) on the above referenced request for a time extension to complete the project until June 30, 2019 to coincide with the deadline from a USDA Rural Development grant.

Mr. Giesecke moved to approve the request and recommendation; Ms. Butler seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

New Applications for Referral¹

Governor Bevin called on Mr. McCloskey to present new applications for referral.

Mr. McCloskey referenced eight (8) new applications for referral.

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

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval²

Governor Bevin called on Mr. McCloskey to present programs recommended for approval.

Mr. McCloskey referenced five (5) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$968,194: One (1) Next Generation Beginning Farmer requesting county funds totaling \$ 20,000; One (1) Shared-use Equipment requesting county funds totaling \$9,431. This makes the total programs funding \$997,625.

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

VOTE: Motion Passed; Unanimous.

Requested Program Amendments³

Governor Bevin called on Mr. McCloskey to present requested program amendments.

Mr. McCloskey referenced two (2) requested program amendments seeking additional county funds totaling \$21,600; one (1) request to change the limit per participant for the Youth Program in Hancock County from \$200 to \$1,500.

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

² A detailed list of applications funded under the listed programs is attached as Appendix B.

³ A detailed list of program amendments is attached as Appendix C.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Governor Bevin called on Joe Montgomery and Biff Baker to present the following recommendations for funding:

A2018-0167 Hopkins County Extension District Board

Mr. Montgomery referenced the above application from the Hopkins County Extension District Board, requesting up to \$215,000 in State funds and \$35,000 in Hopkins County funds as part of the \$996,112 Hopkins County Farmers Market Project in Madisonville.

The Blue Application Review Committee recommended funding the request for \$35,000 in Hopkins County funds and \$215,000 in State funds, subject to terms and conditions.

Mr. Giesecke moved to approve the committee recommendation; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

A2018-0193 David R. Appelman

Mr. Baker referenced the above application from David R. Appelman requesting \$1,000 in Mason County funds and \$63,714 in State funds to implement water management practices on his farm. This will be a Research, Development and Demonstration project in Mason County.

The On-Farm Water Management Committee recommended funding the request for up to \$1,000 in Mason County funds and up to the revised amount of \$68,502 in State funds subject to terms and conditions.

Mr. Henderson moved to approve the committee recommendation; Dr. Jones seconded the motion.

VOTE: Motion Passed; Unanimous.

A2018-0195 LaRue County Board of Education

Mr. Montgomery referenced the above application from LaRue County Board of Education requesting \$100,000 in LaRue County funds for a high school greenhouse.

The Blue Application Review Committee recommended funding the request in the reduced amount of \$60,000 in LaRue County funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for No Funding

A2017-0173 Two Rivers Fisheries, Inc.

Mr. McCloskey referenced the above application from Two Rivers Fisheries, Inc.

The Blue Application Review Committee recommends no funding due to limited impact to Kentucky farmers.

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

VOTE: Motion Passed; Unanimous.

A2018-0196

Grundy Hemp Co. LLC

Mr. Montgomery referenced the above application from Grundy Hemp Co. LLC.

The Blue Application Review Committee recommends no funding due to the uncertain status of hemp related to the federal Farm Bill.

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

VOTE: Motion Passed; Unanimous.

Pending Applications

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

A2018-0140

JSW Farm Chop Shop, Inc.

A2018-0166

Nicholas County Conservation District

No action necessary on pending applications.

Closing Remarks

Mr. Beeler stated that the On-Farm Water Management Committee would meet immediately upon adjournment of this meeting for a working lunch in Room 401.

Mr. Beeler stated the Blue Application Review Committee would meet one half hour after adjournment of the full board meeting in this room.

Mr. Beeler stated the next KADB meeting will be on November 16, 2018 at the Franklin County Extension Office in Frankfort, KY.

Adjournment

Governor Bevin entertained a motion to adjourn.

Dr. Jones moved to adjourn the October KADB meeting; Mr. Pedigo seconded the motion.

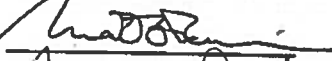
VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:10 a.m. (EDT).

APPROVED DATE:

19 NOV 2018

PRESIDING OFFICER:



BOARD SECRETARY:


Tracey Park

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY	CMTE
A2018-0198	Kentucky FFA Foundation, Inc. <i>FFA Agricultural Program Specialists</i>	Fleming	Blue
A2018-0199	Litsinger Enterprises, LLC <i>On-Farm Water Management</i>	McCracken	Water
A2018-0201	Kentucky Dairy Development Council, Inc. <i>Kentucky Dairy Improvement Program</i>	Fayette	RRC
A2018-0204	Breckinridge County Fair Inc. <i>Agricultural Building Improvements</i>	Breckinridge	Blue
A2018-0208	Western Kentucky University <i>Kentucky Mesonet Upgrades</i>	Warren	Blue
A2018-0210	The Milkhouse Creamery, LLC <i>New Creamery Facility</i>	Henry	Blue
A2018-0211	University of Kentucky Beef IRM Committee <i>iCow Mobile Application (App) Development</i>	Scott	Blue
A2018-0213	Kentucky Beef Network, LLC <i>Statewide Beef Marketing & Education</i>	Fayette	RRC

Appendix B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0200	Jackson County Cattlemen's Association Incorporated	Jackson	\$202,644.00
A2018-0206	Buffalo Trace Area Development District, Inc.	Bracken	\$180,000.00
A2018-0207	Rockcastle County Conservation District	Rockcastle	\$105,550.00
A2018-0212	Scott County Conservation District	Scott	\$180,000.00
A2018-0214	Bourbon County Fiscal Court	Bourbon	\$300,000.00
			\$968,194.00

Next Generation Beginning Farmer

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0205	Buffalo Trace Area Development District, Inc.	Bracken	\$20,000.00
			\$20,000.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2018-0203	Pulaski County Conservation District	Pulaski	\$9,431.00
			\$9,431.00

Total County Funds Recommended for Approval in Programs: **\$997,625.00**

Appendix C: Requested Program Amendments

App # A2018-0130
Applicant Name Adair County Cattlemen's Association
Original Amount Approved \$151,000
Execution Date 7/11/2018
Requested Change The applicant requests an additional \$18,000 in Adair 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 \$169,000.
Recommend Approval

App# A2018-0129
Applicant Name Adair County Cattlemen's Association
Original Amount Approved \$26,250
Execution Date 7/11/2018
Requested Change The applicant requests an additional \$3,600 in Adair County funds for the *Youth 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 \$29,850.
Recommend Approval

App# A2017-0207
Applicant Name Hancock County Conservation District
Original Amount Approved \$2,000
Execution Date 12/11/2017
Requested Change The applicant requests a change in the limit for the *Youth Program* maximum award from \$200 to \$1,500.
 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 only change the award limit per participant.
Recommend Approval

Appendix D: KBN Recipient Review Committee Meeting Minutes



Meeting Date:	10/12/18
Meeting Location:	Kentucky Farm Bureau
Meeting Chair:	Stewart Hughes
Attendees:	Committee: Stewart Hughes, Al Pedigo, John McCauley GOAP Staff: Stefanie Osterman, Sandra Gardner, Bill McCloskey, Renee Laurent, Joe Montgomery, Steve Doan KBN Staff: Becky Thompson, Dave Maples, Dan Miller UK Staff: Les Anderson, Chris Teutsch Others Present: Wayne Hunt, Mark Barker, Dr. Kirk Pomper, Pat Henderson, Dr. Nancy Cox
Minutes Issued By:	Stefanie Osterman
Meeting Call to Order:	9:00
Meeting Adjourned:	10:30

Agenda Items:

1. Grant Benchmarks, Goals and Objectives- Progress Update
 - a. Integrated Reproductive Management Farm Program-benchmarks exceeded. IRM research project included 14 farms that participated in adopting individual management plans resulting in revenue increase of \$41/cow or \$2,476 per producer.
 - b. KBN Field Associates-benchmarks met
 - i. 264 visits; 61 new contacts
 - c. Backgrounding Short Course-“New” in 2018-KBN will conduct three courses this year. It will replace the Master Stocker program.
 - d. Linking Environment and Farming-benchmarks met
 - i. 26 different events
 - ii. Host events this fall around the large bale feeder at Eden Shale
 - e. BQCA Cattle Handling & Care-benchmarks exceeded
 - i. 2,208 certifications this year
 - ii. 4 times more certifications than projected
 - iii. With \$5 fee, program will be self-funded in the future.
 - f. Bull Value Assessment Program-in progress
 - i. Only 1 program has enough participants registered
 - ii. Retry program during winter months.
 - g. Applied Master Cattlemen-in progress
 - i. 7 classes that will be in-depth will be conducted
 - ii.1 class has been conducted with 23 women in Adair/Taylor counties area
 - h. Master Grazer-in progress
 - i. over 50 attended in Versailles
 - ii.170 attended in Ballard County including people from 4 different states.
 - iii. No-till drill calibration video also included.

Appendix D: KBN Recipient Review Committee Meeting Minutes



Agenda Items:

- i. Weaning 101
17-18 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. Focus on heifer development & grazing corn stocks
2. Budget and programs were discussed in depth.
Action Items
 - i. KBN Recipient Review Committee define a contact for field associates use.
 - ii. KBN provide the committee the list of producer contacts and current information collected with the next report.
 - iii. KBN revise the 2019 budget to show 5% cut based on the 2018 budget of \$864,023 and revise the 2020 budget to show 5% cut based on the 2019 estimated budget of \$820,821.85.
3. Next Meeting-Friday November 16, 8 am
4. Next Presentation-none

Appendix E: KY Horticulture Council Recipient Review Committee Meeting Minutes



Meeting Date:	October 12, 2018
Meeting Location:	Kentucky Farm Bureau, 9201 Bunsen Parkway, Louisville, KY
Committee Chair:	Bobby Foree
Attendees:	Bobby Foree, Louie Rivers (designee for Dr. Kirk Pomper), Dr. Cindy Finneseth, Bill McCloskey, Joe Montgomery, Marielle McElmurray, Stefanie Osterman
Minutes Issued By:	Marielle McElmurray
Meeting Call to Order:	8:30 a.m.
Meeting Adjourned:	9:00 a.m.
Agenda Items:	
<p>1. A2018-0189 New Application Review</p> <p>The Committee reviewed the updated budget, including breakdown of 2019 funds requested and 2020 funds requested.</p> <p>Request for funds includes items in five categories: Technical Assistance and Educational Research Development, Development and Evaluation of Production and Marketing Systems, Market Research, Analysis and Marketing Education, Sustainable Market Access and Demand, and KHC Operations.</p> <p>Total funds requested are \$557,294 for 2019 and \$529,429 for a total two year request of \$1,086,723. This request reflects a five percent cut each year.</p> <p>The KHC RRC recommends funding the request for up to \$1,086,723 over a two year period.</p>	
<p>2. Next Meeting – Thursday, November 15, 2018, 10 a.m. EST</p>	

Appendix F: KADB White Application Review Committee Meeting Minutes



Meeting Date:	Oct. 12, 2018
Meeting Location:	Kentucky Farm Bureau Headquarters, Room CR 405
Meeting Chair:	Steve Doan, General Counsel
Attendees:	Fritz Giesecke, Nancy Cox, Gordon Jones, Warren Beeler, Steve Doan, Guest: Mark Collier, Joshua Farrow
Minutes Issued By:	Steve Doan
Meeting Call to Order:	8:30 a.m.
Meeting Adjourned:	8:54 a.m.
Agenda Items:	
<ol style="list-style-type: none">1. Call to Order2. Old Business – Mt. Sterling Farmers Market, A2017-0104<ol style="list-style-type: none">a. The Committee reviewed a memo from Steve Doan, General Counsel whereby the Recipient requested a budget amendment (memo on file)b. Mark Collier and Joshua Farrow with the Gateway Area Development District were present to explain their request and present additional information.c. Mr. Giesecke moved approval of the request; Dean Cox seconded the motion. Motion passed unanimous.3. Next Meeting – December	

Appendix G: On-Farm Water Management Committee Meeting Minutes



Meeting Date:	October 12, 2018
Meeting Location:	Kentucky Farm Bureau Headquarters- Louisville
Meeting Chair:	Pat Henderson
Attendees:	Committee: Pat Henderson, Steve Coleman, Al Pedigo, John Dix DOW Staff (by phone): Dale Booth, Bill Caldwell GOAP Staff: Biff Baker, Warren Beeler
Minutes Issued By:	Biff Baker
Meeting Call to Order:	Approx. 12:00 PM
Meeting Adjourned:	Approx. 2:00 PM

Agenda Items:

1. A2018-0199: Russ Litsinger PIP project in McCracken County.

The members discussed the project with Dale Booth and Bill Caldwell. The members did not support funding the high tunnel but did support funding the water collection portion of the project. The members had questions about the soil probes and the irrigation system that could not be answered because Mr. Litsinger could not attend the meeting. They also wanted to know if Mr. Litsinger had applied for NRCS funding for the high tunnel.

The members voted to pend the application until November to give Mr. Litsinger time to answer the questions.

There being no further business, the meeting was adjourned.

Appendix H: Blue Application Review Committee Meeting Minutes



Meeting Date:	10/12/2018
Meeting Location:	Kentucky Farm Bureau Headquarters 9201 Bunsen Parkway Louisville, KY 40220
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Bobby Foree, Sarah Butler, Wayne Hunt and Keith Rogers; GOAP staff: Bill McCloskey, Biff Baker, Tracey Park, and Joe Montgomery; KCARD: Aleta Botts
Minutes Issued By:	Joe Montgomery
Meeting Call to Order:	12:15 p.m.
Meeting Adjourned:	2:32 p.m.

Agenda Items: New applications	
1. A2017-0181 Kentucky Nutrition Services, Inc.	
a. Recommended by committee with the following conditions:	
1. The combined LTV shall be no more than 85% of the actual acquisition/construction cost or the appraised market value, whichever is less.	
2. The request for additional funds of \$155,000 will be split \$55,000 KADF and \$100,000 Ag. Credit.	
3. GOAP staff will request by memo a three month extension of time expiring February 17, 2019 at the November 16 th KADB meeting.	
2. A2018-0198 Kentucky FFA Foundation, Inc.	
a. No fund recommendation due to applicant's financial ability to fund and limited producer impact.	
3. A2018-0204 Breckinridge County Fair, Inc.	
a. Recommend to approve as presented.	
4. A2018-0208 Western Kentucky University	
a. No fund recommendation of state funds. Committee will approve county funds only up to 50% of budget cost.	
5. A2018-0210 The Milkhouse Creamery, LLC	
a. Recommended by committee with the following conditions:	
1. County funds up to half the cost of the total project.	
2. No state funds due to limited producer impact.	
3. Recommend the recipient shall have until May 31, 2019 to secure county funds.	
4. Refer the application to KAFC for possible loan.	
6. A2018-0211 University of Kentucky Beef IRM Committee	
a. Pended by committee so members can receive more information.	
b. Report back to committee on county fund committal status at the next meeting.	