

COMMISSION MEETING HELD DECEMBER 16, 2003

Minutes of the meeting of the Commission held in Department of Agriculture and Consumer Services, Washington Building, 1100 Bank Street, Richmond, Virginia, Eighth Floor Board Room number 803.

THE COMMISSION:

PRESENT: Mr. James Townsend, Chairperson; Mr. John Gillam, Commissioner; Kimberly Bridges, Commissioner; Lorna Daniels, Commissioner; Judy Barnard, Commissioner; Mr. Edward C. Wilson, Jr., Deputy Administrator; Mr. Rodney L. Phillips, Administrator, Carolyn Wells, Agency Administrative Assistant; Michael Myatt, Cooperative Milk Producers Association; Doug Greenway, Dairy Farmers of America and Allen O'Hara, Maryland Virginia Milk Producers.

James Townsend, Chairperson called the meeting to order at 10:30 a.m.

Mr. Townsend asked for a motion to accept the minutes from the previous meeting. John Gillam moved and Lorna Daniels 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

The Deputy Administrator gave a report on the Presumed Cost Delivery Percentages and explained the regulatory requirements concerning the percentages. Dirk Holcomb provided the outcome of the auditors research. Lorna Daniels made a motion to approve changes, seconded by Kimberly Bridges, motion passed.

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. Lorna Daniels made a motion to accept all the following changes, seconded by Kimberly Bridges, effective January 1, 2004. Motion carried.

Licenses Issue/Cancel/Re-issue/Amend:

ISSUE:

<u>License No.</u>	<u>Type of License</u>	<u>Distributor</u>	<u>Company Rep</u>	<u>Markets</u>
225.001.3	NPGD	Amish Country Farms, Inc. 41 Vreeland Avenue Totawa, NJ 07512 Under: Kohler Mix Specialties White Bear Lake, MN	Kenneth J. Tensen	All
291.008.2	SD	Southco Distributing Co. P.O. Box 1897 Goldsboro, NC 27533 Under: Morningstar/Dean Foods Mount Crawford, VA	Chris Wise	All

AMEND

<u>License No.</u>	<u>Type of License</u>	<u>Distributor</u>	<u>Company Rep</u>	<u>Markets</u>
298.000.1	PGD	FROM: Flav-O-Rich, Inc.-Bristol P.O. Box 1539 Bristol, VA 24201 TO: Crowley Foods LLC P.O. Box 1539 Bristol, VA 24201	Gary Latta	All

231.003.2	SD	FROM: PYA/Monarch, Inc. P.O. Box 136 Norfolk, VA 23501	Kecia Roberts	All
		TO: PYA/Monarch, LLC Dba US Foodservice 1265 Diamond Springs Road Virginia Beach, VA 23452		

CANCEL:

291.003.2	SD	Little Caesar Enterprises T/A Blue Line Distributing 24120 Haggerty Road Farmington Hills, MI 48335 Under: Morningstar/Dean Foods Mount Crawford, Va.	David Yeager	All
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291.001.2	SD	Dallas Dickens 3013 Weaver Pike Bristol, VA 37620 Under: Flav-O-Rich, London Div. London, Kentucky 40741	Dallas Dickens	All
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298.001.3	NPGD	Fleming Foods of Tennessee P.O. Box 448 Goodlettsville, TN 37070 Under: Flav-O-Rich, Inc., Bristol Div. Bristol, VA 24201	Karen R. Ayers	All
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The Administrator gave an update concerning the consolidation of the State Milk Commission with the Department of Agriculture and Consumer Services.

Ms. Judy Barnard made a motion to recognize Dallas Dickens for his many years of service John Gillam seconded the motion and the motion was passed.

The Deputy Administrator gave a report on audit adjustments, which reflect the audit findings disclosed through examinations of licensed distributors. A copy of the report is attached.

The Administrator reviewed the State Milk Accomplishments of the commission office. A copy of the report was distributed to the Commission and a copy is attached to these minutes.

The Administrator informed the Commission that legislation to finalize the merger within the Department of Agriculture will be introduced in the January 2004 session of the General Assembly. He assured the Commission that as soon as the legislation was printed that the Commission would receive a copy.

The Administrator informed the Commission that a proposal to merge Federal Orders 5 and 7 has been received by the Federal Milk Marketing Order Administration. The Federal Milk Marketing Order Administration has requested additional proposals prior to a ruling on whether to hold a hearing or not. As soon as any information is available on any outcome the Administrator assured the Commission that they would be informed.

There was no public comment.

Ms. Judy Barnard lead a discussion regarding the plight of dairy farmers due to low pricing for such a long period of time and issues of adequate labor. She stated that as a new commission member, she was uncertain as to her new responsibilities and if they addressed these issues. The Commission requested that staff analyze the pricing regulation and that the Commission meet to review the regulation.

The next Commission meeting will be held at the Holiday Inn, Staunton, Virginia on January 22, 2003 at 10:30 a.m.

There being no further business the meeting was adjourned.

Chairperson

Administrator