

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS
GROUNDWATER CONSERVATION DISTRICT
HELD ON THE 8th DAY OF JANUARY 2009**

On the 8th day of January, 2009 at 3:00 p.m. in the Nacogdoches City Commission Chambers, Room 119, in the Nacogdoches City Hall at 202 E. Pilar Street, Nacogdoches, Texas, the Board of Directors of the Pineywoods Groundwater Conservation District convened in a regular meeting at which time the following items were discussed and action possibly taken with the following members there of, to wit:

Keith Wright	President
David Alders	Vice President
Keith Weathers	Treasurer/Finance Officer
Gloria Montes	Secretary
Jimmy Mize	Member
Pat Miller	Member

being present, and

John Holloway	Member
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being absent, and

David Alford	General Manager
Lynn Thomas	Administrative Assistant

also present.

1. Call to Order:

With a quorum of board members present, the meeting was called to order at 3:09 p.m. and the invocation was given by Vice-President David Alders.

2. Approval of the minutes of the meeting of December 11, 2008:

The Minutes were reviewed by Board members, and a spelling error correction was requested by David Alders on page 3. Motion was made to approve the minutes by Keith Weathers and seconded by Gloria Montes.

The motion passed unanimously.

3. Receive a report from the General Manager concerning the financial position of the District:

Current balance through January 7, 2009 is \$28,952.91. A quarterly report to date was reviewed along with a ledger printout, copies of bills,

budget report, and A/R report. The board reviewed and discussed the financials of the District.

4. General Manager's Report

1. **Pending Completion:** We have 7 exempt wells in progress, 8 non-exempt wells in progress and 9 new O&G rig supply wells registered. I have inspected 2 new exempt wells and 1 new non-exempt well since the last meeting.

Completed Wells:

- **Total Exempt wells in database: 422**[190- Nacogdoches Co., 232 - Angelina Co.]
 - **Total Non-Exempt Ag wells in database: 170** [129- Nacogdoches Co., 41 Angelina Co.]
 - **Total Oil & Gas supply wells in database: 600**[554- Nacogdoches Co., 46- Angelina Co.]
 - **Total Production fee based utilities in database: 178**
 - **Total District wells recorded in databases: 1434** [this includes 64 plugged wells]
2. I have submitted the Management Plan 2008 with the changes to the TWDB.
 3. We have published and mailed the fourth quarter newsletter for 2008.
 4. Non-reporting penalty **fees** were **waived** for **Cushing ISD**, due to an unavoidable personnel shortage and **Pleasure Point WSC** due to unavoidable illnesses and hospital stays, for a total of **\$100**.
 5. I have been investigating who drilled a well for George Hudgins on some land that he originally owned. After a lot of phone calls and emails, I found that it was drilled by Smithers Drilling.
 6. I would like to exclude some low production wells from production fees. We have some that are billed annually and their **annual** bills for last year were: \$6.88 (Southwest Energy Production) and \$6.00 (East Texas Plant Material – USDA). We spend more than that on stamps and paper sending out notices plus the USDA is a major event to get a check from. I would like to have the board waive fees for some non-exempt fee based wells and only have them report usage to the District. This can be set as: *“Any fee based well that has annual fees less than \$25.00 shall be waived, but must report quarterly.”* or something to that effect.

The Board believed a rule change would be better and requested the attorney draft a rule change.

7. We gave Diana Haney a fruit and cheese basket for Christmas.
8. I signed and mailed the hydrology contract with §8.3 excluded.
9. The District Office was closed December 24-25th and January 1st.

5. Unfinished Business

No unfinished business.

6. New Business

a. Swear in new board members- Judge Joe English.

New board member Pat Miller was sworn in prior to the start of the meeting by Nacogdoches County Judge Joe English, at which time he took his seat on the board.

b. Approve new officers for 2009. (This item was moved from item d to item b.)

A motion was made by Jimmy Mize and seconded by Gloria Montes to keep the officers in place from the prior year 2008 term.

Officers listed as: President-Keith Wright; Vice-President-David Alders; Treasurer/Finance Officer-Keith Weathers; Secretary-Gloria Montes.

The motion passed unanimously.

c. Discuss and conduct General Manager's annual review. (This item was moved from item b to item c.)

The board went into Executive session at 3:50 p.m. to discuss the annual review of the General Manager David Alford. The meeting was then opened back up to the public at 4:41 p.m.

d. Discuss and possibly adopt a budget for 2009. (This item was moved from item c to item d.)

After much discussion, Jimmy Mize requested that the carryover and Fund Balance from 2008 in the amount of \$56,531.96 and the revenue and spending source in the amount of \$38,000 be struck from the proposed budget worksheet. A motion was made by Jimmy Mize and seconded by Keith Weathers to reconcile the budget for the Fiscal year 2008 as presented (attachment 1), and adopt the Fiscal year 2009 budget (attachment 2) with these two line item corrections.

The motion passed unanimously.

7. Announcement of the date and location of the next meeting of the District Board of Directors:

President, Keith Wright, announced the next regular scheduled meeting will be on Thursday, February 12, 2009 at 3:00 p.m., Lufkin City Hall - Lufkin, Texas.

8. Adjourn:

The meeting was adjourned by the President, Keith Wright at 4:58 p.m.

Keith Wright, President

Gloria Montes, Secretary