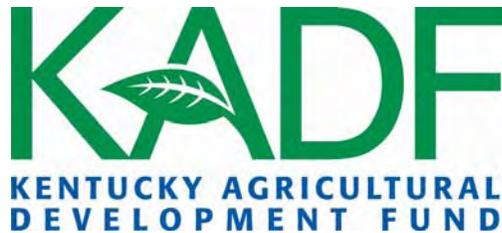


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the November 17, 2011 regular board meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy (GOAP), 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board
Summary Minutes of the Business Meeting
Hyatt Regency
Louisville, Kentucky
November 17, 2011**

Roger Thomas addressed the Board with regard to the passing of Michael Judge. The Board, staff and guests stood for a moment of silence in memory of Mr. Judge.

Call to Order

Mac Stone, designee for Commissioner Richie Farmer, presiding, called the Kentucky Agriculture Development Board meeting to order at 8:30 a.m. (EST).

Roll Call

The following members were present: Mac Stone (designee for Vice Chairman, Commissioner Richie Farmer); Dr. Betty Bailey; Roy Collins; Karen Curtis; Don Goodin (designee for Secretary Larry Hayes); Pat Henderson; Wayne Hunt; Sam Lawson; Jim Mahan; Wayne Mattingly; Troy Rankin; Dr. Teferi Tsegaye (designee for President Mary Sias); Jim Sidebottom; Dean Scott Smith.

Members with excused absences: Sam Moore

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

Mr. Sidebottom moved to approve the minutes from the October 19, 2011 meeting as presented; Dr. Bailey 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 called on John McCauley, State Director, Farm Service Agency, US Department of Agriculture, to give a report to the Board.

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

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

VOTE: Motion Passed; Unanimous

Old Business

Second Year Funding

Mr. Stone called on the GOAP Project Analysts to reference projects which were presented to the Board on October 18, 2011 at General Butler State Resort Park. As part of their contracts, these projects require approval for second year funding.

A2010-0105 Kentucky Dairy Development Council

The requested second year funding for the Kentucky Dairy Development Council is \$840,735.

Mr. Lawson moved to approve the funding for the Kentucky Dairy Development Council; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Mr. Sidebottom Abstained

A2010-0106 Kentucky Horticulture Council

The requested second year funding for the Kentucky Horticulture Council is \$675,000.

Mr. Rankin moved to approve the funding for the Kentucky Horticulture Council; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous

**A2010-0112 Kentucky Department of Agriculture
Kentucky Proud Program**

The requested second year funding for the Kentucky Department of Agriculture – Kentucky Proud Program is \$1,415,250.

Mr. Mahan moved to approve funding for the Kentucky Department of Agriculture – Kentucky Proud Program; Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous

A2010-0115 Kentucky Beef Network

The requested second year funding for the Kentucky Beef Network is \$1,003,575.

Mr. Lawson moved to approve the funding for the Kentucky Beef Network; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous

Memo Action Items

Mr. Stone called upon the Project Analysts to present Memo Action Items to the Board for consideration.

A2009-0127 Kentucky Forage & Grassland Council

Mr. Tobin presented a memorandum regarding the above-referenced project. The applicant has requested an amendment to include a developed 60 acre plot in Livingston County. The plot would be included as part of the research of this project in developing switch grass plots. In addition, the applicant has requested an extension for the ARRA funded portion through February 28, 2012 and an extension for the KADF portion through June 30, 2012. The time extension would allow the applicant more time to conduct research within the parameters of the project.

The Blue Application Review Committee recommends approval of the amendment and time extension.

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

VOTE: Motion Passed; Dr. Smith Abstained

A2010-0106 Kentucky Horticulture Council

Ms. Marksbury presented a memorandum regarding the above-referenced project. The applicant has requested an additional \$90,000 in Kentucky Agricultural Development Funds to maintain programs in the area of on-farm demonstrations.

The Blue Application Review Committee recommends no funding this request. The Committee felt the reduction made in the original agreement was suitable and should be implemented by the Kentucky Horticulture Council.

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

Mr. Lawson requested that the Board hear from Mr. Jeff Hall , Executive Director of the Kentucky Horticulture Council regarding his request before voting.

Mr. Hall addressed the Board's questions regarding the Kentucky Horticulture Council's request and after discussion, the board voted.

VOTE: Motion Passed; 1 No; Dr. Smith Abstained

Presentation - 2012 Program Revisions

Mr. Stone called on the GOAP staff to review the 2012 Proposed Program Revisions which were presented to the Board on October 19, 2011 at General Butler State Resort Park (presentation on file with board secretary). These revisions are up for consideration by the Board for calendar year 2012.

Deceased Farm Animal Removal Program (DAR)

Dr. Smith moved to approve the recommended program change to the Deceased Farm Animal Removal Program as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous

Farmers' Market Development Program

Mr. Mahan moved to approve the recommended program changes to the Farmers' Market Development Competitive Grant Program as presented; Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous

Shared-Use Equipment Program

Mr. Sidebottom moved to approve the recommended program changes to the Shared-Use Equipment Program as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

Producer Education Program

Mr. Goodin moved to approve the recommendation program change to the Producer Education Program as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous

County Agricultural Investment Program (CAIP)

Mr. Mattingly moved to table the changes related to the Cost-Share Buyer/Seller Clause and the Agricultural Water Quality Plan for the Producer Application, Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous

Mr. Stone stated for the record that the GOAP staff would draft the language for the tabled items and present their recommendations to the Board at the December Board Meeting.

Dr. Smith made a motion to accept the remaining recommended CAIP revisions as presented with the exception of the tabled items; Mr. Goodin seconded the motion.

VOTE: Motion Passed; Unanimous

New Business

Project Applications for Referral

Mr. Stone referenced the following applications for referral:

A2011-0168	Corey L. Collins
A2011-0172	Bluegrass Stockyards of Albany, LLC
A2011-0173	Louisville/Jefferson County Metro Government – Office of Mayor Greg Fisher

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

VOTE: Motion Passed; Unanimous

Program Recommendations

Mr. Stone referenced, for the Board's consideration, five (5) County Agricultural Investment Program (CAIP) applications requesting County funds totaling \$547,538; and one (1) Deceased Farm Animal Removal Program (DAR) application requesting County funds totaling \$1,137.

Mr. Henderson moved to approve the program recommendations as presented; Dr. Smith 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 \$153,792.

Dr. Smith moved to approve the submitted program amendments as presented; Dr. Tsegaye seconded the motion.

VOTE: Motion Passed; Unanimous

Application Withdrawals

Mr. Stone referenced the withdrawal of the following applications:

A2011-0155	Hollison Technologies
A2011-0165	Fayette County Rural Land Management Board, Inc.

Project Recommendations - Funding

Mr. Stone called upon the GOAP Project Analysts to reference the Project Recommendations for Funding.

A2011-0124 Kentucky Vineyard Society, Inc.

Mr. Tobin presented the above-referenced project from the Kentucky Vineyard Society, Inc. (KVS) requesting \$395,994 in State funds for operations, travel and staff positions that include an Extension Viticulture Specialist, Enologist, field technician and a Viticulture and Enology technician. This project also includes building KSV membership, legislative matters, creating a master handbook and an official red/white grape for the Commonwealth. In addition it will help to create quality assurance and the demand for Kentucky wines. An updated addendum was submitted by the applicant for a revised amount of \$250,000 for 2013 and \$250,000 for 2014 with an additional \$15,000 to help the Kentucky Vineyard Society conduct their convention during the winter of 2011-2012.

The Blue Application Review Committee recommends funding this revised request for \$515,000 in State funds.

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

VOTE: Motion Passed; Dr. Smith Abstained

A2011-0131 Washington County Extension District Board

Ms. Marksbury presented the above-referenced project from the Washington County Extension District Board requesting \$16,960 in Washington County funds to repair and renovate an old tobacco barn for educational activities.

The Blue Application Review Committee recommends funding this request for \$16,960 in Washington County funds.

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

VOTE: Motion Passed; Unanimous

A2011-0153 Metcalfe County Fiscal Court

Ms. Hudnall presented the above-referenced project from the Metcalfe County Fiscal Court requesting \$14,000 in Metcalfe County funds to renovate the fairgrounds livestock arena in Metcalfe County.

The Blue Application Review Committee recommends funding this request for a reduced amount of \$7,000 in Metcalfe County funds.

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

VOTE: Motion Passed; Unanimous

A2011-0156 Hopkins County Board of Education

Ms. Marksbury presented the above-referenced project from the Hopkins County Board of Education requesting \$19,000 in Hopkins County funds to construct a greenhouse for the Agriculture Department at Madisonville North Hopkins High School. The Hopkins County Board of Education will match the funds received.

The Blue Application Review Committee recommends funding this request for \$19,000 in Hopkins County funds.

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

VOTE: Motion Passed; Unanimous

A2011-0157 Metcalfe County 4-H Council, Incorporated

Ms. Marksbury presented the above-referenced project from the Metcalfe County 4-H Council, Incorporated requesting \$1,776 in Metcalfe County funds to assist youth with their country ham projects. Matching funds include cash from the Metcalfe County 4-H Council and individual participant contribution in the amount of \$1,200.

The Blue Application Review Committee recommends funding this request for \$1,776 in Metcalfe County funds.

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

VOTE: Motion Passed; Unanimous

A2011-0159 Kentucky Horse Council, Inc.

Mr. Tobin presented the above-referenced project from the Kentucky Horse Council, Inc. requesting \$300,000 in State funds to conduct a state-wide equine survey to measure the economic impact of the equine industry in Kentucky. \$200,000 will be disbursed upon execution of the legal agreement with the remaining \$100,000 upon documentation of matching contributions as stated in the original application.

The Blue Application Review Committee recommends funding this request for \$300,000 in State funds.

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

VOTE: Motin Passed; Unanimous

A2011-0161 Taylor County Cattlemen's Association, Inc.

Ms. Hudnall presented the above-referenced project from the Taylor County Cattlemen's Association, Inc. requesting \$15,000 in Taylor County funds to administer a Youth Heifer Chain Program.

The Blue Application Review Committee recommends funding this request for \$15,000 in Taylor County funds.

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

VOTE: Motion Passed; Unanimous

A2011-0164 Kentucky Sheep and Goat Development Office, Inc.

Mr. Tobin presented the above-referenced project from the Kentucky Sheep and Goat Development Office, Inc. requesting \$25,000 in State funds to design, print and market HoofPrint Magazine for one year.

The Blue Application Review Committee recommends funding a revised request of up to \$40,000 in State funds to continue operations within the Kentucky Sheep and Goat Development Office.

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

VOTE: Motion Passed; Unanimous

Closing Remarks

Mr. Thomas thanked Ms. Curtis, Kylee Palmer, administrators and all those who participated on the Producer Application Committee. Clarifications will be made with regard to the application and the water quality plan as discussed. Mr. Tobin will be calling on board members to assist with the language for the Buyer/Seller clause. Clarifications will be presented at the December board meeting.

Ms. Curtis requested that she receive the KADF logo in the form of bumper stickers for the shared-use equipment in her county. Angela Blank will assist in this request.

Mr. Stone stated with the Department of Agriculture's upcoming change in administration he wanted to thank Commissioner Farmer for what he has done for Kentucky agriculture over the past 8 years. The change in the Department since his arrival and the staff that he put together are to be commended.

Mr. Stone recognized and thanked the guests for their attendance.

Mr. Mahan moved to adjourn; Mr. Lawson seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB Meeting adjourned at 10:35 a.m. (EST).

The KADB Meeting adjourned at 10:35 a.m. (EST).

Presiding Officer: Mac Stone
Mac Stone

Board Secretary Teresa Spreitzer
Teresa Spreitzer

Appendix A: Applications for Referral

App #	Applicant	Request Type	Submitted
A2011-0168	Corey L. Collins	Project	10/26/2011
A2011-0172	Bluegrass Stockyards of Albany, LLC	Project	10/28/2011
A2011-0173	Louisville/Jefferson County Metro Government-Office of Mayor Greg Fisher	Project	10/28/2011

Appendix B: Program Lists

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0166	Breathitt County Farm Bureau of Breathitt County, Kentucky	Breathitt	\$75,000.00
A2011-0167	Estill County Conservation District	Estill	\$85,000.00
A2011-0169	Edmonson County Conservation District	Edmonson	\$43,526.00
A2011-0170	Rowan County Conservation District	Rowan	\$80,000.00
A2011-0171	Madison County Conservation District	Madison	\$264,012.00
			\$547,538.00

Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0163	Clinton County Soil Conservation District	Clinton	\$1,137.00
			\$1,137.00

Total County Funds Recommended for Approval in Programs: **\$548,675.00**

Appendix C: Program Amendments

App #	A2010-0124
Applicant Name	Jackson County Cattlemen's Association, Incorporated
Original Amount Approved	\$225,000.00
Execution Date	10/01/10
Requested Change	<p>The applicant requests an <u>additional</u> \$1,529.00 in Jackson County funds for the CAIP Program. The request received a <u>high</u> priority from the Jackson County Council.</p> <p>This is the second request for an amendment to this application number. The first request for an amendment was approved on 6/17/2011 for an additional \$180,000 in Jackson County funds.</p> <p>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 \$406,529.00.</p>
	Recommend Approval

App#	A2011-0084
Applicant Name	Buffalo Trace Area Development District, Inc.
Original Amount Approved	\$250,000.00
Execution Date	08/23/11
Requested Change	<p>The applicant requests an <u>additional</u> \$51,263.00 in Bracken County funds for the CAIP Program. The request received a <u>high</u> priority from the Bracken 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 \$301,263.00.</p>
	Recommend Approval

App#	A2011-0090
Applicant Name	Buffalo Trace Area Development District, Inc.
Original Amount Approved	\$200,000.00
Execution Date	08/23/11
Requested Change	<p>The applicant requests an <u>additional</u> \$86,000.00 in Mason County funds for the CAIP Program. The request received a <u>high</u> priority from the Mason 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 \$286,000.00.</p>
	Recommend Approval

Requested Program Amendments

App #	A2011-0108
Applicant Name	Clinton County Farm Bureau of Albany, Kentucky
Original Amount Approved	\$100,000.00
Execution Date	08/29/11
Requested Change	<p>The applicant requests an <u>additional</u> \$15,000 in Clinton County funds for the CAIP Program. The request received a <u>high</u> priority from the Clinton 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 \$115,000.00.</p> <p>Recommend Approval</p>