

COMMISSION MEETING HELD AUGUST 13, 2003

Minutes of the meeting of the Commission held AT Motley Dairy Farm, 9793 Chalk Level Road, Chatham, Virginia.

THE COMMISSION:

PRESENT: Kimberly Bridges, Commissioner; Lorna Daniels, Commissioner, Judy Barnard, Commissioner, Lowell Fulk, Commissioner; Toya H. Tragerr, Commissioner Mr. Edward C. Wilson, Jr., Deputy Administrator; Mr. Rodney L. Phillips, Administrator, Judith Motley; Michael Myatt, Cooperative Milk Producers Association; Mike Todd, Dairy Farmers of America and Allen O'Hara, Maryland Virginia Milk Producers.

Lorna Daniels called the meeting to order at 10:30 a.m.

Mrs. Daniels asked for a motion to accept the minutes from the previous meeting. Kimberly Bridges moved and Toya Trager seconded the motion. The minutes were accepted as written.

The Deputy Administrator gave a review of Class I sales summary and adjacent market prices. (see pages

Commission staff held technical hearings and/or tele-conference interviews with various firms applying for distributor licenses on all Virginia markets. The applicants all agreed to comply with the Rules and Regulations of the Commission and there being no other evidence to the contrary the Administrator recommended the granting, canceling &/or issuing of licenses as indicated below. Lowell Fulk made a motion to accept all the following changes, seconded by Toya Trager, effective September 1, 2003. Motion carried.

Licenses Issue/Cancel:

Issue:

| <u>License No.</u> | <u>Type of License</u> | <u>Distributor</u> | <u>Company Rep</u> | <u>Markets</u> |
|--------------------|------------------------|---|--------------------|----------------|
| 291.007.2 | SD | Merchants Grocery Co., Inc. 800 Maddox Dr. Culpeper, VA 22701 Under: Morningstar/Dean Foods Mount Crawford, VA | Steve Hicks | All |
| 291.006.2 | SD | Schenck Foods Company Inc. P.O. Box 2298 Winchester, VA 22604-1498 Under: Morningstar/Dean Foods Mount Crawford, VA | Scott Ball | All |

CANCEL

| <u>License No.</u> | <u>Type of License</u> | <u>Distributor</u> | <u>Company Rep</u> | <u>Markets</u> |
|--------------------|------------------------|--|--------------------|----------------|
| 254.001.3 | NPGD | United Northeast 90 Technology Drive Brattleboro, VT 05304 Under: Organic Cow Chelsea, Vermont | Patricia S. Hurley | All |

The Administrator reported on the merger of the Milk Commission with the Department of Agriculture. He noted that the office of the Commission would be relocated to the Washington Building on August 26, 2003. A proposal for legislative changes to complete the merger will be submitted to the Governor for possible inclusion in his legislative package. All other aspects of the merger are on target and either completed or underway.

The Administrator informed the Commission that the National Milk Producers self-help program, "CWT", has been implemented. Bids to disperse dairy herds are being accepted with a target to award bids in September with dispersal date of October. Initially the plan called for an export enhancement element to the program but the implementation date has been postponed due to the improvement in cheese prices. It is contemplated that if cheese prices weaken the export element would be implemented then.

The Deputy Administrator informed the Commission that the assessment had been reduced in accordance with previous guidance given staff by the Commission

The next Commission Meeting will be held December 16, 2003 at 10:30, at the Department of Agriculture and Consumer Services, Washington Building, 1100 Bank Street, second floor board room, Richmond, Virginia.

There being no further business the meeting was adjourned.

Chairperson

Administrator