

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the February 11, 2011 regular board 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 (GOAP), 404 Ann Street, Frankfort, KY 40601

**Kentucky Agricultural Development Board
Summary Minutes of the Business Meeting
Sloan Convention Center
Bowling Green, KY
February 11, 2011**

Call to Order

Mac Stone, designee for Commissioner Farmer, presiding, called the Kentucky Agricultural Development Board meeting to order at 9:00 a.m. (CST).

Roll Call

The following members were present: Mac Stone (designee for Commissioner Farmer); Karen Curtis; Rodney Dick; Don Goodin (designee for Secretary Larry Hayes); Pat Henderson; Wayne Hunt; Sam Lawson; Jim Mahan; Wayne Mattingly; Sam Moore; Troy Rankin; Stephen Mason (designee for President Mary Sias); Jim Sidebottom; Dean Scott Smith; Vickie Yates-Brown.

Notification of Media

Mr. Stone received verification that the media has been notified of the Kentucky Agricultural Development Board (KADB) monthly meeting.

Welcome

Mr. Stone welcomed everyone to the meeting and gave an update on Kentucky Department of Agriculture (KDA) events and activities.

Approval of Minutes

Jim Sidebottom moved to approve the minutes of the January 14, 2011 meeting as presented; Rodney Dick seconded the motion.

Vote: Motion Passed; Unanimous.

Executive Director's Report

Mr. Stone called on Roger Thomas to give the Executive Director's Report.

Mr. Thomas welcomed the board and guests.

Mr. Thomas introduced Shannon Morgan the newest employee of the Governor's Office of Agricultural Policy (GOAP). Mr. Morgan will be working to defend the

Commonwealth's diligent enforcement activities in the 2003 Master Settlement Agreement arbitration case.

Dean Scott Smith invited the board and GOAP staff to attend the Country Kitchen Luncheon hosted by cooperative extension agents on Tuesday, February 15, 2011 at 11:00 a.m. (EST).

Mr. Thomas introduced Donald Dunn with the Farm Service Agency.

Mr. Thomas discussed Kentucky Senate Bills 92, 93, and 94.

Mr. Stone invited the board and GOAP staff to attend the Kentucky Proud Breakfast on Thursday, February 17, 2011 at 7:00 a.m. (EST).

Mr. Thomas called on Bill McCloskey to give a report on the financial position of the Kentucky Agricultural Finance Corporation (KAFC). Mr. McCloskey reviewed the financial position report which showed the balance as of January 31, 2011.

Mr. Dick moved to accept the KAFC monthly report as presented; Troy Rankin seconded the motion.

Vote: Motion Passed; Unanimous.

Old Business

Mr. Stone called on Mike Tobin to present the updated Producer Education/Training Program application and guidelines for approval.

Pat Henderson moved to accept the updated Producer Education/Training Program application and guidelines; second by Dean Smith.

Vote: Motion Passed; Unanimous.

New Project Applications for Referral

Mr. Stone referenced the following applications for referral:

A2011-0011 Meade County Riverport Authority

A2011-0012 City of Jeffersontown Farmers Market

Sam Lawson moved to refer the submitted applications; Dean Smith seconded the motion.

Vote: Motion Passed; Unanimous.

Program Recommendations

County Agricultural Investment Program (CAIP) Recommendations

Mr. Stone referenced for the Board's consideration one (1) County Agricultural

Investment Program (CAIP) application requesting County Funds totaling \$7,000. **Sam Moore moved for the approval of the submitted program as presented; Mr. Dick seconded the motion.**

Vote: Motion Passed; Unanimous.

Program Amendments

Mr. Stone referenced for the Board's consideration three (3) County Agricultural Investment Program (CAIP) amendments requesting County Funds totaling \$164,758. **Mr. Dick moved for the approval of the submitted amendments as presented; Don Goodin seconded the motion.**

Vote: Motion Passed; Unanimous.

Withdrawn Applicant

Mr. Stone noted for the Board's information one (1) application that has been withdrawn by the applicant: A2010-0182 Lewis County Conservation District.

Memo Action Items

Christi Marksbury presented a memorandum regarding A2009-0043, Logan County Extension District Board. The Logan County Extension District Board was approved for \$117,500 in County Funds to construct a 250'x 200' multi-purpose agriculture facility in Logan County. The applicant has spent \$54,800 to date on the site preparation, but weather has been a limiting factor. Bids for the construction portion of the building are due on February 17, 2011. The time frame to submit receipts for the project expired on February 10, 2011. The applicant requests to extend the payout on the project to December 31, 2011. Staff recommends approval of an additional time extension for the multi-purpose facility for the Logan County Extension District.

Mr. Moore moved to approve the staff recommendation; Mr. Rankin seconded the motion.

Vote: Motion Passed; Unanimous.

Mr. Tobin presented a memorandum regarding A2009-0045, Eastern Kentucky University. Eastern Kentucky University (EKU) was approved for \$200,000 in State Funds and \$20,000 in County Funds to conduct analysis on biofuel feedstock and nutritional studies. The applicant has requested to purchase a hoop structure for the switchgrass bales and processed feed. The applicant states that their current set-up for transporting the feed for the study is cumbersome and that a hoop structure next to the area will be of great benefit. EKU has realized savings from the Research Supply budget category and hopes to use

these savings for the hoop structure. This category budgeted \$39,700 for Research Supplies and to date the applicant has expended \$9,000. Staff recommends approving this request for reallocation of the funds for the hoop structure purchase.

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

Vote: Motion Passed; Wayne Mattingly dissented.

Recommendations for Funding

Mr. Tobin presented A2010-0023, Kentucky Association of Food Banks, Inc. Kentucky Association of Food Banks is requesting \$250,000 in State Funds to purchase produce from Kentucky farmers and distribute to low-income clients. The Application Review Committee recommends funding this application for \$163,000 in State Funds.

Jim Mahan moved to approve the committee recommendation; Mr. Dick seconded the motion.

Vote: Motion Passed; Mr. Lawson and Vickie Yates-Brown dissented.

Ms. Marksbury A2011-0009, Kentucky Agricultural Council, Incorporated. Kentucky Agricultural Council, Inc. is requesting \$125,000 in State Funds to be used for general operations and an Ag Summit for 2011 and 2012. The Application Review Committee recommends funding this request for \$125,000 in State Funds.

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

After much discussion, Mr. Mahan called the question.

Vote: Motion Passed; Unanimous.

Recommendations for No Funding

Jennifer Hudnall presented A2010-0175, Central Cumberland Young Farmers. Central Cumberland Young Farmers is requesting \$2,500 in Pulaski County Funds to conduct a series of classes on mechanical and cosmetic restoration of a farm tractor. The Application Review Committee recommends no funding this \$2,500 request of Pulaski County Funds due to a lack of impact on net farm income for participants.

Mr. Rankin moved to approve the committee recommendation; Mr. Mattingly seconded the motion.

Vote: Motion Passed; Mr. Dick abstained.

Closing Remarks

Mr. Mahan moved to adjourn; Dean Smith seconded the motion.

Vote: Motion Passed; Unanimous.

The meeting adjourned at 11:30 a.m. (CST).

Presiding Officer: Mac Stone

Secretary: Amadeo Fisher

Appendix A: New Applications for Referral

App #	Applicant	Request Type	Submitted
A2011-0011	Meade County Riverport Authority	Project	1/28/2011
A2011-0012	City of Jeffersontown Farmers Market	Project	1/28/2011

APPENDIX B: Program Lists

CAIP			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0010	Boyd County Conservation District	Boyd	\$7,000.00
			\$7,000.00

Total County Funds Recommended for Approval in Programs: **\$7,000.00**

Appendix C: Requested Program Amendments

App # A2010-0061
Applicant Name Pendleton Co Agricultural Diversification Association, Inc.
 Original Amount Approved \$205,608
 Original Approval Date 6/18/10
 Requested Change The applicant requests an additional \$64,758 for the C.A.I.P. The request received a high priority from the Pendleton County Council. 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 \$270,366.
 Recommendation Approval

App# A2010-0109
Applicant Name Fleming County Conservation District
 Original Amount Approved \$312,514
 Original Approval Date 8/20/10
 Requested Change The applicant requests an additional \$49,000 for the C.A.I.P. The request received a high priority from the Fleming County Council. 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 \$361,514.
 Recommendation Approval

App# A2010-0120
Applicant Name Casey County Conservation District
 Original Amount Approved \$240,000.00
 Original Approval Date 9/17/10
 Requested Change The applicant requests an additional \$51,000 for the C.A.I.P. The request received a high priority from the Casey County Council. 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 \$291,000.
 Recommendation Approval