

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the March 20, 2020 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
101 Lakeview Court
Frankfort, KY 40601**

Call to Order

Commissioner Ryan Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:35 a.m. (EDT). KADB members, staff and the public attended the meeting via video teleconference.

Roll Call

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

Members absent: Dorsey Ridley, Jim Mahan and Dr. Gordon Jones.

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 and updated the board on the Kentucky Department of Agriculture (KDA) and the status of agriculture in the midst of the COVID-19 crisis.

Approval of Minutes

Commissioner Quarles entertained a motion to approve the minutes of the Feb. 21, 2020 board meeting.

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

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Commissioner Quarles yielded the floor to Warren Beeler, GOAP Executive Director, to report to the board.

Deputy Executive Director's Report

Commissioner Quarles yielded the floor to Bill McCloskey, GOAP Deputy Executive Director, to report to the board.

Mr. McCloskey referenced the January 2020 Kentucky Broadcaster's Association, Public Education Partnership (PEP) Program (*on file*).

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of March 5, 2020.

Mr. McCloskey reviewed the Kentucky Agricultural Development Fund Cash Flow (*on file*) as of March 5, 2020.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of February 28, 2020.

Mr. McCloskey reviewed the KAFC Statement of Financial Position (*on file*) as of February 29, 2019.

Mr. Giesecke moved to approve the KAFC Financial Report; Ms. Moyer seconded the motion.

VOTE: Motion Passed; Unanimous.

KADB Blue Application Review Committee

Commissioner Quarles called on Mr. Foree to present the KADB Blue Application Review Committee Report to the board.

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

VOTE: Motion Passed; Unanimous.

KADB Red Application Review Committee

Commissioner Quarles called on Mr. Henderson to present the KADB Red Application Review Committee Report to the board.

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

Mr. Hughes commented on addressing the number of research-funded projects in the future.

VOTE: Motion Passed; Unanimous.

Memo Action Items

Commissioner Quarles called on Renee Carrico to present the following memo action items:

A2018 – 0126 Kentucky State Fair Board

Ms. Carrico presented a memorandum (*on file*) on the above-referenced project. The recipient requested a six-month time extension until August 1, 2020 to complete the project and reimbursement paperwork. The staff recommended approving the request.

Mr. Giesecke moved to approve the request; Mr. Hughes seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019 – 0001 Kentucky State Fair Board

Ms. Carrico presented a memorandum (*on file*) on the above referenced project. The recipient requested a six-month time extension until October 30, 2020. The staff recommended approving te request.

Mr. Hunt moved to approve the request; Mr. Hinton seconded the motion.

VOTE: Motion Passed; Unanimous.

A2019 – 0001 Kentucky State Fair Board

Ms. Carrico presented a memorandum (*on file*) on the above-referenced project. The recipient requested an additional \$200,000 in State funds for increased costs of Freedom Hall suites and West Wing

renovation expenses. The Red Application Review Committee recommended approving the budget revision request.

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

VOTE: Motion Passed; Unanimous.

A2019 – 0254 Kentucky State Fair Board

Ms. Carrico presented a memorandum (*on file*) on the above-referenced project. The recipient requested a budget amendment for an additional \$1,500,061 in State funds for demolition and renovation of Gate Six at the Kentucky State Fair and Exposition Center. The Blue Application Review Committee recommended approving the budget revision request.

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

VOTE: Motion Passed; Unanimous.

New Business

New Applications for Referral

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

Mr. McCloskey referenced six (6) new applications for referral.

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

VOTE: Motion Passed; Unanimous.

Programs Recommended for Approval

Commissioner Quarles called on Mr. McCloskey to present programs recommended for approval.

Mr. McCloskey referenced seven (7) County Agricultural Investment Program (CAIP) applications requesting County and State funds¹ totaling \$684,575; Three (3) Deceased Animal Removal (DAR) requesting County funds totaling \$44,500; One (1) Shared-Use application requesting County funds totaling \$3,600; One (1) Youth Ag Incentives Program application requesting County funds totaling \$5,050; This makes the total program funding \$737,725.

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

VOTE: Motion Passed; Unanimous.

Project Recommendations for Funding

Commissioner Quarles called on Renee Carrico to present the following recommendations for funding:

A2020 – 0015 Caldwell County Board of Education

Ms. Carrico referenced the above application requesting \$5,500 in Caldwell County funds to purchase a CNC plasma cutting machine for the Caldwell County High School agriculture department.

The Red Application Review Committee recommended approving the request for up to \$5,500 in Caldwell County funds, subject to terms and conditions.

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

¹ From "State Funds Support of Counties with Limited Allocation" Initiative

VOTE: Motion Passed; Unanimous.

A2020 – 0021 Pennyrile Area Development District, Inc.

Ms. Carrico referenced the above application requesting \$12,036 in State funds to conduct a broadband feasibility study.

The Red Application Review Committee recommended funding the request for up to the amended amount of \$6,018 in State funds and \$6,018 in various county funds, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2019 – 0274 University of Kentucky Research Foundation

Ms. Carrico referenced the above application requesting \$228,800 in State funds to support expansion of water quality monitoring stations in Western Kentucky.

Mr. Hinton moved to pull the application from pending; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Dean Cox abstained.

The Red Application Review Committee recommended funding the request for up to \$228,000 in State funds, subject to terms and conditions.

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

VOTE: Motion Passed; Dean Cox abstained.

Pending Applications

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

A2019 – 0283	JSW Farm Chop Shop, Inc.
A2020 – 0009	Kentucky FFA Leadership Training Center
A2020 – 0023	Winchester Clark County Farmers Market
A2020 – 0031	Muhlenberg County Cattlemen's Association, Inc.
A2020 – 0039	Clark County Conservation District
A2020 – 0041	County Agriculture Investment Program Council, Inc.

No action necessary on pending applications.

Closing Remarks

Commissioner Quarles stated the KADB Red Application Review Committee would meet five minutes after adjournment of the full board meeting.

In response to a question from Ms. Butler, staff clarified that all loans will be addressed on a case-by-case basis in response to the COVID-19 outbreak.

There was discussion on H-2A labor with the COVID-19 outbreak.

Commissioner Quarles stated the next KADB meeting will be Friday, April 17 at 10 a.m. EDT and will tentatively be held at the Franklin County Extension Office, located at 101 Lakeview Court, Frankfort, KY 40601.

Adjournment

Appendix A: New Applications for Referral

APP #	APPLICANT	COUNTY	Cmte.
A2020-0032	City of Princeton <i>Caldwell Co. Farmers Market</i>	Caldwell	Red
A2020-0034	Rockcastle County Board of Education <i>Greenhouse Improvements</i>	Rockcastle	Red
A2020-0042	Marksbury Farm Foods, LLC <i>Facility Expansion and Upgrades</i>	Garrard	Red
A2020-0043	Southeast Kentucky Sheep Producers Association, Inc <i>Feasibility Study</i>	Laurel	Red
A2020-0044	Baesler Farms <i>Hemp Processing Expansion</i>	Fayette	Red
A2020-0045	Grayson County Board of Education <i>Greenhouse and Aquaponics System Upgrades</i>	Grayson	Red

Appendix B: Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2020-0026	Breathitt County Farm Bureau of Breathitt County, Kentucky	Breathitt	\$75,000.00
A2020-0028	Spencer County Conservation District	Spencer	\$125,000.00
A2020-0030	Lyon County Conservation District	Lyon	\$31,000.00
A2020-0033	Rockcastle County Conservation District	Rockcastle	\$86,875.00
A2020-0036	Madison County Conservation District	Madison	\$296,000.00
A2020-0037	Owen County Farm Bureau, Inc.	Owen	\$25,000.00
A2020-0038	Lee County Conservation District	Lee	\$45,700.00
			\$684,575.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2020-0024	Taylor County Conservation District	Taylor	\$14,500.00
A2020-0029	Scott County Conservation District	Scott	\$15,000.00
A2020-0040	Clark County Conservation District	Clark	\$15,000.00
			\$44,500.00

Shared-Use Equipment Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2020-0025	Taylor County Conservation District	Taylor	\$3,600.00
			\$3,600.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2020-0027	Spencer County Conservation District	Spencer	\$5,050.00
			\$5,050.00

Total County Funds Recommended for Approval in Programs:	\$737,725.00
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APPENDIX C: Blue Application Review Committee Meeting Minutes



Meeting Date:	3/20/2020
Meeting Location:	Franklin County Extension Office 101 Lakeview Court Frankfort, KY 40601
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Bobby Foree, Sarah Butler, Wayne Hunt, Al Pedigo, Katie Moyer and Keith Rogers GOAP staff: Warren Beeler, Bill McCloskey, Renee Carrico, Danielle Milbern, Sandra Gardner, Marielle McElmurray and Rob Goff
Minutes Issued By:	Renee Carrico
Meeting Call to Order:	9:01 a.m. EDT
Meeting Adjourned:	9:15 a.m. EDT

Agenda Items:
1. A2019-0254 Kentucky State Fair Board a) Committee recommends approving the budget revision request for an additional \$1,500,061 in State funds for demolition and renovation of Gate 6 at the Kentucky State Fair and Exposition Center.

Appendix D: Red Application Review Committee Meeting Minutes



Meeting Date:	3/20/2020
Meeting Location:	Franklin County Extension Office 101 Lakeview Court Frankfort, KY 40601
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Stewart Hughes, Mark Barker, Dr. Kirk Pomper, Pat Henderson, Keith Rogers and Dean Nancy Cox GOAP staff: Warren Beeler, Bill McCloskey, Renee Carrico, Danielle Milbern, Sandra Gardner, Marielle McElmurray and Rob Goff
Minutes Issued By:	Renee Carrico
Meeting Call to Order:	9:15 a.m. EDT
Meeting Adjourned:	10:00 a.m. EDT

Agenda Items:
1. A2019-0274 UK Research Foundation a) Committee recommends pulling the application out of pending status at March KADB meeting and recommending for funding the request of \$228,800 in State funds.
2. A2019-0001 Kentucky State Fair Board a) Committee recommends approving the budget revision request for an additional \$200,000 in State funds to account for increased costs.

Appendix E: Red Application Review Committee Meeting Minutes



Meeting Date:	3/20/2020
Meeting Location:	Franklin County Extension Office 101 Lakeview Court Frankfort, KY 40601
Meeting Chair:	Bill McCloskey
Attendees:	Committee members: Stewart Hughes, Mark Barker, Dr. Kirk Pomper, Pat Henderson and Keith Rogers GOAP staff: Warren Beeler, Bill McCloskey, Renee Carrico, Danielle Milbern, Sandra Gardner, Marielle McElmurray and Rob Goff KCARD: Aleta Botts
Minutes Issued By:	Danielle Milbern
Meeting Call to Order:	11:30 p.m. EDT
Meeting Adjourned:	1:09 p.m. EDT

Agenda Items:
<ol style="list-style-type: none"> 1. A2020-0032 City of Princeton <ol style="list-style-type: none"> a) Committee recommends pending at the applicant's request. 2. A2020-0045 Grayson County Board of Education <ol style="list-style-type: none"> a) Committee recommends funding up to 50% of the total project costs up to \$1,500 in Grayson County funds. 3. A2020-0034 Rockcastle County Board of Education <ol style="list-style-type: none"> a) Committee recommends funding up to 50% of the total project costs up to \$2,000 in Rockcastle County funds. 4. A2020-0043 Southeast Kentucky Sheep Producers Association, Inc. <ol style="list-style-type: none"> a) Committee recommends funding \$6,295 in Laurel County funds and \$6,295 in Pulaski County funds. 5. A2020-0009 Kentucky FFA Leadership Training Center <ol style="list-style-type: none"> a) Committee recommends funding up to \$30,000 in multiply County funds. b) Applicant will have 12 months to obtain County fund commitments. 6. A2020-0023 Winchester Clark County Farmers Market <ol style="list-style-type: none"> a) Committee recommends pending until a revised budget is submitted and reviewed. 7. A2020-0044 Baesler Farms <ol style="list-style-type: none"> a) Committee recommends pending until the Joint KADB/KAFC Committee on Hemp meets to clarify 2020 policy.

Appendix E: Red Application Review Committee Meeting Minutes



Agenda Items:

8. A2020-0042 Marksbury Farm Foods, LLC.

a) Committee recommends funding in the form of a participation loan up to \$392,700 in State funds.

9. A2019-0283 JSW Farm Chop Shop Inc.

a) Committee recommends pending the application until the following is received and reviewed:

- Agreement with the CPA Company to perform financial audit.
- Agreement or correspondence with IRS to satisfy taxes.
- Updated plan to dispose of waste water.
- Updated Cash flow to reflect the change in how the waste water will be handled/disposed of going forward and IRS payments.
- Formal request for the installation cost of wash cabinet and method for determining the cost.
- Financial statements for John Whitt and Jonathan Whitt.

Commissioner Quarles entertained a motion to adjourn.

Commissioner Quarles moved to adjourn the March KADB meeting; Mr. Giesecke seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 11:20 a.m. (EDT).

APPROVED DATE: 4-17-2020

PRESIDING OFFICER: Don Lumber

BOARD SECRETARY: Marielle McElmurray
Marielle McElmurray

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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 copy of the KADB Red Application Review Committee minutes is attached as Appendix C
 4. A copy of the KADB Blue Application Review Committee minutes is attached as Appendix D
 5. A copy of the KADB Red Application Review Committee minutes is attached as Appendix E