

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the August 19, 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
Kentucky Fair and Exposition Center
Louisville, KY
August 19, 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. (EDT).

Roll Call

The following members were present: Mac Stone; Dr. Betty Bailey; Roy Collins; Karen Curtis; Don Goodin (designee for Secretary Larry Hayes); Pat Henderson; Sam Lawson; Jim Mahan; Wayne Mattingly; Sam Moore; Troy Rankin; Jim Sidebottom; Dean Scott Smith; Dr. Mary Sias.

Members with excused absences: Wayne Hunt.

Notification of Media

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

Welcome

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

Approval of Minutes

Mr. Sidebottom moved to approve the minutes of the July 22, 2011 meeting as presented; Karen Curtis 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 reported on meetings and events staff in the Governor's Office of Agricultural Policy (GOAP) had attended since the July 22, 2011 KADB meeting.

Mr. Thomas acknowledged the work by the GOAP state fair committee on the GOAP/Governor's Office State Fair booths as well as the Governor's Garden Booth.

Mr. Thomas reported that several board members had contacted him on the Federal Motor Carrier Safety Administration requesting public comments on Regulatory Guidance: Applicability of the Federal Motor Carrier Safety Regulations to Operators of Certain Farm Vehicles and Off-Road Agricultural Equipment. Comments were due on August 1, 2011. After comments were submitted, including those from the Governor's Office of Agricultural Policy, the U.S. Department of Transportation Federal Motor Carrier Safety Administration announced on August 10 that it has no intention to propose new regulations governing the transport of agricultural products.

Mr. Thomas asked board members to review Grasshoppers quarterly report that is in their update packet as well as the memo on the Marketing and Entrepreneurship Committee Meeting.

Mr. Thomas recognized Representative John Will Stacy for attending the KADB meeting on behalf of the Wolfe County Fiscal Court project.

Mr. Thomas announced that GOAP staff would be meeting with the Agriculture Extension Agent Advisory Committee on August 30.

Mr. Thomas called on Bill McCloskey to report on the financial position of the Kentucky Agricultural Finance Corporation (KAFC) as of July 31, 2011.

Mr. Mahan moved to accept the regular KAFC monthly report; Mr. Rankin seconded that motion.

Vote: Motion Passed; Unanimous.

Reports

New Project Applications for Referral

Mr. Stone referenced the following applications for referral:

- A2011-0111 Rowan County Senior High School Agriculture Department
- A2011-0114 City of Morgantown
- A2011-0115 Butler County Board of Education (Green River School)
- A2011-0116 Butler County Board of Education (FFA)
- A2011-0119 Jessamine County FFA Alumni Association Inc.
- A2011-0121 Mac Farms, Incorporated
- A2011-0124 Kentucky Vineyard Society, Inc.
- A2011-0128 Green County Cattlemen's Association, Inc.

Mr. Henderson moved to refer the submitted applications; Mr. Goodin seconded the motion.

Vote: Motion Passed; Unanimous.

Program Recommendations

Mr. Stone referenced for the Board's consideration fifteen (15) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$2,217,575; and one (1) Deceased Farm Animal Disposal Assistance Program (DFADAP) application requesting county funds totaling \$5,000.

Mr. Moore moved for the approval of the submitted program recommendations as presented; Mr. Rankin seconded the motion.

Vote: Motion Passed; Unanimous

Program Amendments

Mr. Stone referenced for the Board's consideration four (4) County Agricultural Investment Program (CAIP) amendments requesting county funds totaling \$277,275.

Mr. Goodin moved for the approval of the submitted amendments as presented; Dr. Sias seconded the motion.

Vote: Motion Passed; Unanimous.

Memo Action Items

Christi Marksbury presented a memorandum regarding **A2011-0011, Meade County Riverport Authority.**

Meade County Riverport Authority was approved for up to \$2,000,000 in state and county funds at the April 15, 2011 Kentucky Agricultural Development Board meeting to construct a regional port facility in Meade County along the Ohio River.

The terms and conditions of the project approved by the KADB were that any county funds committed to the project would match state funds on a dollar for dollar basis as a grant. The Recipient has since received high priority commitments from the following counties totaling \$54,000: Breckinridge Co., \$12,000; Hardin Co., \$15,000; LaRue Co., \$7,000; Meade Co., \$10,000; Washington Co., \$10,000.

The legal agreement for this project has not been finalized due to the fact that the recipient is still working to obtain additional county funds and working with the Meade County Fiscal Court on the bond issuance. Staff is recommending a change to the following term approved by the KADB,

“The Recipient shall obtain additional financing from the Meade County Fiscal Court by March 1, 2012.” This will allow the recipient additional time to secure all financing for the project.

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

Vote: Motion Passed; Unanimous.

Recommendations for Funding

Bill McCloskey presented **A2011-0065 Gallrein Farms, Inc.** Gallrein Farms, Inc. is requesting \$150,000 in Shelby County Funds to expand the retail and green house operation as part of the existing farm family business.

The White Application Review Committee recommends funding this request for \$150,000 in Shelby County funds.

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

Vote: Motion Passed; Unanimous.

Ms. Marksbury presented **A2011-0075 Nelson County Fiscal Court.** Nelson County Fiscal Court is requesting \$30,000 in Nelson County funds to purchase a truck to haul deceased animals to the local landfill.

The White Application Review Committee recommends funding this request for \$30,000 in Nelson County funds.

Mr. Mahan moved to approve the committee recommendation; Dr. Sias seconded the motion.

Vote: Motion Passed; Unanimous.

Mr. McCloskey presented **A2011-0079 Owen County 4-H Club Council, Incorporated.** Owen County 4-H Club Council, Incorporated is requesting \$20,000 of Owen County funds to sponsor a youth cost share program. This application received a high priority from the Owen County Agricultural Development Council.

The White Application Review Committee recommends funding this request for \$20,000 in Owen County funds.

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

Vote: Motion Passed; Unanimous.

Mike Tobin presented **A2011-0085 Wolfe County Fiscal Court**. The Wolfe County Fiscal Court is requesting \$350,000 in state Kentucky Agricultural Development funds to develop a USDA-approved processing facility and retail distributorship that could employ 30-35 people in Wolfe County.

The White Application Review Committee recommends funding this request up to \$350,000 in a combination of state and county funds.

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

Vote: Motion Passed; Unanimous.

Recommendations for No-Funding

Ms. Marksbury presented **A2011-0091 Franklin-Simpson Industrial Authority**. Franklin-Simpson Industrial Authority is requesting \$15,000 in Simpson County funds to create a “one-stop” shop to allow entrepreneurs to quickly and efficiently access all resources in a professional space in south central Kentucky.

The White Application Review Committee recommends no funding this request due to a low priority from the Simpson County Agricultural Development council. The council felt the request did not have enough impact on farm families in the area.

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

Vote: Motion Passed; Unanimous. Dean Smith abstained from voting.

Mr. McCloskey presented **A2011-0092 Destiny Health Trends Network, LLC**. Destiny Health Trends Network, LLC is requesting \$150,000 in state funds to produce a 13 episode television series promoting the positive attributes of Kentucky farmers. This series will be shown on KET as well as cable systems throughout Kentucky. The series will broadcast for 26 consecutive weeks, multiple times each week on each outlet.

The White Application Review Committee recommends no funding this request. The Governor’s Office of Agricultural Policy is developing a public relations, marketing and communications plan with a coordinated message to be presented to Kentucky consumers and the agriculture community. Consideration will be given to consulting with an agency or organization to implement the comprehensive communications plan.

Working with an entity outside of state government may require working through the Request for Proposal (RFP) process.

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

Vote: Motion Passed; Unanimous.

Pending Applications

The following applications were presented, but no action was taken:

A2010-0177 Fleming County Board of Education
A2011-0029 South East Bio-Fuels L.L.C.
A2011-0034 Franklin County Board of Education
A2011-0076 Jimmie Vaughn
A2011-0080 Garrard County Board of Education
A2011- 0100 Wayne County Farmers Market, Incorporated
A2011-0101 Hart County Chamber of Commerce
A2011-0104 Somerset Farmers' Market Association, Inc.

Closing Remarks

Mr. Thomas announced the September KADB meeting will be held in conjunction with the University of Kentucky's Ag Round Up in Lexington on September 9, 2011 at the E.S. Good Barn.

Mr. Henderson moved to adjourn; Dr. Sias seconded the motion.

Vote: Motion Passed; Unanimous.

The meeting adjourned at 10:20 a.m. (EDT)

Presiding Officer: Mae Stone

Secretary: Angela Blank

Appendix A: New Applications for Referral

App #	Applicant	Request Type	Submitted
A2011-0111	Rowan County Senior High School Agriculture Department	Project	7/25/2011
A2011-0114	City of Morgantown	Project	7/26/2011
A2011-0115	Butler County Board of Education (Green River School)	Project	7/26/2011
A2011-0116	Butler County Board of Education (FFA)	Project	7/26/2011
A2011-0119	Jessamine County FFA Alumni Association Inc.	Project	7/27/2011
A2011-0121	Mac Farms, Incorporated	Project	7/29/2011
A2011-0124	Kentucky Vineyard Society, Inc.	Project	7/29/2011
A2011-0128	Green County Cattlemen's Association, Inc.	Project	7/29/2011

Appendix B: Program Lists

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0106	Boyle County Farm Bureau	Boyle	\$179,000.00
A2011-0107	Carroll Co. Agriculture Development Fund, Inc.	Carroll	\$145,000.00
A2011-0108	Clinton County Farm Bureau, Inc. of Albany, Kentucky	Clinton	\$100,000.00
A2011-0109	Butler County Conservation District	Butler	\$37,666.00
A2011-0110	Caldwell-Lyon Cattlemen's Association Inc	Caldwell	\$54,500.00
A2011-0112	Powell County Livestock Producers Association, Inc.	Powell	\$72,032.00
A2011-0113	Robertson County Soil Conservation District	Robertson	\$251,750.00
A2011-0117	Simpson County Conservation District	Simpson	\$88,185.00
A2011-0118	Campbell County Conservation District	Campbell	\$30,553.00
A2011-0120	Hardin County Extension District Board	Hardin	\$155,000.00
A2011-0122	Adair County Cattlemen's Association, Inc.	Adair	\$200,000.00
A2011-0123	Clark County Conservation District	Clark	\$175,000.00
A2011-0125	Fayette County Conservation District	Fayette	\$200,000.00
A2011-0127	Warren County Conservation District	Warren	\$198,889.00
A2011-0129	Hart County Cattlemen's Association, Inc.	Hart	\$330,000.00
			\$2,217,575.00

Deceased Farm Animal Disposal Assistance Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0126	Powell County Soil Conservation District	Powell	\$5,000.00
			\$5,000.00

Total County Funds Recommended for Approval in Programs: **\$2,222,575.00**

Appendix C: Program Amendments

App #	A2011-0014
Applicant Name	Knox County Soil Conservation District
Original Amount Approved	\$51,429
Execution Date	4/6/2011
Requested Change	<p>The applicant requests an <u>additional</u> \$47,675 in Knox County funds for the <i>County Agricultural Investment Program (CAIP)</i>. The request received a <u>high</u> priority from the Knox County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$99,104.</p> <p>Recommend Approval</p>

App #	A2011-0021
Applicant Name	Jessamine County FFA Alumni Association Inc.
Original Amount Approved	\$230,000
Execution Date	5/19/2011
Requested Change	<p>The applicant requests an <u>additional</u> \$100,000 in Jessamine County funds for the <i>County Agricultural Investment Program (CAIP)</i>. The request received a <u>high</u> priority from the Jessamine County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$330,000.</p> <p>Recommend Approval</p>

App#	A2011-0027
Applicant Name	Trigg County Soil Conservation District
Original Amount Approved	\$105,000
Execution Date	5/6/2011
Requested Change	<p>The applicant requests an <u>additional</u> \$70,000 in Trigg County funds for the <i>County Agricultural Investment Program (CAIP)</i>. The request received a <u>high</u> priority from the Trigg County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$175,000.</p> <p>Recommend Approval</p>

Appendix C: Program Amendments

App#	A2011-0036
Applicant Name	Clinton/<u>Cumberland</u> Cattlemen's Association Inc.
Original Amount Approved	\$105,000
Execution Date	6/16/2011
Requested Change	<p>The applicant requests an <u>additional</u> \$59,600 in Cumberland County funds for the <i>County Agricultural Investment Program (CAIP)</i>. The request received a <u>high</u> priority from the Cumberland County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$164,600.</p>
	Recommend Approval
