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**VIRGINIA TOBACCO INDEMNIFICATION
AND COMMUNITY REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501
Richmond, Virginia 23219

Agribusiness Committee Meeting

Thursday, December 11, 2008

Inn at Virginia Tech
Blacksburg, Virginia

1 **APPEARANCES:**

2 Mr. Buddy Mayhew, Committee Acting Vice-Chairman

3 Mr. Stephen S. Banner

4 Mr. Fred M. Fields

5 The Honorable Robert Bloxom - Secretary of Agriculture

6 Mr. Jordon M. Jenkins, Jr.

7 Mr. David Redwine

8 Mr. Kenneth Reynolds

9 Senator Roscoe Reynolds

10

11 COMMISSION STAFF:

12 Mr. Neal Noyes, Executive Director

13 Mr. Timothy Pfohl, Grants Program Administration Manager

14 Ms. Sara G. Williams - Grants Program Administrator, Southwest Virginia

15 Ms. Sarah Capps - Grants Program Administrator, Southside Virginia

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1 MR. MAYHEW: I want to call the meeting of the
2 Agribusiness Committee to order today. First, I would like to thank each
3 and every one of you for your attendance today, and appreciate you all
4 coming out in this bad weather that we're having.

5 Our Chairman, Delegate Johnson, is in Richmond, and he
6 couldn't be here. Vice Chairman, C. D. Bryant, also, is attending to his wife,
7 who had a heart attack a couple of weeks ago. I understand she's doing
8 much better and is expected to make a full recovery. He wanted me to relate
9 to those of you who knew about this, and wanted me to thank you for your
10 sympathy, condolences and prayers. He appreciated that very much.

11 With that said, it looks like you're stuck with me today, and I'll
12 do the best I can. At this time I'll ask Neal Noyes to call the roll.

13 MR. NOYES: Mr. Banner?

14 MR. BANNER: Here.

15 MR. NOYES: Mr. Bernard?

16 MR. BERNARD: (No response.)

17 MR. NOYES: Mr. Fields?

18 MR. FIELDS: Here.

19 MR. NOYES: Secretary Bloxom?

20 SECRETARY BLOXOM: Here.

21 MR. NOYES: Mr. Jenkins?

22 MR. JENKINS: Here.

23 MR. NOYES: Mr. Mayhew?

24 MR. MAYHEW: Here.

25 MR. NOYES: Mr. Redwine?

1 MR. REDWINE: Here.

2 MR. NOYES: Mr. Reynolds?

3 MR. REYNOLDS: Here.

4 MR. NOYES: Senator Reynolds?

5 SENATOR REYNOLDS: Here.

6 MR. NOYES: We have a quorum, Mr. Chairman.

7 MR. MAYHEW: Thank you. Do I have a motion
8 that we approve the Minutes of the last meeting? It's been moved and
9 seconded that we approve the Minutes. All in favor say aye? (Ayes.) The
10 motion carries.

11 We'll now move directly into the business at hand, and we have
12 a number of grant requests that have been looked over by the Staff, and I'll
13 ask Mr. Tim Pfohl at this time to review the grants, and particularly those
14 that were approved. Along this line, we have a request for one of the grant
15 people to move grant number 1756 to the head of the line. Linda has some
16 other business to do shortly and needs to leave. So, at this time, Tim, would
17 you please step up and bring us up to date on these matters?

18 MR. PFOHL: Thank you, Mr. Chairman, and
19 good morning, everyone. I have a couple of items to share with you before
20 we get started. When we sent out the Staff recommendations, we had over-
21 recommended the available balance by \$4,600, and we would assure you
22 that we were working on recapturing some unused grant funds from previous
23 years, and we've done that. So now we have a new balance, after the
24 recommendations, of \$25,370, and that's the money we have to work with
25 today. Out of that balance of 3.228, one million of that was sent to this

1 Committee by the Special Projects Committee in July and specifically to
2 assist the Olde Dominion Ag Foundation Project. That was the set-aside
3 amount off the balance that was available.

4 As you mentioned, the Halifax proposal, those folks are having
5 a meeting this evening regarding the grant you made to them last year. So, if
6 you want to start with Proposal 1756 from Halifax County Agricultural
7 Development Office, the request is for \$39,450 to initiate a bee-keeper
8 incentive program to reestablish the honeybee population that has been
9 suffering due to the colony collapse disorder. Cost-share incentives are
10 proposed with Commission funds and in addition to training supplies and
11 material to conduct training workshops and supply replacement bees for 50
12 established bee-keepers who have reported they have been losing about a
13 third of their colonies every year to the colony collapse. This is a startup for
14 50 new bee-keepers and provides some cost share. This will provide cost-
15 shared pollination by rented bee hives for agriculture producers in a five-
16 county area. Honey bees are primarily relied upon for pollinating crops; that
17 includes melons, berries and several other fruits and vegetables that are
18 grown. This is in the five county areas in Southside. The project has strong
19 support and participation of the Bee-Keeper Association, plus they have 60
20 members in the six Southside tobacco region counties. The membership has
21 doubled in the Association this past year from 30 to 60. The applicant
22 successfully managed the earlier beef cattle incentive grants.

23 The Staff will point out, while we're not addressing the reason
24 for the colony collapse or creating significant net new farm income, it does
25 provide an interim measure to stabilize farm incomes in the region, it does

1 help to stabilize, and the University Research is working on long-term
2 answers for the colony collapse disorder. The Staff is recommending the
3 full award.

4 I would note at the suggestion of Staff, the Halifax Ag Director
5 has made inquiries into possibly extending the project to Southwest
6 Virginia. We've identified a Mountain Empire Bee-Keepers Association that
7 has about 50 members in several tobacco counties. We haven't been able to
8 initiate contact with those folks yet, but that's certainly a recommendation or
9 an option that Staff would like to lay on the table for the Committee to
10 consider today. Additional funding would be provided to expand this
11 project this year to the Southwest region.

12 MR. MAYHEW: With that being said, do I hear a
13 motion that we include this extra money to expand the operation to
14 Southwest?

15 MR. REYNOLDS: So moved.

16 MR. MAYHEW: It's been moved and seconded to
17 extend the bee-keeping operation, since there are extra funds, to include
18 some of the counties in Southwest and have it under the auspices of Ms.
19 Linda Wallace, who has agreed to work with them. Is there any discussion?

20 MR. FIELDS: I think there's no more important
21 project on this than the bee-keepers, because we're going to find we don't
22 grow any crops because of it. I'd like to see it well on its way. I don't know
23 about giving money to someone who hasn't requested it.

24 MR. NOYES: This would enable those
25 discussions to proceed. It does not mean that the funds would be expended

1 by Halifax County unless there was an agreement that would be reported
2 back to this Committee.

3 MS. WALLACE: Mr. Chairman, I have not talked
4 to the bee-keepers in the Southwest counties; however, with me today, and I
5 want to take a few minutes to introduce Mr. Jim Zigler and Mr. Riddle. Jim
6 Zigler is head of the Halifax Association, and he has spoken with the bee-
7 keepers in Wytheville and Jack Mullins. They have the same need for
8 pollinators that the growers in Southside do. We certainly have no
9 reservations about pursuing or including Southwest. I've always said what's
10 good for the producers in Halifax County is likewise applicable to the
11 producers in Southwest. We would welcome the opportunity to work with
12 them. Though the need may not have been expressed specifically to this
13 Committee, certainly Mr. Zigler and Mr. Riddle have spoken to these folks,
14 and the need is there. I think it's just a matter of getting some kind of
15 agreement on paper.

16 MR. REYNOLDS: Mr. Chairman, there's that
17 need in Washington County. They've really got a problem as Mr. Fields
18 said. We can give you more insight or more information on what exists
19 today. We also have our extension agent, Mr. Belvins, here. We could get
20 things going in Washington County as far as trying to work together.

21 MR. BELVINS: We've got some things going on
22 in Washington County as far as trying to work with the 4-H groups and
23 things like that. There is information on bee-keeping and for the bee-
24 keepers in the various counties, there's no question about that.

25 MR. REDWINE: Mr. Chairman, with regard to

1 the order and the Agenda, I don't disagree with anything I've heard, but
2 we've got several projects. We've just got \$25,000 extra, and I hesitate to
3 jump into this, five minutes into the meeting. I'd feel more comfortable,
4 personally, after we've heard all the projects. I'd certainly go along with the
5 Commission. I think we've got a whole lot of folks here, and certainly
6 there's not enough money to go around, but I think a lot of folks would like
7 to have their projects heard before we make a decision on that particular
8 amount of money.

9 MR. MAYHEW: Any other discussion?

10 MR. JENKINS: Mr. Chairman, we never
11 mentioned a figure, and the idea was to give it all, \$25,000, or a portion of
12 it? I don't think a figure was mentioned, and it was just said extra money.

13 MR. MAYHEW: How much is that, Tim?

14 MR. PFOHL: No, we haven't had conversations
15 with them to know what it would cost to extend the program to Southwest.
16 So, we don't have a solid figure yet, but we can try to get that.

17 MR. FIELDS: We are talking about the \$25,000 at
18 the bottom of the line?

19 MR. MAYHEW: Yes, that's my understanding.
20 There may be additional funds in addition to this?

21 MR. PFOHL: We're quite sure we'll have some
22 additional funds coming in, but I can't give you a definite figure as far as
23 how much from the obligated funds from the existing grant, maybe 10,000,
24 but we don't know exactly. I'm reluctant to give you a figure.

25 MR. FIELDS: Mr. Chairman, I think this is going

1 away from really, what we, we have people here who request money, and we
2 say no, and then we've got people here that don't request money, and they
3 give it to them. I personally think that nobody can tell me about the
4 importance of the bees, and I know that. I know it's important to our farmers
5 and our farms, and I think we're going in the wrong direction.

6 SECRETARY BLOXOM: It's difficult to give
7 someone a blank check for a major operation. I think there's a little
8 difficulty in doing that, giving a blank check. I think we need to develop a
9 business plan, and the next time we meet I think we'd be in a better position
10 to make a decision.

11 MR. MAYHEW: That leaves us with a motion on
12 the floor, and if a majority agrees, the motion states to send that money to
13 Ms. Wallace to Southwest Virginia. If you agree, or if you disagree and
14 think we need to take more time to consider this, then you need to vote
15 against it, if you feel that way. Any other discussion?

16 MR. JENKINS: I think before we vote to spend
17 the money we ought to say how much, a maximum amount we're willing to
18 spend.

19 MR. MAYHEW: I understood we were talking
20 about \$25,307.

21 MR. JENKINS: Are you naming that as the
22 figure?

23 MR. MAYHEW: Yes. Any other discussion?

24 SENATOR REYNOLDS: I'd like to ask a
25 question. I know there are other localities in the Tobacco Commission

1 region that have expressed concerns about the decline of the bee population.
2 I understand we've got a limited number of areas that we've mentioned here.
3 Is it possible to reach out to other areas to see if they have an interest in
4 participating in the program? They may have done it, but I'm not aware of
5 it.

6 MR. PFOHL: I think it's certainly possible. I'm
7 sure there's a bee-keeper network that we could tap into and see if there are
8 other associations out there. We didn't hear much about Buchanan or
9 Dickenson Counties with a bee-keepers association with a small
10 membership. I'm sure there are other areas or associations that could be
11 contacted.

12 SENATOR REYNOLDS: We need to make a
13 change in the motion in order to involve the other tobacco-producing region
14 to participate, I believe.

15 MR. MAYHEW: If you so desire, you can
16 withdraw the motion with the second, and we can go with this another time
17 or leave on the table and vote on it.

18 MR. REYNOLDS: I'll withdraw the motion.

19 MR. MAYHEW: The motion to withdraw and the
20 second, all in favor of withdrawing the motion? (Ayes.) All right, the
21 motion is withdrawn, and we'll move on.

22 Tim, would you please continue then with the grants that were
23 recommended?

24 MR. PFOHL: That brings us to Bedford County's
25 proposal, which is submitted in partnership with Patrick Henry Community

1 College and Southwest Virginia Community College, to initiate a two-year
2 agricultural technology curriculum program. That's a degree-granting
3 program for the community colleges in the tobacco region. Last year the
4 Committee assisted with some grant money to begin the planning phases of
5 this, and Bedford County was the grantee there. At the insistence of the
6 Staff, Bedford County established a work group with all the community
7 colleges invited in the tobacco region. This proposal would initiate classes
8 in the fall of 2009 in three community college footprints, Patrick Henry,
9 Southwest Virginia and Central Virginia Community Colleges. Right now
10 the only option for a two-year degree for students in Virginia and those in
11 the tobacco region is to come here to Blacksburg and be on campus for two
12 years. That program is limited to 60 incoming freshmen a year.

13 These funds would be requested to hire a program coordinator
14 who also would teach and serve as a development coordinator and to pay
15 faculty at community colleges and also for equipment and supplies. Existing
16 farms and agribusinesses would serve as the learning labs and handle the
17 classroom instruction, and that would be shared by a distance format. That
18 way the community colleges would be hooked up to each other, as far as
19 offering classes. Initial enrollment at the three locations in the fall of 2009 is
20 projected to be 29 students, with expansion to additional 39 students in
21 2010. In 2010/2011 two to four additional colleges would be anticipated for
22 participation in the project. Those folks have been invited to work with this
23 group in planning the project, and they have expressed interest, and they are
24 aware, in joining up with this program. That would bring projected full
25 enrollment to 185 students by year 2012. Sustainability is projected for the

1 fourth year when the community colleges would also be able to tap state
2 funding on a full-time student equivalent basis from the state budget.
3 Committees are proposed for oversight of the program, as well as industry
4 advisory.

5 Staff is aware this project has drawn substantial interest from
6 the National Resource Center for Agriscience Technology and Education.
7 Out in the mid-west there's a national center that has committed to providing
8 training for faculty for this program. We've been advised by the applicant
9 that of the proposals just under 100,000 can be curtailed for the coming year
10 because there's enough classroom capability at two of the community
11 colleges.

12 Staff is recommending an award of \$401,375 contingent upon
13 the proposed Oversight Committee being empowered to make the final
14 determination on all budgetary and program implementation matters.

15 SENATOR REYNOLDS: Mr. Chairman, I move
16 the Staff recommendation.

17 MR. MAYHEW: Do you all want to do these one
18 at a time or wait until the end?

19 MR. FIELDS: Mr. Chairman, what are those
20 community colleges again?

21 MR. PFOHL: The three that would be part of the
22 initial rollout next fall are Patrick Henry, Southwest Virginia and Central
23 Virginia. Then, additional outreach has occurred with Southside
24 Community College, Danville, Mountain Empire, the outreach is continuing.
25 We've been strongly encouraging applicants to keep in touch with all the

1 community colleges in the service area to gauge their interest initially and
2 then give them an opportunity to take part in the program.

3 MR. MAYHEW: Any further comments?

4 MR. FIELDS: Has this been decided that this is an
5 agricultural issue, or is it an educational issue?

6 MR. MAYHEW: If I might speak to that, Mr.
7 Fields. C. D. Bryant brought the same question to my attention a couple of
8 days ago, and he was concerned about it, also, and talked to several others
9 about it, and it seemed to be that the urgency of the time factor was a major
10 consideration in this particular case. Not that we wanted to try to take on the
11 job of the Education Committee, because they have more money, but there
12 seems to be something that if we approve it now on a one-time basis that it
13 could start this coming year instead of waiting for another round of
14 Education and wait a whole other year.

15 MR. JENKINS: Mr. Chairman, do you plan on
16 coming back and discussing these?

17 MR. MAYHEW: I'd say we discuss them now.

18 MR. JENKINS: I've got a couple of questions or
19 some clarification. It says here that the project is about complementing
20 rather than competing with the present two-year ag school at Tech. Having
21 worked with this for a number of years, it's very difficult to ever get the two-
22 year ag school going, and the college people didn't want it, and they thought
23 it would kind of demean the status of the school. We had to go through the
24 General Assembly and all the forms to do it. Now, it seems to be pretty well
25 accepted, and just started making progress. I'd like to hear something from

1 the people representing the program here at Tech before I would vote in
2 support for this, because it could be used as an excuse to do away with the
3 two-year program at Tech now. I know there are many people opposed to
4 that, and still there and waiting for a change. It makes me a little nervous to
5 put something in place that is competing with something that has just been
6 successful in getting started.

7 The second thing is the transfer of credits. I would think
8 somebody would need to see something in writing if these credits were
9 transferred. I know there is an agreement between Tech and the community
10 college for a four-year school in transferring credits. Would they transfer to
11 the four-year school or the two-year ag school? You wouldn't really need
12 much for the two-year ag school. I think that's a problem, and some kids
13 could really get fooled.

14 MR. MAYHEW: Your comments are well taken.

15 MS. WHITE: Good morning, my name is
16 Stephanie White. I'm the Project Manager of the Bedford Grant Proposal
17 that was funded by this Committee last year at this time. More importantly,
18 I was the former Director of the Agricultural Technology Program for two
19 years and Associate Director for one year. I started with the program back
20 in 1988, which was the second year the program was in existence. The
21 program has celebrated its 20th year anniversary here at Virginia Tech, and I
22 understand your concern. This group does not want to do anything that
23 would negatively impact the agricultural and technology program. I, too,
24 share that sentiment.

25 As the Director, what we have seen over the last five years is

1 the growth and demand for the three-year associate's degree. What we found
2 is that the degree is often more marketable than the four-year degree. We've
3 seen that by the salaries of the two-year graduates actually exceeding the
4 median of the four-year salaries over the four-year degree salaries that are
5 earned by graduates of the college, which is exciting.

6 MR. JENKINS: That embarrasses some people.

7 MS. WHITE: Yes, it does, but it's a wonderful
8 opportunity. I understand completely why Tech has set limits of 60 students
9 in the agricultural and technology program, and I support that, but as long as
10 that program exists there needs to be another option that meets industry
11 demands. Every year on the Virginia Tech campus we have a career fair,
12 and it's wonderful to see all of these students coming to the fair, but it's very
13 discouraging for the employers at the career fair to go home empty-handed.
14 They come looking for five to eight graduates, and they may go home with
15 two. There is a huge industry demand that is not being met by the two- or
16 four-year graduates of Virginia Tech.

17 Some of the limitations that are keeping that supply at an
18 artificial level is tuition, and unfortunately the Virginia Tech tuition is
19 increasing. The other is that it is a locally-based program. There are a lot of
20 students interested in agriculture, but they cannot afford to come to Virginia
21 Tech two years and leave their family farm. The other thing I found as the
22 Director of the Agriculture and Technology Program is unfortunately two-
23 thirds of the students graduating from high school are not ready for the
24 academic level of work in the college, and they require remediation. The
25 Ag-Tech Program wants to offer a program that was a jump-start and

1 bringing students in at-risk and giving them six weeks training before they
2 start the program so they could be successful. However, the program did not
3 work. What we found is that if you bring in at-risk students for six weeks
4 and all they do for eight hours a day is talk about communications and
5 computers, it blows their mind, and they will not be successful. Virginia
6 Tech, by state law, cannot offer remedial classes. The only way those
7 students can go from a high school level to a college level through the
8 remedial course work is through a lower level of training. However, this
9 degree would help a vast number of students not ready for college level
10 work get that bridge and have the appropriate courses so they could go on. I
11 understand your concern, but I feel this can meet their needs.

12 MR. JENKINS: I understand what you're saying,
13 but how does that affect the transfer of credits?

14 MS. WHITE: The guaranteed articulation
15 agreement which you have to give credit, you have to give credits in the
16 agricultural sciences, and they would be the first college in the United States
17 to have an articulation agreement with all the Virginia community colleges.
18 That's the goal, to get that done. The way transfer works is that you start to
19 design a curriculum that will meet with different faculty at Virginia Tech,
20 and we do meet. We'll meet with those faculty, and by law they will give us
21 the syllabus for the courses, and then we'll design our courses to be a one-
22 for-one substitute for what Virginia Tech offers. Also, a former counseling
23 member of Virginia Tech, that's the group that makes the academic decisions
24 for the College of Agriculture and Technology, we can get a memorandum
25 of understanding with those coordinating counselors. There'll be a certain

1 percentage that will drop because they're more trade in nature and they're not
2 academic in nature, but we will try to take full advantage of the transfer and
3 get students to transfer to Virginia Tech.

4 MR. JENKINS: You're saying you'll have the
5 advantage of looking over all these courses and be able to tailor it --

6 MS. WHITE: -- It can go either way. Again, you
7 have to realize some of those students, they would --

8 MR. JENKINS: -- Before they pass a law.

9 MS. WHITE: These are some very meaningful
10 careers these students can have, if they can pass the courses.

11 MR. BANNER: For what type of employment? I
12 think you said you had some good results of employment, but what type of
13 employment are we talking about?

14 Number two, specifically, how many students have shown an
15 interest in the Southwest Community College? Do you have any idea?

16 MS. WHITE: If you look at the number of
17 students in the Southwest service area who are taking agricultural classes,
18 and they're middle and high school students, the number is over 700. That's
19 a natural pipeline that we can use to get them into this community college
20 program. Right now is a critical timing as far as the grant request. The State
21 of Virginia is rewriting the entire agriculture curriculum. They started with
22 the first courses in the last couple of months. This is perfect timing for this
23 program to start, so when the curriculum is rewritten we can match our
24 curriculum to take their curriculum to the next stage and move those
25 students into the community college curriculum. There are over 11,000

1 students in the Tobacco Commission service area taking agricultural courses
2 in the middle and high school levels, so in that service area we're talking
3 about 11,000 students.

4 Now, you're asking me what type of careers they can get, and
5 that's only limited by the students' imagination. The more traditional careers
6 would be going back to the farm and assuming management level position
7 on the family farm for agribusiness. Jeff is here with me, and he represents a
8 tractor dealership, and he has come back into the dealership with his father,
9 and he is a product of a two-year degree at Ferrum. Now, John here runs a
10 farm operation, and he's also teaching at the community college, and there's
11 also dairy and vegetable or produce, and that would be an option. I'm
12 looking at some of my friends who are here, like Robert Mills. He got his
13 two-year degree at Virginia Tech, and he's running a 600 cow and calf
14 operation in Pittsylvania County. He's a breeder for Perdue. Perdue came
15 and found him because he had the two years of education and he has the
16 reputation for being an outstanding agriculturist. When you talk about
17 economic development, and if you get these people who are getting out of
18 the program and they have the knowledge, we can attract industry in to
19 Southside and Southwest Virginia because of the knowledge they have and
20 the educational level.

21 SECRETARY BLOXOM: Is there any plan to
22 institute this long-distance learning?

23 MS. WHITE: That is an option. Some options are
24 limitless, so for the purposes of this grant we've asked for what we thought
25 we could accomplish in the two-year program. That would be one phase.

1 Phase two is focusing on the community college, and phase
2 three would probably be the more, but it can go beyond that. We've had
3 contact with Blue Ridge Community College, who has a 30-year history of
4 that Tech program. This can create a lot of opportunities and maybe give us
5 some leverage. The answer is yes, we see opportunities for that.

6 MR. MAYHEW: Thank you for giving us an
7 explanation and more understanding of what you're trying to do, and we
8 appreciate that.

9 Any other comments?

10 MR. FIELDS: Mr. Chairman, I see this as a
11 beautiful grant application in Education, and it's fine in Agribusiness, but
12 there's one difference. There's a heap of money in Education and not in
13 Agribusiness. I look at Agribusiness as a time when we can put money into
14 things that go directly into the farmer or a farm, and I think this is a beautiful
15 project. I think it should work in the Southwest as well as Southside. I
16 personally think it's an outstanding Educational project, and I'd like to vote
17 on it in Education, but I also understand that, too.

18 MR. MAYHEW: I think the timing, if nothing
19 else, maybe we need to consider it at this time. Hopefully, in the future we
20 can direct these grants into the proper committee. Right now it's too late to
21 go back and redo this. As someone said, that's the reason we have votes on
22 this Committee. I very much appreciate your being here to talk about this.

23 MR. BANNER: We appreciate Ms. White
24 coming, and maybe this should go back to the Education Committee.

25 MR. MAYHEW: All right. Tim, do you want to

1 go on?

2 MR. PFOHL: Blue Ridge Crossroads Economic
3 Development Authority, Agriculture Cooling, #1747, requesting \$336,710.
4 The Blue Ridge Crossroads Economic Development Authority, Regional
5 Economic Development Authority for Carroll, Grayson and Galax Counties.
6 Last year you funded a hydro-cooler project that's currently being built at
7 the Southwest Virginia Farmers' Market in Hillsville. There are some
8 products and crops that cannot be cooled and that a forced-air cooler and
9 hydro-cooler is required. This proposal is to purchase a forced-air cooler,
10 and that would complement the hydro-cooler currently being built. This
11 forced-air cooler and equipment is estimated to enable an additional 1.7
12 million in sales. The Market serves 140 growers in 12 tobacco region
13 counties. That is heavily concentrated, Carroll, Grayson and Patrick.

14 This also includes a request for some equipment, such as
15 packing crates and a refrigerator truck, ice machines, pallet jacks, tow motor
16 and so forth, and a variety of supplies. The Market as recently as 2006 had
17 zero sales from some of these crops, but with a rented hydro-cooler they
18 have grown sales to 1.25 million in 2008 and projected to grow it to 1.8
19 million in 2009, and there has been a substantial increase in sales in the time
20 frame of two or three years. The projected use of the equipment or life of
21 the equipment is six years. We're suggesting that in the annual sales that are
22 being generated, that probably should be multiplied by six to reflect the
23 aggregate value of this equipment that is requested and what it could
24 generate for producers. The applicant charges a dollar per box for cooling,
25 and all other sales proceeds are returned to the producers.

1 We're suggesting some of the non-fixed supplies such as
2 storage crates and bins may be eligible for another source of funding, such
3 as USDA grants and loans. The actual fixed capital assets are not eligible
4 for USDA funding because the regional Farmers' Market is a state-owned
5 facility, and we're told USDA will not fund capital improvements to state-
6 owned facilities. We're one of a few sources of funding for this project. The
7 Staff is recommending that the award should be focused on the capital
8 assets, like the cooler, which is estimated to be \$274,000.

9 MR. MAYHEW: Any comments on this one?
10 Can everyone hear in the audience?

11 MR. PFOHL: Jumping over to page 7, the
12 Industrial Development Authority of Dickenson County, a proposal for
13 approximately \$100,000 for the Coalfields Regional Agricultural Marketing
14 Center. There is a 4,000 square foot building that has been built on a 14-
15 acre site that is straddling the line between Wise and Dickenson Counties,
16 and that has been primarily funded with the Virginia Coalfield Economic
17 Development Authority funds. This request would continue those site
18 improvements, including building interior and exterior holding pens for the
19 regional center, which is a 2,400 square foot shed roof, bleachers, lighting,
20 insulation, heating and ventilation, a concrete floor for the main structure,
21 and office equipment and a tractor, a variety of improvements to make the
22 facility operational. A partnership agreement has been established to operate
23 the facility between the two County Boards of Supervisors and the two
24 Industrial Development Authorities, eight-member operating Board being
25 established, and a business plan for the facility has been drafted. This cites

1 eight to nine annual sales for cattle, sheep, goats, and horses, in addition to
2 monthly agricultural training, association meetings and events. The
3 operation of the facility will be contracted to an experienced operator who
4 conducts the nearest market, which is Abingdon, and depending on where
5 you're located, it's anywhere from 55 to 75 miles away.

6 I should note that in the Staff report we made a misstatement.
7 We said the facility is projected to raise the agriculture receipts of the two
8 counties by 500,000 annually; that's 500,000 within five years. Those
9 projections are relatively basic percentage growth projections. We're aware
10 that there are emerging opportunities in the beef cattle and hair sheep
11 through the Food City partnership and other marketing collective efforts.
12 We note that there has been a very significant financial commitment by not
13 only the Virginia Coalfields Economic Development but by two local
14 governments. This would benefit several ag business sectors, including
15 livestock and crops, and generate measurable revenues for producers. So,
16 we're recommending the full award of \$100,000, conditioned on annual
17 reporting and revenues generated through the facilities' programs.

18 MR. MAYHEW: Any comments on this one?

19 SECRETARY BLOXOM: How did you arrive at
20 the 100,000?

21 MR. PFOHL: Are you on the budget page?

22 SECRETARY BLOXOM: Yes.

23 MR. PFOHL: The Commission's column on the
24 budget page includes a \$28,500 grant that the Commission made a couple of
25 years ago to Southwest Economic Development Committee. The request is

1 \$100,000; they combined that previous grant and bought some scales.

2 MR. MAYHEW: Any other question on this one?

3 MR. PFOHL: Going to page 8, Olde Dominion
4 Agricultural Foundation has requested \$2 million for a project, #1606. That
5 was originally submitted this past June to the Special Projects Committee,
6 and it was referred over to your Committee, along with a transfer of funds of
7 \$1 million. You'll note as recently as a couple of weeks ago the applicant
8 sent us information requesting that the Commission increase it to \$2.5
9 million. It is a project to construct a 1,000 square foot multi-use agricultural
10 complex on 15 acres located directly on U.S. Route 29, two miles north of
11 Chatham. This will have a farmers market, a livestock center, educational
12 meeting spaces, offices for agricultural agencies, as well as an enclosed
13 arena for events such as shows and competitions. The complex would
14 address several agribusiness livestock sectors, including cattle, bio-energy,
15 dairy, aquaculture, viticulture and equine. The site is currently owned by the
16 Pittsylvania Farm Bureau, which used an FY08 Agribusiness grant of
17 \$84,000 for site preparation and will be turned over to the applicant when
18 construction commences and when they receive their 501(c)(3) designation
19 from the federal government. The application has been submitted to the
20 IRS, and we haven't heard that they received that determination yet. When
21 that is received, the site will be turned over the Agricultural Foundation.
22 The Foundation is planning to increase their Board to include representation
23 by the Farm Bureaus in the surrounding counties of Bedford, Campbell,
24 Franklin, Halifax and Henry. The request was originally submitted to us for
25 purposes of construction of the complex and the arena and education

1 conference space. The applicants and partners have completed a business
2 plan and an economic impact study. The bottom line is that the economic
3 study is projecting 260,000 of annual spending by non-local visitors to the
4 complex and 430,000, roughly, of annual direct impact from operations,
5 visitors, vending and so forth.

6 Jumping over to the Staff comments and recommendations.
7 They have completed a business plan and economic impact study, and a
8 majority of the other construction funding has not yet been committed.
9 You'll note that since the project was submitted originally in June, applicants
10 are backing off proposing to approach the General Assembly and the U. S.
11 government for an appropriation and have substituted those funding sources
12 with people such as the John Deere Foundation, the Danville Regional
13 Foundation and other foundation and government sources. None of that
14 funding is secured as of now, and once we have some updates from folks
15 who are here we'll notify you. The Staff is suggesting an award of \$1.8
16 million toward that construction cost, contingent upon those funds being
17 held by the Commission until other funding sources to start construction
18 under way.

19 MR. MAYHEW: Anyone care to comment on
20 that?

21 MR. NOYES: In this situation, until we have
22 confirmation as to the IRS's ruling on the 501(c)(3), we would not disburse
23 funds. So we won't disburse any funds until we know that they are eligible.

24 MR. MAYHEW: Any other comments?

25 MR. FIELDS: What about the other folks? Are

1 we going to wait on the other funding? Are we going to wait until that's
2 done?

3 MR. MAYHEW: I think they'll do it in stages.

4 MR. FIELDS: So we'll do the initial funding?

5 MR. NOYES: The expectation is that Commission
6 funds would enable the applicant to leverage additional funding from
7 different parties.

8 SENATOR REYNOLDS: As I read the report,
9 significant funding commitments have already been made.

10 MR. PFOHL: On page 10, Virginia Tech has
11 submitted a proposal, #1749, for \$78,470 for the first year of a three-year
12 study of the suitability of fast-growing poplar hybrid varieties at three sites.
13 One is reclaimed land in Wise County, a site in Pittsylvania County at
14 Windy Acres Nursery, and Virginia State University's Research Facility.
15 Varieties would be assessed for growth and wood quality in response to
16 local climate, soil and pathogen conditions. Results would be disseminated
17 to farmers, land owners and the bio-energy industry through a symposium at
18 the Institute in Danville, field workshops at the test sites, and educational
19 material. Funds are specifically requested for portions of salary and travel
20 expenses for project coordinators based at Virginia Tech and Virginia State
21 University, for test site preparation and operating expenses, and costs to
22 conduct field workshops and symposium and contracted propagation
23 services to Greenwood Resources, which is a private timber management
24 company based in Oregon.

25 The project is anticipated to potentially produce fast growing

1 crops, not only for the pulp and paper industry, but the bio-energy industry
2 that we are investing in and working on that diligently to establish a
3 footprint. The three test sites cover not only the Southwest region but also
4 Piedmont Virginia and the coastal plains with the soils and climate
5 conditions. The return on investment for landowners is not yet known, but
6 certainly we'll have more clarity in two or three years about potential returns
7 and what the return on investment is for landowners.

8 The Staff is recommending the full award of \$78,470,
9 contingent on the Commission funds being used only for direct project costs
10 that are incurred in the tobacco region sites and at the Virginia State
11 University site just outside the tobacco region.

12 MR. MAYHEW: Any comments?

13 SECRETARY BLOXOM: This is for three years?

14 MR. PFOHL: These would be costs that would
15 only be for the first year of the three-year study. They haven't asked us for
16 funds for the second and third years.

17 MR. JENKINS: Do you anticipate that request?

18 MR. PFOHL: They have indicated in writing that
19 they do not anticipate coming to us for the second and third years.

20 UNIDENTIFIED: As far as costs for the first year,
21 maintenance for the field site, the bottom line is we do not anticipate asking
22 for funds later on.

23 MR. PFOHL: Virginia Tech has also submitted a
24 proposal, #1750, for sheep flock improvement, a \$350,000 request to build
25 facilities at the Southwest Virginia Ag Research and Extension Center in

1 Smyth County. Specifically, they're requesting to construct a 7,200 square
2 foot enclosed livestock arena with an attached 2,800 square foot covered
3 shed to enable a ram testing facility, as well as make additional repairs to
4 existing lambing facilities and to acquire pure-bred sheep for the facility.
5 There's a variety of potential economic impacts in increasing lamb
6 production, and I won't go through all of those. The proposed facilities
7 would allow training programs similar to a ram testing facility that's been
8 established in the Shenandoah Valley. The arena and classroom spaces
9 would benefit the agribusiness sectors by providing facilities that are not
10 available at the site now or within reasonable proximity. Food City is a
11 good example, and that has some market opportunities that have been
12 established. Food City has indicated that through their 500 grocery stores
13 they would take as many as 10,000 lambs per year from producers in the
14 region. Right now there are about 4,000 lambs being produced, and there is
15 a substantial market opportunity with a local grocery chain. So we know
16 there is an opportunity to provide these lambs and there are buyers in the
17 region.

18 The Staff is recommending an award of \$250,000 to construct
19 the classroom arena building and the attached shed for the ram testing
20 facility. That's the lower end of a contractor's quote that was submitted with
21 the application to build the facility. We all understand costs are going up,
22 and there are some potential partners, including the Hair Sheep Association
23 in Southwest Virginia, and ag associations might be able to bring some
24 resources to bear on the project, and there is availability of some cash
25 matches for these projects. We're suggesting an award of \$250,000 for the

1 construction of the new facilities.

2 MR. MAYHEW: Any comments on this
3 proposal?

4 MR. REDWINE: During the last ten years there
5 has been a major change in the sheep industry in the State of Virginia, both
6 in volume, production and revenue, and that shift has been mainly from the
7 Shenandoah Valley down into Southwest. Most of the producers and people
8 reaping the revenue are tobacco growers who lost tobacco revenue and are
9 seeking to replace it. This sheep project has fit right in. There is very little
10 research done nationwide in this area, and it's needed to help them increase
11 that. Based on those facts, I would support this project.

12 SECRETARY BLOXOM: Is there any effort done
13 by Virginia State, or have they participated?

14 MR. PFOHL: There has been an earlier grant from
15 the Commission to help Virginia State with their program, and a person has
16 been hired for Virginia State to work with the entire tobacco region. To the
17 extent that person is reaching out to Southwest, I can't speak to that. I may
18 have to defer to folks here to speak to that.

19 MR. BLEVINS: I'm Lee Blevins from the
20 Southwest area. Since 1952 we haven't had any new facilities installed at
21 these sites. We have one office building that houses rest rooms in the whole
22 site. We have no educational space or classroom space. I wasn't able to hear
23 all of the question.

24 SECRETARY BLOXOM: I was wondering about
25 the flexibility, you need a much nicer operation?

1 MR. BLEVINS: Yes. Actually, we have a sheep
2 facility on one side and the beef facilities are on the other, and we have a
3 new proposed location. We had a re-fencing request that we had in there.
4 We'd be able to change the livestock back and forth at the new facility. It
5 definitely would be a major asset to our location.

6 MR. JENKINS: Having recently visited that
7 station, they can use anything they get.

8 MR. MAYHEW: Any other comments? Tim.

9 MR. PFOHL: On page 11 of the Staff report, the
10 Virginia State Dairymen's Association has submitted proposal 1746
11 requesting \$330,000. The statewide 501(c)(5) association is proposing to
12 serve approximately 60 of its 118 dairy farm operations in four counties in
13 Southwest and Southside. Those counties are Smyth, Washington and
14 Wythe in Southwest and Franklin in Southside. This proposal was before
15 you last year and has been scaled back to focus on areas where dairy and
16 tobacco operations are combined on any of these farms. The proposal is to
17 create a 50/50 cost-share for dairy farmers for capital improvements to
18 existing dairy farm infrastructure. In short, cow comfort facilities that have
19 been shown to substantially improve production of milk and the revenue and
20 sales receipts of the dairy farms. The proposal is to have a cap of \$5,000 per
21 producer for the purchase and installation of fans, sprinklers, foot baths,
22 head chutes, head locks, fencing supplies and water and irrigation systems.

23 The Staff has suggested the proposal could be scaled back
24 somewhat and put a cap of \$4,000. The proposal cites that the return on
25 investment per producer is achieved in the first year. We suggest that we

1 scale back the amount and the cap. We're suggesting we scale back the cap
2 so we could reach 40 to 50 producers by a pretty substantial body of
3 information. As far as return on investment, these figures are achievable.
4 So we're proposing a one-time award of \$200,000 to demonstrate the return
5 on producer investments with a reduced cap of \$4,000 per producer. We're
6 suggesting funds to be split 60/40 between Southwest and Southside. Also,
7 reimbursement for actual project expenses not exceed five percent of grant
8 award actual project administration costs.

9 MR. MAYHEW: Anyone care to comment on
10 this? All right, this brings us down to the next one.

11 MR. PFOHL: Page 13, Wytheville Feeder Cattle
12 Association, and this group was funded previously with a grant of \$150,000
13 and direct parallel to the other beef cattle incentive program in Southwest
14 and Southside Virginia. Last year this was disbursed with 50,000 per county
15 in Wythe, Carroll and Bland Counties. The majority of those funds have
16 been distributed, or will be distributed, based on the application, and these
17 folks are back to us requesting an additional shot of funding to reach out to
18 the 1300 farms in those three counties that have 42,500 head of beef cattle.
19 We continue with a cap of \$3,000 per producer, and it has to be matched
20 dollar-for-dollar by the producers, specifically for the genetics and beef
21 handling facilities. Actual administrative costs not to exceed five percent of
22 the grant award.

23 The Staff is recommending that an additional award of \$60,000
24 be distributed by the Oversight Committee and that that be the final award to
25 assist the beef cattle producers in these three counties.

1 MR. MAYHEW: Any comments or questions?
2 Well, this brings us to the end of the recommendations by Staff. I believe
3 we have nine Staff recommendations for funding, also, No Bees; No Crops,
4 #1756. As it stands now, there is a request for \$39,450. Since we had a
5 discussion the additional funds, which we decided to wait until later on that.

6 Senator Ruff.

7 SENATOR RUFF: Thank you, Mr. Chairman. I
8 want to commend the county group for applying for the 39,000. I think it's
9 great the Committee is looking at what could be done for other parts, such as
10 Southwest Virginia. One of the things we heard in Richmond, the greatest
11 need for agriculture are these bees. I would hope, if you put that extra
12 \$25,000 in there, you open it up to any county bee-keepers inside that six
13 county region, so if there's somebody in the Farmville area or someone in
14 Bristol area or somebody wherever in-between, they would have a chance at
15 getting that money. Thank you.

16 MR. MAYHEW: Thank you, sir. Any member of
17 the Committee wish to pull out any of these individual grants for further
18 discussion?

19 SECRETARY BLOXOM: What about 1754?

20 MR. PFOHL: They received two grants from the
21 Commission totaling just over 400,000, and there is still a balance that we're
22 working with them to draw down on that project. They sent us information
23 that indicates over the next four years they would request smaller grants
24 from the Commission in the ball park of 20 or 30 thousand a year but
25 totaling about 400,000 over the next several years to develop the program.

1 MR. MAYHEW: They have the 60,000 or so
2 whether they use it?

3 MR. PFOHL: There is a balance, a little over
4 125,000 that has not been accessed from us, and they haven't asked for the
5 release of those funds yet. That doesn't mean they haven't spent it on the
6 project, it's just a matter that they haven't asked for the funds yet. They're
7 continuing to draw down that second grant that they got from the
8 Commission in FY06.

9 MR. MAYHEW: The Chairman would entertain a
10 motion that we adopt the recommendations of the Staff that we discussed.
11 It's been moved. Is there a second?

12 SECRETARY BLOXOM: Second.

13 MR. MAYHEW: It's been moved and seconded
14 that we approve the Staff recommendations from the amounts we've
15 discussed and you have on your papers here. Any further discussion? All in
16 favor say aye? (Ayes.) All opposed, no? (No response.) The motion is
17 carried. These grants are approved.

18 MR. FIELDS: That leaves a balance of \$25,370?

19 MR. MAYHEW: Yes. In light of what Senator
20 Ruff just said, what are the feelings of the Committee? Do we want to make
21 some kind of division of this money to further the bee-keeping aspect that
22 we all agreed was so important? Any further discussion on that?

23 MR. JENKINS: Mr. Chairman, I think, and
24 everybody agrees, this bee-keeping thing is important, and if you have to
25 wait another whole year to do anything, you're going to lose a whole lot of

1 pollination statewide. If we could bring the bees in to help remedy the
2 situation, I'd hate to see these other areas have to wait another whole year to
3 apply for something. I don't know if you're going to set it aside to be used as
4 necessary, or something or some consideration here.

5 MR. MAYHEW: How could we word this thing
6 to get the intent of the Committee to move forward on that?

7 MR. PFOHL: The proposal specifically lists some
8 costs for hive starter kits, these colonies of bees, and so forth, the
9 replacement kits. Make those cost-share caps available to bee-keepers
10 throughout the tobacco region at those prices until the money is depleted.

11 SENATOR REYNOLDS: I'd move that in the
12 form of a motion.

13 MR. MAYHEW: We could have in the motion
14 that Ms. Wallace would volunteer to administer that with a very small five
15 percent fee.

16 MR. PFOHL: In the proposal it would state that
17 the beginner kit would cost \$270 and package bees \$60 each, and the hive
18 kit \$130 each and supplies. Then there is a cost share component to those
19 prices. Make those kinds of project activities available at that cost-share
20 level throughout the tobacco region as proposed here for the counties, and
21 that would be available across the region.

22 SENATOR REYNOLDS: That's my motion.

23 MR. MAYHEW: We have a motion that we take
24 the 25,000 --

25 MR. FIELDS: -- Where is the money going?

1 MR. MAYHEW: The remaining funds will be
2 used to direct the bee-keeping project into areas that are not now designated.

3 SENATOR REYNOLDS: Across the tobacco
4 growing region, first-come/first-served.

5 MR. FIELDS: Including the Southwest?

6 SENATOR REYNOLDS: Yes.

7 MR. MAYHEW: And that Ms. Wallace be given
8 the job of --

9 MR. FIELDS: -- Is there no one in Southwest who
10 is willing to do that? Phil?

11 MR. BELVINS: If we could figure out a way to
12 handle the money satisfactorily with you, we could do it for no cost.

13 MR. FIELDS: Before we vote on that, I think that
14 needs to be done with that. Sometimes I'm not altogether on Roberts' Rules,
15 and if we don't do it and the Commission doesn't oversee that before we say
16 yes and say we're going to put that money there --

17 MR. NOYES: -- We would instruct Ms. Wallace
18 to use her discretion to implement on the same basis as is being done in
19 Southern Virginia on a first-come/first-served basis in Southwest Virginia.
20 It may be Dickenson or Washington, it would be first-come/first-served. We
21 need to have a grantee for this.

22 MR. ZIGLER: Might I add to that conversation,
23 and I'm James Zigler, President of the Halifax Bee-Keeper Association. The
24 only thing I would add is I've had discussions, but the point is this is going
25 to be implemented by bee-keepers. Once you start down the road of putting

1 together a project with seminars and so forth, there's great value, I believe, to
2 maintain consistency in the way that it gets administered, and I think that's
3 the value that Ms. Wallace would bring to the program. Mr. Noyes said that
4 once this starts to grow itself out, I know within our organization, the
5 administration of it is something that has to be dealt with. I just wanted to
6 add that. That would give the consistency.

7 MR. MAYHEW: The Chair hasn't recognized the
8 motion yet. We need to clean it up. Does everybody understand it?

9 Senator Reynolds, would you like to restate it?

10 SENATOR REYNOLDS: I move we set aside
11 \$25,370 remaining balance to be used to provide bees under the terms to the
12 bee-keepers in Southside and Southwest Virginia tobacco growing regions,
13 and that it be done the same way we previously approved on a first-
14 come/first-served basis and be administered by Ms. Wallace. She has done
15 that, and she's here.

16 MR. MAYHEW: Do I hear a second?

17 MR. JENKINS: Second.

18 MR. MAYHEW: It's been moved and seconded,
19 and you've heard the motion. Any further discussion?

20 MR. REDWINE: Is there any mention of an
21 absolute cap, or are you saying five, six or seven hundred dollars roughly?
22 I'm trying to get my arms around how many people we're going to help with
23 the 25,000. Does there need to be a cap? Because if you go into it open-
24 ended, you could have fewer people helped. I'm not against it at all, but I
25 want to make sure where we're going.

1 MR. PFOHL: There would be a cap in that
2 established bee-keepers would get replacement bees and have to cost-share
3 that expense. Beginners would have the beginner kit, and that would be a
4 bigger ticket, but they would have to cost-share for that. You fall either into
5 the established or the beginners category. There is a cap based on what
6 we've been provided for those two different groups of folks.

7 MR. MAYHEW: Any further discussion?

8 MR. FIELDS: I still don't see why Mr. Belvins
9 can't oversee this project for Southwest.

10 MR. MAYHEW: Ms. Wallace has an application
11 in that covers a lot of this material and makes it a clean, neat way to
12 accomplish our purposes here, and that's my two cents on it.

13 Any further discussion?

14 MR. FIELDS: I don't agree that it is. I don't see
15 any reason why Southwest couldn't do their own. I'd like to see Southwest,
16 and I'd just make it plain and simple, I'd like to see the bees in the
17 Southwest. I'll vote for it if I can and vote against it if I can't.

18 SENATOR REYNOLDS: I'll make a commitment
19 as one member of the Committee that beekeepers in Southwest Virginia and
20 urge them to contact Ms. Wallace and apply for these funds and do it right
21 away and make sure they understand it's first-come/first-served and need to
22 do it right away.

23 SECRETARY BLOXOM: So those folks can
24 contact Ms. Wallace and make sure that she knows they want their kits.

25 SENATOR REYNOLDS: Yes.

1 MR. MAYHEW: Any further discussion?

2 MR. JENKINS: You mentioned something about
3 a cap. I can envision, I see where Fred's coming from. In the Halifax area
4 these people who are already involved, and more of them could be involved,
5 and they could use up all the money before the other people hear about it. I
6 wonder if we need to say there'll be a cap for bee-keepers, or something like
7 that, to ensure it's spelled out a little more.

8 MR. MAYHEW: How about if we designate the
9 entire \$25,000 to only Southwest Virginia, rather than first-come/first-
10 served?

11 MR. ZIGLER: That's originally where it started.

12 MR. FIELDS: I'd vote for it under those
13 conditions, if Mr. Reynolds would agree.

14 MR. MAYHEW: Would you restate your motion,
15 the money be used only for Southwest?

16 SENATOR REYNOLDS: Let me just say that I'll
17 withdraw my motion, and I apologize. I stated earlier that there were
18 concerns about giving money to people who didn't ask for it. One of the
19 things I'd like to see if we're going to set aside a specific sum for some areas
20 and we make sure that other areas that might have an interest not be
21 precluded if Southwest doesn't ask for it. That's one of the reasons I'd made
22 the motion originally, but I'll withdraw that.

23 MR. FIELDS: I would agree to that, Senator, but I
24 want them to have a shot at getting some of that 25,000.

25 SENATOR REYNOLDS: I'll make the motion

1 this way. I move we set aside \$25,370 used to provide bee-keeping under
2 the terms set out in the report to be used for Southwest Virginia, and in the
3 event that the bee-keepers in Southwest Virginia don't ask for the full
4 amount, that the remaining amount be available for tobacco growing regions
5 outside of Southwest Virginia.

6 MR. FIELDS: I'll second that.

7 MR. MAYHEW: I'm not going to repeat it all, but
8 any discussion?

9 SENATOR RUFF: I don't mean to interfere with
10 your meeting, and I appreciate the leadership that the six-county group has,
11 but I think it's unfair to somebody like Dinwiddie or Prince Edward to say
12 they cannot consider anything until after Southwest Virginia is considered.
13 If you have one grower in both of those regions, you're better off than to
14 have two in one region. I hope you'll take into consideration the needs of the
15 whole region and not just one area.

16 MR. MAYHEW: Is there a neat way to do this,
17 Senator Reynolds?

18 SENATOR REYNOLDS: Did you contact or try
19 to contact people outside of that six-area region? You contacted Southwest,
20 contacted Martinsville, which has an Association, and contacted Grundy and
21 Wytheville and contacted the presidents of those bee-keepers groups. What
22 was their reaction? Was there interest?

23 MR. MAYHEW: Gentlemen, we need to come to
24 some conclusion some way. We have a motion and a second. If there is no
25 further discussion on that, we will proceed to vote. All in favor of the

1 motion as presented by Senator Reynolds, please say aye? (Ayes.) All
2 opposed, no? (No response.) The motion passes.

3 Anyone from the public or anyone else here who wants to make
4 a comment?

5 MR. BANNER: I'd just like to say, Mr. Chairman,
6 I think you've done a heck of a job.

7 MR. MAYHEW: I think I called Senator
8 Reynolds Delegate Reynolds several times, and I apologize for that.

9 If there are not further comments, then the meeting is
10 adjourned.

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PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

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I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Agribusiness Committee when held on Thursday, December 11, 2008 at the Inn at Virginia Tech, Blacksburg, Virginia.**

I further certify this is a true and accurate transcript to the best of my ability to hear and understand the proceedings.

Given under my hand this ____ day of January, 2009.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2006.

Notary Registration Number: 224566