

Meeting Minutes

February 16, 2000

8:00 a.m.

Senate Room A

General Assembly Building

Senator Hawkins welcomed all to the meeting. "I appreciate you all taking the time to come out this morning, I realize its early and a lot of you have come a long distance in order to get this done and, I appreciate the effort you have put into it".

Approval of the Minutes from January 11, 2000 Meeting.

Mr. Osborne asked for a correction of the minutes to reflect that on page 125 it reads that Mr. Currin seconded a vote for the purpose of another amendment. The minutes were amended to reflect that Mr. Currin is a non voting member and can not second a vote.

Motion to dispense reading of the minutes

Seconded

Approved/ all in favor

Report of the Director (attached)

Roll Called

All members of the Commission were present with the exception of Senator Richard Holland.

Report on Future of Tobacco Fund Payment

The Honorable Ron Tillett, Secretary of Finance presented a briefing on some of the background of the Master Settlement Agreement and the impact of the money coming into the Commonwealth. Legislation passed last year committed 50% of the money to the Tobacco Indemnification and Community Revitalization Commission, 10% to health related activities and the remaining 40% was left unallocated. Governor's proposals for the unallocated money support transportation and capital needs of the Commonwealth. Last summer while exploring options for the unallocated 40% portion, a method called Tobacco Securitization was chosen. As part of determining and looking at risks we brought on a major finance team. The team included the Department of Treasury, the Attorney General's office, Transportation Secretariat, Brown and Wood, the Commonwealth's Bond Counsel, Public Resources Advisory Group and a banking team. The banking team included Morgan Stanley, Bear Stearns, Payne Webber, Goldman Saks, Solomon Smith Barney, First Union Securities. Mr. Tillet , responding to questions from **Delegate Bennett** as to what the purpose of the presentation is, responded that the presentation is for the purpose of what the risks are, associated with the payments coming to Virginia on an ongoing basis, what are the ups and downs and also to give the Commission a foundation for decisions that will need to be made in the future. Mr. Tillett then introduced Mr. David Adelman from Morgan Stanley Dean Whitter.

Report of Morgan Stanly Dean Whitter (handout available upon request)

Mr. Adelman presented to the Commission that there are two general key issues to assess. One, the economic fundamentals of business and secondly, the legal and regulatory risks that face the industry. The tobacco industry remains a very healthy extraordinarily profitable industry. It generates in the United States for the manufacturers, about \$10 billion in annual operating income. It is an extremely stable business, not a lot of new brands or brand switching, no new competitors. To give some sense of scale, whenever industry raises prices about a nickel it generates about \$1 billion of annual revenue for the manufacturers. This gives the manufacturer the capacity to fund significant unforeseen liabilities and risks. 1999 was a particularly difficult year for the cigarette manufacturers because of the Master Settlement Agreement going into affect, resulting in a 30% increase in the price of cigarettes. This was a transition year. Cigarette industry volumes are expected to decline due to price increases and health concerns. Business is expected to normalize and become stable again. The issues and risks that the industry faces are meaningful and significant. Morgan Stanley believes

that the challenges are manageable largely because of the resolutions with the states. From a regulatory perspective there are two key risks. The first risk is the Federal Drug Administration regulatory authority. That issue has been argued before the US Supreme Court. There should be a ruling sometime in late May or early June. Mr. Adelman attended the argument before the court and believes the cigarette industry will prevail on the issue. The second issue is taxes. Taxes and increased level of taxation above the State and Federal levels are a fact of life in this industry and probably will continue. Cigarette price increases have not had a significant impact on industry profitability or volume. There is nothing on the horizon that indicates the price of cigarettes will continue to increase at the pace of 1999. Regarding legislation, Mr. Adelman said that there has not been a single smoker that has been paid a penny and believes that juries in general will not award smokers. Forty-one states brought Medicaid cases forward. The tobacco industry has resolved these. In Mr. Adelman's opinion, the industry's singular major risk is the ongoing class action suit in Florida on behalf of all Florida smokers. It is a problematic circumstance for the industry and the single greatest risk that is outstanding at this time. The tobacco industry continues to be highly profitable and viable even through a transition. Following Mr. Adelman's presentation:

Delegate Kilgore asked of the possibility or probability of offshore production in order to avoid the legal issues.

Mr. Adelman: MSA payments are based on domestic shipments and there is no way around the MSA payments and no way to avoid the agreement by moving production offshore. He does not anticipate the industry trying to do this.

Mr. Forbes asked how reliable are the long term cash flows and how are the financial markets evaluating the risks.

Mr. Adelman: Despite the legal issues, the manufacturers credit ratings have not been downgraded and no credit alerts have been posted. Credit markets continue to appear comfortable.

Mr. Lief asked if the full MSA funds will be available and payments made.

Mr. Adelman: Credit markets feel comfortable that the full payments will be made.

Administrative and Budget Issues

Senator Hawkins then opened discussion regarding an interim operating budget.

Delegate Dudley gave an overview of the handout and the objectives.

Delegate Kilgore asked if the budget included the cost of Commission meetings and Commission expenses.

Delegate Dudley responded that there was an administrative costs line item in the budget for the purpose of Commission travel, lodging and reimbursements, etc.

Mr. Ferguson explained that the statute states the Commission is to receive reimbursement for actual expenses and not a per diem rate.

Delegate Bennett inquired as to the basis for four full-time staff and an explanation of job descriptions.

Mr. Currin responded that based on the number of Commissioners and the task before it, that it would need an Executive Director, Administrative Assistant, Director of Policy and Communications. Mr. Currin then explained the job description of each.

Delegate Clement asked if the staff would reside in Richmond.

Mr. Currin responded yes, however, he himself would be traveling to SW and SS VA. quite often.

Delegate Bennett stated that to create four full time positions when we have other state entities at the Commission's disposal is troublesome.

Delegate Dudley responded that the Commission should not rely too heavily on government agencies to tell the Commission, suggest to the Commission ,or imply to the Commission, how best to use the money since a lot of the entities providing expertise such as VA Tech and University of VA could be recipients of the money.

Mr. Lief stated that it takes several people to get the task off of the ground. "There is a lot of work to do and four staff is a reasonable start."

Senator Hawkins said that there is a tier of counties that have to be dealt with on the economic aspects of this Commission. This is a major thrust for this Commission. We have a charge to putting in place a long-term economic advantage to the areas. Four people would be a minimum to do this.

Delegate Bennett inquired as to the process of selecting staff.

Senator Hawkins responded that he would appoint Delegate Bennett to the committee to help with the process.

Mr. Lief asked to get to the Resolutions that would delegate the authority to hire to the Executive Director.

Delegate Bennett responded that this is a very public body and he would like to know who the staff representatives are.

Senator Hawkins stated that we need people in place that understand the problems the Commission will be facing and he will make sure that Delegate Bennett is involved in the process.

Delegate Kilgore made a motion to adopt the budget.

Seconded

All in favor with aye

None opposed

Motion adopted

Resolution for Administrative Directive

Resolution read by the Secretary

Discussion on the resolution resulted in amendments

Motion to approve amendments

Seconded

All in favor with aye

None opposed

Amendments approved

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Motion to adopt the Resolution
Seconded
All in favor with aye
None opposed
Resolution adopted as amended

Resolution for Objectives

Resolution read by the Secretary
Discussion on the Resolution resulted in amendments to the objectives
Motion to amend the objectives
Seconded
All in favor with aye
None opposed
Amendments to objectives approved

Discussion on the Resolution resulted in amendments
Motion to amend the Resolution
Seconded
All in favor with aye
None Opposed
Amendments approved

Motion to adopt Resolution with amendments
Seconded
All in favor with aye
None apposed
Resolution adopted with amendments

Resolutions for Fiscal/Petition to Planning & Budget

Resolution read by Secretary
Discussion resulted in amendments
Motion to approve amendments
Seconded
All were in favor by aye vote
Amendments approved

Motion to adopt Resolution with amendments
Seconded
All in favor by aye vote
Resolution adopted with amendments

Resolution for Executive Director/Entering into Agreements

Resolution read by Secretary
Discussion resulted in amendments
Motion to approve amendments
Seconded
All were in favor by aye vote
Amendments approved

Motion to adopt resolution with amendments
Seconded
All were in favor by aye vote
Resolution adopted with amendments

Resolution for Employee Benefits

Resolution read by Secretary
Discussion resulted in amendments to Resolution
Motion to approve amendments
Seconded
All were in favor by aye vote
Amendments approved

Motion to adopt Resolution with amendments

Seconded

All were in favor by aye vote

Resolution adopted with amendments

Delegate Clement asked if there was a resolution creating the Executive Committee.

Senator Hawkins responded that he thought he had the authority to do this.

Frank Ferguson that he thought a motion and a vote would give the authority for the creation of an Executive Committee.

Motion for Senator Hawkins to formulate an Executive Committee

Seconded

All in favor by aye

Motion adopted

Discussion and Vote on Monetary Split

Mr. Bryant made a motion to take the funds that are already in the State Treasury and include April 1st payment and split on 80/20 per cent split. 80% to indemnify for the lost quota and 20% to be directed to the tobacco community for revitalization. This would be for this year only.

Mr. Lief made a substitute motion that the Commission adopt what has been called the Governor's proposals that would take fiscal year 99-00. \$ 83 million to producers and \$69 million in the first fiscal year for the projects set forth in the budget, leaving \$79 million in the second fiscal year for other projects for the Commission.

Seconded

Senator Hawkins made a motion that the Governor's recommendations be carried over in this body for discussion as the Commission decides how to invest the monies throughout the next year and, make the determination within the Commission itself as to the best way to spend the money, taking into consideration the Governor's recommendations.

Seconded
Discussion on the proposals

Mr. Lief suggested that when you define revitalization in a broad manner the Governor's projects fit within that definition.

Delegate Clement "reminds" the Commission that this would be contrary to what we have heard from our communities and from growers and economic development people.

Mr. Walker stated that at the original meeting regarding the Governor's proposals, several members of the legislature indicated that they would offer budget amendments to include items from the proposals and the Commission has not been updated as to the status on those.

Senator Hawkins responded that this vote would determine the fate of the Governor's proposals as they have been presented and that there has been no vehicle that has encompassed the proposals at this juncture. Further, if the Commission votes in favor of these recommendations, the Commission will have accepted the Governor's recommendations to do this first.

Mr. Lief responded that there is outpouring of support for these projects. In the communities of VA Tech, Radford, City of Martinsville. When taken in the total context there is support for the Governor's projects.

Delegate Kilgore commented that we have all heard support for these projects but it that it is too early to adopt something in toto.

Senator Puckett, "speaking in opposition of the motion, I'm not sure that unless you're a farmer and grower that it is understood what the magnitude that our farmers are dealing with. In the last three years our farmers have taken a quota cut of probably 70%. This is direct cash out of their pockets. Some of our farmers are not going to survive if we don't put some direct cash back in their pockets to even get to revitalization. Some of the projects are right in my district but I have a hard time stretching that this is directly helping the farmers."

Mr. Courter " In looking at the broader perspective of this proposal. In Virginia a total complete buyout of quota would be in the range of \$1.2 billion. The Master Settlement Agreement includes an acknowledgement that there has to be some consideration given between Phase I and Phase II. Add to the \$2.1

billion that this Commission will get, the \$339 million additional dollars under Phase II and, we almost have twice as much money to fully indemnify the growers at \$1.2 billion. Over 25 years taking Phase I and Phase II would be close to \$2.4 billion of which our grower community, in the richest scenario, we would indemnify them \$1.2 billion. We have \$1.2 billion left over. I traveled with the Governor to North Carolina when the agreement was filled. One of the four principle companies was very reluctant to agree. That would have been \$1.2 billion out of the side agreement. Governor Gilmore fought strenuously on behalf of all the tobacco growing states and the Governors. The Commission should keep in mind over the longer term the amount of money we will have that other states won't have for their growers to fully indemnify."

Senator Hawkins responded that he does not want anyone to think that this reflects negatively on the Governor. The Governor's proposals will be considered by this Commission and under normal deliberations that we are charged to go through. The Governor has made some recommendations that need to be considered.

Call for the vote on the motion to adopt the Governor's recommendations in toto

Roll Call Vote

24 vote No

7 Vote yes

Motion defeated

Mr. Hawkins made substitute motion for the Governor's recommendation be left with in the bosom of the Commission for discussion and deliberation the course of the next year.

Motion Seconded

All in favor by aye voice vote

None opposed

Substitute Motion adopted

Vote on the motion for the recommendation for 80/20 split

Motion Seconded

Discussion

Mr. Bryant on discussion on the motion corrected April 1 to read April 15.

Delegate Kilgore asked for a ballpark figure of what the vote is on.

Mr. Ferguson- For FY2000 approximately \$85 to \$87 million dollars by the end of FY2000. About 80% comes out to approximately \$69-70 million and the 20% would be about \$17 million.

Delegate Kilgore- Is this for this year through June 30th of this year?

Mr. Ferguson - That's the money that would be available through June 30th.

Delegate Kilgore-Is this also the motion for this next fiscal year or, are we going to make that on a later date?

Mr. Ferguson - As I understood the motion, Mr. Bryant eludes to this current year through June 30th of this year.

Mr. Bryant - That's correct.

Mr.Forbes - All of the money that we are to receive by April?

Mr. Ferguson - This is the total less the administrative budget.

Mr.Forbes - Didn't we just vote down a motion that would give 100% to the growers?

Senator Hawkins - The motion we voted down was to allocate the economic piece of the monies for a particular block of projects that have not gone through discussion on the Commission on the Governor's recommendations. We have recommended that they be carried over to be discussed in deliberations in this body to make decisions based on the consensus of the direction of this commission.

Mr. Lief - My motion was to the \$83 million and the \$69 million.

Senator Hawkins - But they were not separately.

Mr. Forbes- I guess the argument that I'm missing is, that this money was to go to the farmers for their immediate needs.

Senator Hawkins - We need to start some basic discussions on the economic aspects on this money because that is the long term solution to the problems that we all face. Phasing in the monies on the economic side gives us the time to make the type of decisions we need to make that are prudent and, will benefit for the longest run possible for the areas we have and also benefit the farmers. We are trying to inject as much capital as possible into these areas. We also realize that we have two issues, one on the farm side and one on the economic side and both are very important. In the long term the economic side is going to be one that is the salvation to these areas.

Delegate Clement- I support the motion, I am wondering though , so no one will be misled. If this motion passes, as I hope it will, are we going to be in the position between now and June 30th to carry through with that motion? As I understood it, we have a lot of questions that I'm not sure have been answered. We have the issue of the lists, the fiscal agent, the New York Bank, the relationship between this payment and Phase II payments. Whether we have talked about fire-cured or sun-cured quota. I think the motion would just be limited to flue-cured and burley. Do you need more time than June 30th, if you think passing this motion is going to get money in the growers hand soon or, are there other things that we need to also do?

Mr. Bryant-We are prepared to discuss these issues today.

Delegate Kilgore - I have a question that maybe Mr. Forbes can answer. You stated earlier that the Governor was proposing 100% to the farmers but, where was the \$69 million coming from? Would that have reduced a percentage to the farmers next year?

Mr. Forbes - The \$69 million would come out of 2001 and 2002. The \$83 million was out of this fiscal year ending in June.

Mr. Lief - I would like to make a request that my motion be separate.

Senator Hawkins - That 100% go to the farmers?

Mr. Lief - That the motion be separate, that each allocation be voted on separately.

Senator Hawkins - So you want to revisit the 100% - You want to make a motion that 100% of this year's money go to the farmers themselves?

Mr. Lief - That's correct and, I also move that we vote on the individual projects of the \$69 million as well.

Senator Hawkins - There is a motion on the floor for an 80/20 split that has been offered and seconded so, that is the primary motion that we will be voting on. Yours is a secondary motion that we will do if this motion fails.

Mr. Hurly - I would like to know the intent of this Commission for the long term. I realize it is 80/20 this year. Before I can vote on that, I would like to know what the long term feelings from this Commission is concerning the percentages before I can support it.

Mr. Bryant - This is tentative but, we have had some discussion about a 50/50 split. It's not anything that is etched in stone or on behalf of the grower community but, something we have talked about among ourselves with our constituents and we are looking to the Commission and their feelings on the split. We think initially that a front load is needed and the 100% that Mr. Lief is talking about, we think is not responsible. We think that some money needs to be appropriated toward economic development. This is a basic discussion we've had and right, we're only prepared to go with the 80/20.

Mr. Lief - Let me make clear I am totally for economic development and significantly believe that a good chunk of these funds should go to economic development. The question is in the short term. By July 1st of this year, are we going to have an economic development plan in place to spend that money or are we better off taking current funds and putting them into place where there is the most pain which is in the grower community? It was the Governor's request and I agree with it, that we should get the \$83 million in the current fiscal year to the growers. The producers will get those funds, they will be able to make those payments, they will be able to help their communities. They will be able to make payments on trucks, pay for their seed, etc. All while they are cutting quota and cutting funds going to that community. That means that leaves \$2 billion that we can discuss how we can allocate it. I think for this first fiscal year that we should put it into the community.

Senator Hawkins- The question was asked about the intention of the Commission. The intention of this Commission is two-fold. Do as much as we can to stabilize the family farm by making sure we offset the losses in quota and, put in place long term economic blocks.

Call for the vote

All in favor by aye

Non opposed

Motion adopted

Mr. Anderson made a motion that the payments to quota holders and producers be made no later than June 1, 2000.

There was discussion if there was enough time to get the money out by June 1 and, it was decided that this would be a "target date".

Motion seconded

All in favor to use June 1 as a deadline or target date.

All in favor by eye

Non opposed

Motion adopted

Mr. Bryant made a motion that the Commission accept the basis of \$12.00 per pound for lost quota which indemnifies the quota owner and producers by coupling Phase I and Phase II payments. This was the value established to create a multiple x's the average base of 1995 -1998 which establish the \$1.2 billion that is refereed to as HB2635 and SB1165.

Discussion

Question - How far will this go to indemnifying the farmers at this point? What percentage of quota loss does this cover at this point?

Mr. Duffer - It would take in total \$554 million to pay for the quota loss to this point versus 1995-1998 base flue and burley.

Senator Hawkins called for a vote on the motion

Delegate Kilgore stated that he felt uncomfortable voting on this large block of money without more understanding of the process. Senator Hawkins called for a break at this time to get ready for Mr.Duffer's presentation which explained the Master Settlement Agreement and the Virginia flue-cured and burley basic quota in more detail.

After Break

Mr. Duffer presented a full briefing on the Master Settlement Agreement and the Virginia flue-cured and burley basic quota. **(attachment of presentation included in the minutes.**

Delegate Dudley stated that looking at the legislation, " I believe we are restricted as to what money comes from our Commission and what comes from Phase II. Should we not take in to consideration what payments are coming in from other sources?"

Mr. Ferguson- The legislation requires that this Commission consider any payments paid by the "Side Car Agreement." It is the intention of staff and Counsel to advise that we have to track from a year to year basis how much is paid so that once you reach that point that the indemnification payments are in. Given the amount of money that the Certification entity had paid this year and, will pay in the second round and, the agreement this morning, we'll be a long way from reaching a point where that is considered this year.

Mr. Courter The Federal budget recently completed allocating \$328 million from the Federal budget to the tobacco growers, tobacco states and their quota holders. It appears to be a different type of process the way those dollars get out of Washington and get into the hands of the growers and quota holders. This will be an estimated additional \$19.5 million that will be allocated to Virginia quota holders and growers. \$21 million allocated from phase II, \$19.5 million from Federal and \$66 million that is being proposed by this Commission by June, 2000. I have not gotten clarification on this but its seems Congress was mindful of settling the Side Agreement. It could possibly become Phase 1 money.

Mr.Ferguson- This Commission would be permitted under the statute to accept that.

Mr. Anderson explained to the Commission how the \$12.00 per pound was arrived at.

Delegate Dudley asked for a repeat of the motion on the table.

Mr. Bryant repeated the motion

Delegate Dudley stated that this motion still does not address other payments that may be forthcoming from other sources. Under the legislation we are only dealing with money coming from this Commission and the Side Car agreement."

Senator Hawkins responded that this is under our charge and we can take into consideration other monies. We are not sure what other monies we are talking about and I feel it would be the desire of this Commission that we account for all monies involved during the course of the deliberation.

Mr. Bryant withdrew the motion already seconded and on the table

Mr. Bryant then restated a motion that the Commission accept the basis of \$12.00 per lb. for lost quota which indemnifies the quota owner and producer by coupling Phase I and Phase II payments and any other sources that address the loss of quota.

Seconded

All in favor by aye voice vote

30 aye

1 no

(One Commissioner was incorrectly counted as voting yes during the vote. They asked for the minutes to reflect that their vote was a no.

29 aye

2 no

motion adopted

Mr. Williams stated that he voted no for this motion because the money coming from the Federal side was not anticipated at the time of this legislation and does not think it should be a part of it.

Delegate Kilgore stated that the burly group has adopted a 62/38 split between growers and quota holders.

Senator Hawkins asked if there was a proposal from the various regions that has been reached.

Delegate Kilgore responded that the consensus for the burley region was a 62/38 split and would like to make a motion.

Kilgore made a motion for the percentage allocation for the burley tobacco farmers/quota holders and producers be divided 62/38 for the years 2000, 2001 and 2002 and further, that the policies for 2003 and beyond be reviewed and modified at that time. 62% to the growers and 38% to the quota holders.

Motion Seconded

All in favor by aye voice vote

None opposed

Motion adopted

Mr. Anderson made a motion for the percentage allocation for the flue-cured tobacco farmers/ quota holders and producers be divided 50/50 for the years 2000, 2001 and 2002 and further, that the policies for 2003 and beyond be reviewed and modified at that time.

Motion Seconded

All in favor by aye

None opposed

Motion adopted

Senator Hawkins made a motion to use the mechanisms to the best advantage possible already in place during the Phase II negotiations and "dovetail " the Phase II policies and implementation procedures with attention given, in that, one policy needs to be modified before it moves to Phase I.

Motion Seconded

All in favor by aye

None opposed

Motion adopted

Mr. Ferguson asked for clarification on the motion that it includes adoption consistent with the statute which requires the 1995-1998 base years to include a split of the pool of money of 77.2% flue-cured and 22.8% to burley consistent with what the Certification Board did.

Mr. Bryant confirmed that this is correct.

Mr. Anderson made a motion for the Chair to appoint a procurement subcommittee and authorize that the subcommittee choose a distribution vendor based on the research of the Commission staff and furthermore, that the subcommittee be entitled to negotiate and secure those vendor services working with staff.

Motion Seconded

All in favor aye vote

Non opposed

Motion adopted

The Chair appointed a Procurement Subcommittee.

Delegate Kilgore

Delegate Dudley

Mr. Montgomery

Mr. Fields

Mr. Anderson

Mr. Bryant

Mr. Forbes

Mr. Lief

Public Comment Period

Senator Hawkins asked that the members of the Commission take home brochures and information handed out by various groups and familiarize themselves with recommendations regarding economic development.

Speakers (handouts available of most presentations upon request)

*Don Young
County Administrator for Grayson County

Mr. Young would like to be able to submit a plan to the Commission to help look at regional approaches regarding Grayson County.

*R.B. Clarke
Chairman of the Virginia Heartland Regional Economic Development Partnership

Senator Hawkins suggested to Mr. Clarke that Virginia Heartland come up with a proposal that ties in with the long term regional approach.

*Coy Harvill
Chairman, Board of Supervisors
Pittsylvania County

Senator Hawkins suggested Mr. Harvill come back with a proposal for long term investment.

Delegate Bennett commented that the Commission would be interested in proposals to include what the commitment of the local governing body is towards the ends you want to meet.

* Mr. Lea
City of Danville
The Virginia Flue-Cured Warehouse Association

Mr. Lea opened by commenting on the vote to include the consideration of Federal monies regarding the vote on \$12.00 per lb. He said that there is complete devastation in his community regarding the tobacco farmer and the \$12.00 will not be nearly enough to compensate. He then continued with his presentation.

Chris Cook
Tobio, L.L.C. & CropTech Corp.

Senator Hawkins asked CropTech to call and get on the agenda at a future meeting when there is more time for this presentation. Also, he would like to bring other members of the legislature into the process.

*Thomas Harved
Economic Development, City of Martinsville

*Mr. Steve Pike
Virginia Museum of Natural History

The Museum already has \$2.5 million of state, local and private money invested in the building for the museum. With funding, which is \$13.2 million, the museum by his estimation will be able to leverage at least \$5 or \$6 million.

*Darlene Smith
Southside Growers & Processors

Requesting money for a dehydration plant. Plant located in Emporia, VA. Plant will allow 75 farmers to participate. Will provide approximately 100 positions.

Senator Hawkins requested a written proposal for the Commission.

Senator Hawkins announced before adjournment that the next meeting will be at VA. Tech the latter part of March or early April. He would like to invite the Agriculture Committee in which he Chairs to the meeting.

Meeting adjourned 12:00 noon

Respectfully submitted
Donna C. Shelhorse
March 7, 2000

