

MINUTES

COAL SURFACE MINING RECLAMATION FUND ADVISORY BOARD September 3, 2008

Present

Bradley Lambert
Ernie Barker
Scotty Rose

Absent

William P. Fertall
Marvin Gilliam
Paul Ison

Also Present

Benny Wampler
Ann McDavid
Sandy Smith

A meeting of the Coal Surface Mining Reclamation Fund Advisory Board was held on September 3, 2008 at 10:00 a.m. at the Department of Mines, Minerals and Energy Office in Big Stone Gap. Due to the lack of a quorum, the meeting was conducted for informational purposes only.

Minutes of the December 19, 2007 meeting were reviewed. On Page 2, the second paragraph, second sentence - The "Department" of Mined Land Reclamation should be the "Division" of Mined Land Reclamation.

Benny Wampler reported this past year, without formal notice, the General Assembly took interest money from several funds. The Coal Surface Mining Reclamation Fund was one of those funds. Mr. Wampler sent a letter to the Department of Planning and Budget. He advised the funds need to be replaced as they are critical to maintain the solvency of the pool bond program.

Mr. Wampler advised if the funds are not restored, the Board will need to reconvene and send a letter to the General Assembly members, especially the Southwest Delegation and the Governor, requesting them to restore the funds by legislation. The funds were taken away by legislation and only the Comptroller can override it.

If the funds are not restored, the Department would have to report to OSM and they would issue a 732 letter, which would be to take over the pool bond portion of the Department's program.

Ann McDavid discussed the pool bond financial reports. The total balance of the fund on June 30, 2008 was \$6,397,810.00. Interest for the third and fourth quarters is expected to be paid in October. Those amounts will give the fund a balance of approximately \$6.5 million. The total disbursement for the fiscal year was \$18,400 for yearly administrative fees.

The tonnage information shows \$0.00 for associated facilities during the third and fourth quarters. The Division is checking on this issue. One associated facility has backed up and paid \$49,313.00 for third and fourth quarter taxes.

Glamorgan Properties is the only liability of the pool bond at the present time. Reclamation is incomplete on two of the permits. There is some minor work to be done on the other permits before the bonds are released.

Ann briefly discussed the reports concerning companies in the pool that are in temporary cessation and the ones that are self bonded.

Board member, Ernie Barker, will be retiring from the Department effective January 1, 2009.