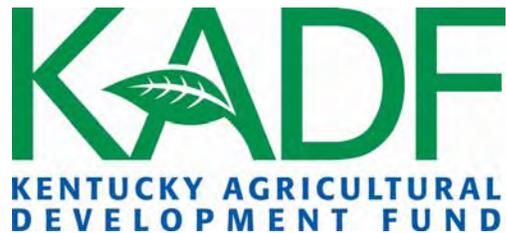


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the October 19, 2011 regular board meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy (GOAP), 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board
Summary Minutes of the Business Meeting
General Butler State Resort Park
Carrollton, Kentucky
October 19, 2011**

Call to Order

Mac Stone, designee for Commissioner Richie Farmer, presiding, called the Kentucky Agricultural Development Board meeting to order at 10:00 a.m. (EDT).

Roll Call

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

Members with excused absences: Don Goodin (designee for Secretary Larry Hayes); Wayne Hunt; Sam Lawson.

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 the Kentucky Department of Agriculture (KDA) events and activities.

Approval of Minutes

Jim Sidebottom moved to approve the minutes of the September 9, 2011 meeting as presented; Dr. Tsegaye 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 the Governor's Office of Agricultural Policy (GOAP) staff had attended since the September 9, 2011 KADB meeting.

Mr. Thomas called on Mr. Neaveill to update the Board regarding the November KADB Meeting in conjunction with the 2011 Agricultural Summit.

Mr. Neaveill reported that the November Board meeting will be held in conjunction with the 2011 Agricultural Summit. The KADB will meet on Thursday, November 17th at 10:00 a.m. at the Hyatt Regency Louisville with the 2011 Agricultural Summit on Friday, November 18th at the International Convention Center also in Louisville.

Mr. Neaveill also noted the December Board meeting will be held at the Salato Center in Frankfort on December 16, 2011.

Mr. Thomas encouraged the Board Members to attend the Louisville Agricultural Club Luncheon on November 4th. Deadline for the registration is October 31st. An email will go out to the Board regarding this event.

Mr. Thomas called on Sandy Gardner to review details regarding GOAP's new Quarterly Communications Report.

Ms. Gardner stated the GOAP will be submitting a Quarterly Communications Report to the Board which will provide information regarding press and media releases, website traffic, publications issued, program updates and public relations (i.e., check presentations, sign presentations, tradeshow and exhibits).

Ms. Gardner also stated that the GOAP has developed a communications email distribution list that encompasses all 120 counties and includes local media, legislators, local governments, county judge executives, administrators, county council members, extension offices, economic development district executive directors, etc.

Mr. Thomas presented to the board the Kentucky Agricultural Finance Corporation's (KAFC) new brochure which provides information on all of their programs in one brochure.

Mr. Thomas called on Bill McCloskey to report on the financial position of the KAFC as of September 30, 2011.

Mr. McCloskey reviewed the financial report which showed a balance of \$37,720,483 as of September 30, 2011.

Mr. Moore moved to accept the regular K AFC monthly report; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

Old Business

Memo Action Items

A2009-0045 Eastern Kentucky University
Establish switch grass plots for studies in animal digestion and nutrition.

Mike Tobin presented a memorandum regarding the above referenced project. The applicant has requested this amendment to extend the ending date for the project to June 30, 2012. The extension will allow the graduate student, David Davis, to complete the analysis of two (2) fall semester feeding trials that will conclude in December 2011. In addition, it will enable Mr. Davis to complete his master's degree with his thesis on this study and allow the stipend to Mr. Davis to continue as part of the cooperative agreement between E KU and UK.

The Blue Application Review Committee recommends approving a time extension for this project until June 30, 2012.

Mr. Rankin moved to approve the Committee recommendation; Roy Collins seconded the motion.

VOTE: Motion Passed; Unanimous.

A2010-0043 East Buck Creek Watershed Conservancy District
To remove sediment and debris from the East Buck Creek Watershed.

Christy Marksbury presented a memorandum regarding the above referenced project. The applicant has requested this amendment to extend the project until October 18, 2012. The extension will allow more time to complete the process of the cleanup due to flooding in the spring of 2011.

The Blue Application Review Committee recommends approving a time extension for this project until October 18, 2012.

Mr. Henderson moved to approve the Committee recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

A2010-0046 Fayette County 4-H Council, Inc.

To construct a livestock barn for the 4-H participants to house projects and also serve as their educational facility.

Mr. Tobin presented a memorandum regarding the above referenced project. The applicant has requested an amendment to extend this project until September 12, 2012. The extension will allow for time to rewrite the Concession Agreement with the Lexington Fayette Urban County Government (LFUCG) as requested by the Fayette County Extension District Board.

The Blue Application Review Committee recommends approving a time extension for this project until September 1, 2012.

Mr. Mahan moved to approve the Committee recommendation; Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous.

A2010-0055 Kentucky Pork Producers Association, Inc.

To expand the existing cooking structure at the Kentucky Exposition Center (KEC) and to construct new cooking buildings for the Cattlemen's Association and the Kentucky Aquaculture Association.

Ms. Marksbury presented a memorandum regarding the above referenced project. The applicant has requested this amendment to extend this project until December 31, 2011. The extension will allow more time to complete the construction of the cooking facilities due to delays in permitting and contractors.

The Blue Application Review Committee recommends approving a time extension for this project until December 31, 2011.

Mr. Moore moved to approve the Committee recommendation; Mr. Henderson seconded the motion.

VOTE: Motion Passed; Unanimous.

A2011-0018 Eastern Kentucky University

To assess the nutritional content of royal jelly in an effort to promote queen bee production on surface mine sites in eastern Kentucky.

Mr. Tobin presented a memorandum regarding the above referenced project. The applicant has requested an amendment to reallocate funds. Eastern Kentucky University (EKU) is requesting to reallocate \$1,199 to hire an EKU geography student with training in GIS software and reallocate \$1,000 to travel.

The Blue Application Review Committee recommends the reallocation of funds for this project.

Ms. Curtis moved to approve the Committee recommendation; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

A2011-0076 Jimmie Vaughn
To purchase a hay applicator system.

Mr. Tobin presented a memorandum regarding the above referenced project. The applicant has requested to purchase a hay applicator system. This purchase will enable him to harvest his forage at an increased moisture percent with the ability to preserve the color and quality of the alfalfa in order to market his crop consistently to horse farms in the region.

The staff recommends no funding of this project.

Mr. Sidebottom moved to approve the staff recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

Project Applications for Referral

Mr. Stone called upon the Project Analysts to reference the applications for referral.

A2011-0531 Metcalfe County Fiscal Court
To renovate the fairgrounds livestock arena.

A2011-0154 Edmonton-Metcalfe County Industrial Authority
To construct a marketing facility for blueberry production in Metcalfe County.

- A2011-0155 Hollison Technologies
To assist with operating expenses and research/development for their company.
- A2011-0156 Hopkins County Board of Education
To purchase and construct a greenhouse for the Madisonville North Hopkins High School agriculture department.
- A2011-0157 Metcalfe County 4-H Council, Incorporated
To assist youth with their country ham projects.
- A2011-0158 Nonprofit Dynamics, Inc.
To establish a 3-tiered approach in stopping the expansion and controlling the population of feral hogs in the Obion Creek watershed area.
- A2011-0159 Kentucky Horse Council, Inc.
To conduct a state-wide equine survey to measure economic impact in Kentucky.
- A2011-0161 Taylor County Cattlemen's Association, Inc.
To administer a Youth Heifer Chain Program.
- A2011-0164 Kentucky Sheep and Goat Development Office, Inc.
To design, print and market HoofPrint Magazine for one year.
- A2011-0165 Fayette County Rural Land Management Board, Inc.
To purchase development rights of agricultural land in an eleven (11) county region of Central Kentucky.

Mr. Moore moved to refer the submitted applications; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

Program Recommendations

Mr. Stone referenced, for the Board's consideration, seven (7) County Agricultural Investment Program (CAIP) applications requesting County funds totaling \$1,168,804; six (6) Deceased Farm Animal Disposal Assistance Program (DFADAP) applications requesting County funds totaling \$41,238; and two (2) Shared-use Equipment applications requesting County funds totaling \$32,637.

Dean Smith moved for the approval of the submitted program recommendations as presented; Mr. Mahan 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 \$95,368.

A2011-0064	Carter County Agriculture Advancement Council, Inc.	\$11,194
A2011-0068	Franklin County Cattlemen’s Association, Inc.	\$44,174
A2011-0107	Carroll County Agriculture Development Fund, Inc.	\$40,000

Mr. Sidebottom moved for the approval of the submitted program amendments as presented; Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous.

Program Withdrawals

Mr. Stone referenced the withdrawal of the following applicant:

A2011-0029	Southeast Bio-Fuels
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Project Recommendations for Funding

A2010-0177 Fleming County Board of Education

To construct a multi-purpose building for use in educating agricultural students in the Buffalo Trace region of Kentucky.

Mr. Tobin presented the above referenced project from the Fleming County Board of Education requesting \$500,000 in State and \$50,000 in County funds.

The Red Application Review Committee recommends no funding the \$500,000 in State funds and funding of \$78,500 in County funds as follows:

Fleming County	\$50,000
Bath County	\$10,000
Mason County	\$10,000
Lewis County	\$ 5,000
Menifee County	\$ 2,500
Bracken County	\$ 1,000

Mr. Moore moved to approve the Committee recommendation; Mr. Henderson seconded the motion.

VOTE: Motion Passed; Unanimous.

A2010-0130 Green River Area Beef Improvement Group, Inc.
To conduct a youth cost share program for Daviess County.

Ms. Marksbury presented the above referenced project from the Green River Area Beef Improvement Group, Inc. (GRABIG) requesting \$20,000 in Daviess County funds to conduct a youth cost share program for Daviess County.

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

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

VOTE: Motion Passed; Unanimous.

A2011-0137 Kentucky Center for Agriculture and Rural Development
To provide business support services and technical assistance to rural agribusinesses across Kentucky.

Ms. Marksbury presented the above referenced project from the Kentucky Center for Agriculture and Rural Development requesting \$662,500 in State funds.

The Blue Application Review Committee recommends funding this request for a reduced amount of \$300,000 in State funds for 2012 and \$300,000 in State funds for 2013, for a total allocation of \$600,000.

Mr. Henderson moved to approve the Blue Committee recommendation; Mr. Rankin seconded the motion.

Dean Smith inquired as to how the reduced funding would impact the grant facilitation program.

Following discussion, Dean Smith moved to amend the motion to approve \$250,000 in State funds for the operating budget and \$75,000 in State funds for an agribusiness grant facilitator for calendar years 2012 and 2013. Jim Mahan seconded the motion.

Following further discussion, Dean Smith withdrew his Motion to Amend.

VOTE: Motion Passed, Mr. Stone Abstained.

A2011-0138 Greenup County Farm Bureau of Greenup County, Kentucky
To expand an existing agricultural mobile classroom for educational purposes in Greenup County.

Mr. Tobin presented the above referenced project from the Greenup County Bureau of Greenup County, Kentucky requesting \$10,000 in Greenup County funds to expand an existing agricultural mobile classroom for educational purposes.

The Blue Application Review Committee recommends funding this request for \$10,000 in Greenup County funds.

Dr. Tsegaye moved to approve the Blue Committee recommendation; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous.

Project Recommendations for No Funding

A2011-0119 Jessamine County FFA Alumni Association, Inc.
To assist tobacco farmers or their spouses with tuition and book expenses associated with college or vocational school.

Jennifer Hudnall presented the above referenced project from the Jessamine County FFA Alumni Association, Inc. requesting \$10,000 in Jessamine County Funds to assist Jessamine County farmers/spouses with educational expenses.

The Blue Application Review Committee recommends no funding this project.

Mr. Rankin moved to approve the Committee recommendation; Ms. Curtis seconded the motion.

VOTE: Motion Passed; Unanimous.

Pending Applications

The following applications were presented, with no action taken.

A2011-0034 Franklin County Public Schools
Greenhouse Construction

- A2011-0080 Garrard County Board of Education
FFA Farm Pasture Renovation
- A2011-0111 Rowan County Senior High School Agriculture Department
High School Greenhouse
- A2011-0124 Kentucky Vineyard Society, Inc.
Winery & Vineyard Technical Assistance
- A2011-0131 Washington County Extension District Board
Repair Tobacco Barn and Add a Shed to the Structure

Closing Remarks

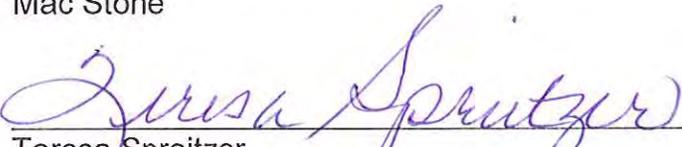
- Mr. Neaveill On November 17th, from 4:00 p.m. – 8:00 p.m., there will be a reception for the speakers and sponsors of the 2011 Agricultural Summit in the Spire Restaurant at the Hyatt. All Board members are invited to attend.
- Mr. Stone On November 17th there is a Bio-fuel Symposium at the same time as our Board Meeting and is associated with the 2011 Agricultural Summit the following day.
- Mr. Neaveill The KADB and staff will be having lunch at the International Convention Center, along with those attending the Bio-Fuel Symposium.
- Mr. Stone Welcome to Dr. Tsegaye to the Board and his first meeting.
- Mr. Thomas Thank you to the staff and Board members for the effort put forth on the 2-Day Planning Session.

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

VOTE: Motion Passed; Unanimous.

The KADB Meeting adjourned at 2:10 p.m. (EDT).

Presiding Officer: 
Mac Stone

Board Secretary: 
Teresa Spreitzer

Appendix A: Applications for Referral

App #	Applicant	Request Type	Submitted
A2011-0153	Metcalfe County Fiscal Court	Project	9/30/2011
A2011-0154	Edmonton-Metcalfe County Industrial Authority	Project	9/30/2011
A2011-0155	Hollison Technologies	Project	9/30/2011
A2011-0156	Hopkins County Board of Education	Project	9/30/2011
A2011-0157	Metcalfe County 4-H Council, Incorporated	Project	9/30/2011
A2011-0158	Nonprofit Dymanics, Inc.	Project	9/30/2011
A2011-0159	Kentucky Horse Council, Inc.	Project	9/30/2011
A2011-0161	Taylor County Cattlemen's Association, Inc.	Project	9/30/2011
A2011-0164	Kentucky Sheep and Goat Development Office, Inc.	Project	9/30/2011
A2011-0165	Fayette County Rural Land Management Board, Inc.	Project	9/30/2011

Appendix B: Program Lists

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0140	Lewis County Conservation District	Lewis	\$200,000.00
A2011-0143	Kentucky Ketch, Inc.	Clay	\$300,000.00
A2011-0145	Spencer County Conservation District	Spencer	\$150,000.00
A2011-0146	Ohio County Cattlemen's Association, Inc.	Ohio	\$149,012.00
A2011-0147	Metcalfe County Conservation District	Metcalfe	\$239,627.00
A2011-0152	Lyon County Conservation District	Lyon	\$30,000.00
A2011-0162	Gallatin County Livestock Association, Incorporated	Gallatin	\$100,165.00
			\$1,168,804.00

Deceased Farm Animal Disposal Assistance Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0141	Fleming County Fiscal Court	Fleming	\$5,250.00
A2011-0142	Harrison County Fiscal Court	Harrison	\$7,500.00
A2011-0144	Spencer County Fiscal Court	Spencer	\$5,988.00
A2011-0150	Nelson County Fiscal Court	Nelson	\$7,500.00
A2011-0151	Hart County Soil Conservation District	Hart	\$7,500.00
A2011-0160	Taylor County Conservation District	Taylor	\$7,500.00
			\$41,238.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0148	Metcalfe County Conservation District	Metcalfe	\$16,340.00
A2011-0149	Metcalfe County Conservation District	Metcalfe	\$16,297.00
			\$32,637.00

Total County Funds Recommended for Approval in Programs: **\$1,242,679.00**

Appendix C: Program Amendments

App #	A2011-0064
Applicant Name	Carter County Agriculture Advancement Council, Inc.
Original Amount Approved	\$136,604
Execution Date	July 5, 2011
Requested Change	The applicant requests an <u>additional</u> \$11,194 in Carter County funds for the <i>CAIP</i> . The request received a <u>high</u> priority from the Carter 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 \$147,798.
	Recommend Approval

App#	A2011-0068
Applicant Name	Franklin County Cattlemen's Association, Inc.
Original Amount Approved	\$100,000
Execution Date	July 25, 2011
Requested Change	The applicant requests an <u>additional</u> \$44,174 in Franklin County funds for the <i>CAIP</i> . The request received a <u>high</u> priority from the Franklin 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 \$144,174.
	Recommend Approval

App#	A2011-0107
Applicant Name	Carroll Co. Agriculture Development Fund, Inc.
Original Amount Approved	\$145,000
Execution Date	September 9, 2011
Requested Change	The applicant requests an <u>additional</u> \$40,000 in Carroll County funds for the <i>CAIP</i> . The request received a <u>high</u> priority from the Carroll 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 \$185,000.
	Recommend Approval