

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS  
GROUNDWATER CONSERVATION DISTRICT  
HELD ON THE 15th DAY OF JANUARY, 2020**

On the 11th day of December, 2019, at 1:30 p.m. at Kurth Lodge in Angelina County, 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 thereof, to wit:

Keith Wright	President
David Alders	Vice President
Jimmy Mize	Treasurer
Gloria Montes	Secretary
Kelley Holcomb	Member
Tommy Carswell	Member
Stephen Raley	Member

and

John McFarland	General Manager
Cheryl Benke	Administrative Assistant

also present.

**1. Call to Order.**

With a quorum of Board members present, the meeting was called to order at 1:35 p.m. by President Keith Wright. Vice-President Alders gave the invocation.

**2. Public Comments**

None.

**3. Approval of the minutes of the meeting of October 16, 2019.**

The Minutes were reviewed by Board members. A motion was made by David Alders to approve the minutes, and it was seconded by Tommy Carswell. The motion passed unanimously.

**4. General Manager's Financial and District report.**

John McFarland reviewed the financial reports with Board members and noted that the ending balance in the checking account as of 11/30/19

was \$64,397.45, and the amount in CDs as of the same date was \$72,010.67. He also reviewed the highlights of the General Manager's November report showing wells information and District updates below:

**a. Wells report**

9 pending exempt wells, 1 non-exempt, 1 rig supply and 1 Production Fee Based well; total completed wells in database: 1,158 exempt wells, 283 non-exempt, 534 rig supply, 27 frac, 199 production, and 610 plugged.

**b. District updates**

- Moved CD from Texas Bank to Commercial Bank of Texas.
- Attended District budget meeting
- Attended TWCA leadership training
- Investigated report of drilling inside city limits of Nacogdoches
- Attended Region I water planning meeting
- Assisted with well level measurements for nine wells by Texas Water Development Board
- Attended e-grant training by Governor's office at SFA

**5. New Business**

**a. Conduct annual review of the District's Investment Policy.**

David Alders moved that the Investment Policy be approved with no changes, and Stephen Raley seconded the motion. The motion was approved unanimously.

**b. Review and possibly approve the PGCD 2020 Annual Budget.**

Jimmy Mize presented the Budget Committee's proposed 2020 budget. Jimmy Mize moved that the Board approve the budget as recommended by the Budget Committee. David Alders seconded the motion, and the motion passed unanimously.

**c. Consider and possibly approve request from Eagle Valley Development LLC for increase in permitted frac well from 14 to 30 MGY.**

John McFarland advised the Board that the permit for Eagle Valley was originally issued in July, 2019, for 14 MGY. Eagle Valley requested an increase in September, 2019, to 30 MGY. The well is metered and the District is receiving quarterly production fees.

Kelley Holcomb moved that the amount be increased to 30 MGY, and Jimmy Mize seconded the motion. The motion passed unanimously.

**d. Consider and possibly approve new permit for Appleby WSC for 40 MGY.**

A motion was made by Jimmy Mize to approve the new permit for 40 MGY. David Alders seconded the motion, and it motion was approved unanimously.

**e. Consider and possibly approve new permit for D & M WSC for 70 MGY.**

Jimmy Mize moved that the District approve the new permit for 70 MGY, and the motion was seconded by Stephen Raley. The motion was approved with Gloria Montes abstaining.

**6. Announcement of the date and location of the next meeting of the District Board of Directors.**

The next Board meeting will be held at 3:00 on January 15, 2020, at Kurth Lake Lodge if that location is available.

**7. Recognize retiring Board member.**

David Alders presented a plaque and gift certificate to Keith Wright for his 18 years of faithful service on the PGCD Board of Directors, and thanked him on behalf of the Board and staff of PGCD.

**8. Adjourn:**

The meeting was adjourned by President Wright at 2:15 p.m.

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David Alders, Vice President

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Gloria Montes, Secretary