

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the October 15, 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
Capital Plaza Hotel
405 Wilkinson Blvd in Frankfort, KY
October 15, 2021**

Call to Order

Commissioner of Agriculture Dr. Ryan Quarles, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 11:30 a.m. (EDT).

Roll Call

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

Members Absent: Mark Barker

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 September 17, 2021 board meeting.

Mr. Hinton moved to approve the minutes, as presented; Mr. Peterson 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 report to the board. Mr. Lacefield gave an overview of his activities since the previous board meeting and updated the board on changes in staff. Mr. Lacefield referenced the Tobacco Settlement Agreement Fund Oversight

Committee Meeting. Mr. Lacefield encouraged members to watch the Tobacco Oversight video, featuring board member Wayne Hunt. Mr. Lacefield lastly, thanked board members and staff that were able to attend the meeting.

Deputy Executive Director's Report

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

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of October 5, 2021.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of September 30, 2021.

Mr. McCloskey reviewed the K AFC Statement of Financial Position (*on file*) as of September 30, 2021.

Mr. McCloskey referenced the September K AFC agenda and list of applications presented for approval (*on file*).

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

VOTE: Motion Passed; Unanimous.

KADB Compliance Committee

Commissioner Quarles called on Mr. Foree to give the KADB Compliance Committee report.

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

VOTE: Motion Passed; Unanimous.

Kentucky Proud Recipient Review Committee

Commissioner Quarles called on Ms. Butler to give the KY Proud Recipient Review Committee report.

Ms. Butler moved to accept the committee report, as presented; Mr. Pedigo seconded the motion.

VOTE: Motion Passed; Commissioner Quarles abstained.

Kentucky Horticulture Council (KHC) Recipient Review Committee

Commissioner Quarles called on Dr. Pomper to give the KHC Recipient Review Committee report.

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

VOTE: Motion Passed; Unanimous.

On-Farm Energy Committee

Commissioner Quarles called on Bill McCloskey to give the On-Farm Energy Committee report.

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

VOTE: Motion Passed; Unanimous.

Presentation

A2020-0250

Kentucky Department of Agriculture: (KY. Proud Program)

Commissioner Quarles called on Sandra Gardner to introduce presenter Melanie McPartin to provide an update on the progress of the Kentucky Proud program towards its benchmarks, goals and objectives.

Mr. Foree moved to approve the report and release second year funds; Ms. Paul seconded the motion.

VOTE: Motion Passed; Commissioner Quarles abstained

A2020-0202

Kentucky Horticulture Council

Commissioner Quarles called on Ms. Gardner to introduce presenter Cindy Finneseth to provide an update on the progress of the Kentucky Horticulture Council towards its benchmarks goals and objectives.

Mr. Hunt moved to approve the report and release second year funds; Mr. Peterson seconded the motion.

VOTE: Motion Passed; Unanimous

Memo Action Items

Commissioner Quarles called on Mr. McCloskey, Danielle Milbern, Ms. Gardner and Brian Murphy 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.

Mr. Hinton moved to accept the staff recommendation, as presented; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

A2017-0025

American Black Hereford association (ABHA)

Mr. Murphy, KOAP General Counsel, presented a memorandum (*on file*) on the above referenced project, regarding ABHA's response to the Board's request for pro-rated return of funds.

The Compliance Committee recommends the Board make a counter-offer of \$17,138 in lieu of full payment. Once paid in full the agreement will be closed.

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

VOTE: Motion Passed; Unanimous.

A2019-0024

Ohio Valley Farm Analysis Group Inc.

Ms. Gardner presented a memorandum (*on file*) on the above referenced project, requesting two revisions to its existing agreement: 1) allow KADF expenditures in non KADF budget categories and 2) allow KADF funds for years 1 and 2 to be applied to Year 1 expenditures.

The KADB Compliance Committee recommends approving the requested revisions to the agreement, which will result in a return of \$12,502.41 from OVFAg to the KADB and the closure of the project.

Mr. Hunt moved to approve the Compliance Committee recommendation, as presented; Mr. Foree seconded the motion.

VOTE: Motion Passed; Unanimous.

A2021-0014

Hayz Meatz

Ms. Milbern presented a memorandum (*on file*) on the above referenced project, requesting a budget reallocation.

The Meat Processing Expansion Committee met and recommends approving the applicant's request of moving \$14,650 in State funds to the equipment category on the budget.

Mr. Hinton moved to approve the committee recommendation, as presented; Mr. Hunt 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 six (6) new application for referral.

Mr. Hunt 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 one (1) County Agricultural Investment Program (CAIP) applications totaling \$250,000; one (1) Next Gen Program applications totaling \$36,000; one (1) Youth Ag Incentives applications totaling \$10,250. The total program funding is \$296,250.

Staff recommended approval of these applications.

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

VOTE: Motion Passed; Dr. Laura Stephenson abstained.

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 \$48,000 (Adair County and Johnson County); (1) Requested for additional funds for an existing YAIP program totaling \$5,500 (Adair County). Total additional funding \$53,500.

Staff recommended approval of these amendments.

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

VOTE: Motion Passed; Unanimous.

Applications Recommended for Funding

Commissioner Quarles called on Sarah Bryant, Danielle Milbern and Martin Williams to present the following recommendations for funding:

On-Farm Energy Incentives Program

Ms. Bryant referenced eight (8) On- Farm Energy applications totaling \$66,070.

The On-Farm Energy Committee recommends approval.

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

VOTE: Motion Passed; Unanimous.

Meat Processing Investment Program (MPIP) Level 2 Recommended for Funding

Ms. Milbern referenced one (1) Meat Processing Level 2 application totaling \$30,246.

The Meat processing Expansion Committee recommends funding the request for A2021-0220, Goldy's Meats Ltd. Co. for \$30,426 in State funds.

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

VOTE: Motion Passed; Unanimous.

Projects

A2021-0169 Burnett's Enterprise, LLC

Ms. Milbern referenced the above application requesting \$238,599 in State funds, under MPIP Level 3 guidelines, to renovate its current processing facilities to become USDA Certified and to purchase processing equipment.

The Meat Processing Committee recommends approving the applicant for the amount up to \$238,599 in State funds, as a forgivable loan, contingent upon the board approving an additional \$93,105 since the Meat Processing Expansion Committee only has \$145,494 available, subject to terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2021-0199 Hancock County Cattleman's Association LTD.

Mr. Williams referenced the above application requesting \$5,000 in Hancock County funds for a Hancock County Youth Agriculture Production Cost-Share Program.

The Blue Application Review Committee recommends funding the applicant \$5,000 in Hancock County Funds, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2021-0206 City of LaGrange

Mr. Williams referenced the above application requesting \$245,000 in State funds and \$5,000 in Oldham County funds to aid in building a farmers markets pavilion structure for its existing producers to utilize.

The Blue Application Review Committee recommends funding the project for up to \$245,000 in State and \$5,000 in Oldham County funds, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

A2021-0216 Kentucky State University

Mr. Williams referenced the above application requesting \$990,000 in State funds to continue its KSU Mini Grant Program to help small scale producers across the commonwealth.

The Blue Application Committee recommends funding the applicant up to \$990,000 in State funds subject to the terms and conditions.

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

VOTE: Motion Passed; Dr. Pomper abstained.

A2021-0217 Kentucky Center for Agriculture and Rural Development, Inc.

Ms. Milbern referenced the above application requesting \$900,000 in State funds, over two years, to deliver technical assistance and provide educational opportunities to agricultural and rural businesses.

The Blue Application Committee recommends funding the project for \$900,000 in State funds over a two-year period, subject to the terms and conditions.

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

VOTE: Motion Passed; Unanimous.

Expired/Withdrawn Applications

Mr. McCloskey stated one (1) application has withdrawn.

A2021-0071 Logan Premium Meats and Processing LLC

No action necessary on expired/withdrawn projects or programs.

Pending Applications

Mr. McCloskey stated one (1) application is pending.

A2021-0150 University of Kentucky Research Foundation

No action necessary on pending projects or programs.

Closing Remarks

Commissioner Quarles stated the KADB/KAFC Joint Hemp Committee will meet 30 minutes after adjournment of the business meeting with the KADF White Application Committee to meet immediately upon adjournment of the KADB/KAFC Joint Hemp Committee meeting. The KADF Blue Application Review Committee will meet immediately following White Application Review Committee.

The next KADB meeting will be November 19, 2021 at 9:30 a.m. (EDT).

Adjournment

There being no further business, Commissioner Quarles entertained a motion to adjourn the meeting at 12:56 pm (EDT).

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

VOTE: Motion Passed; Unanimous.

APPROVED DATE:

11-29-21

PRESIDING OFFICER:

Ryan Quarles

Commissioner Ryan Quarles ✓

BOARD SECRETARY:

Hannah Johnson

Hannah Johnson, Board Secretary

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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 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 detailed list of the On-Farm Energy projects approved is attached as Appendix E.
 6. A copy of the KADB Compliance Committee minutes is attached as Appendix F.
 7. A copy of the Kentucky Proud Recipient Review Committee minutes is attached as Appendix G.
 8. A copy of the Kentucky Horticulture Council Recipient Review Committee minutes is attached as Appendix H.
 9. A copy of the Joint KADB/KAFC Hemp Policy Committee minutes is attached as Appendix I.
 10. A copy of the Blue Application Review Committee minutes is attached as Appendix J.
 11. A copy of the Red Application Review Committee minutes is attached as Appendix K.
 12. A copy of the White Application Review Committee minutes is attached as Appendix L.