

MINUTES

COAL SURFACE MINING RECLAMATION FUND ADVISORY BOARD

Conference Room 116

May 3, 2011

10:00 a.m.

Present

Gavin Bledsoe
Jackie Davis
John “Kelly” Gilmer, Jr.
Charles Hale
Phil Mullins
Scotty Rose

Also Present

Sandy Smith

A meeting of the Coal Surface Mining Reclamation Fund Advisory Board was held on May 3, 2011 at 10:00 a.m. at the Department of Mines, Minerals and Energy (DMME) Office in Big Stone Gap.

Chairman Phil Mullins opened the meeting. A motion was made to approve the minutes of the February 3, 2011 meeting. The minutes were unanimously approved.

Based upon the Board’s recommendation at the February 3, 2011 meeting, a Scope of Actuarial Services for the pool bond fund had been drafted and reviewed by the members. In developing the scope of actuarial services, the DMME reviewed similar studies/audits conducted by Ohio and West Virginia. The final draft was discussed among the Board members and a motion was made and passed to proceed with the Request for Proposal (RFP) for the actuarial study. The DMME will form a team to review and score the RFP. The RFP will be advertised for bids. Upon submission of proposal bids, DMME will select the top two or three bids for consideration by the Board.

Requirements for participation in the pool bond fund under Section 45.1-270.2A of the Act were discussed. Companies have recently tried to join the pool bond fund without having three years of mining experience in the state of Virginia. In order for a company that has mined in other states to participate in the pool bond fund, it must have an owner, CEO, or a high ranking official that has conducted three years of mining in Virginia. As a step to protect the Fund and the Virginia operations participating therein, a motion was made and unanimously approved by the Board, stating - “The Reclamation Fund Advisory Board reaffirms its support of requiring a minimum of three years of Virginia experience for all companies desiring to enter the Reclamation Fund in Virginia. The Board also confirms it is at the discretion of the Division Director in determining the adequacy of experience.”

The next meeting was scheduled for June 14. There being no further discussions, the meeting was adjourned.