

**GOVERNING BOARD MEETING
OREGON DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES**

Friday, June 24, 2011
Portland, Oregon

1) Call to Order:

Chair Larry Givens called the meeting to order at 8:30 am.

2) Introductions:

Board Chair Larry Givens, Vice Chair Steve Macnab and Board Members Doug MacDougal, Lisa Phipps, and Charles Vars were present.

DOGAMI Staff in attendance:
State Geologist Vicki McConnell
Assistant Director Gary Lynch
Assistant Director Don Lewis
GIS Program Leader Rachel Lyles
Administrative Assistant Carol DuVernois

Assistant Attorney General Larry Knudsen sat in for agenda item 7.

There were no members of the public present.

1 **3) Approval of Minutes of February 11, 2011 Portland Meeting: (Board)**

2 *Action Item*

3 **Motion: Vars moved and Macnab seconded motion to approve minutes**
4 **as written. Motion carried.**

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6 Doug MacDougal reported on a meeting with OMSI staff member who
7 expressed interest in displaying DOGAMI products in the museum. He will
8 continue to pursue follow up meetings and will include Don Lewis in the
9 meetings.

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11 **4) Board Business:**

12 **a. Set timeline for self-evaluation for Governance**
13 **Performance Measure: *Action Item***

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15 **b. Set a timeline for DOGAMI Director Performance**
16 **Evaluation: *Action Item***

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18 After discussion, the Board dealt with both Action items in one motion.

19
20 **Motion: Macnab moved and Vars seconded the following motion:**

- 21 1. **Board members will submit self-evaluations to Don Lewis by July**
22 **31, 2011.**
- 23
- 24 2. **Board will submit Director’s performance evaluations to Board**
25 **Chair by July 31, 2011**
- 26
- 27 3. **DuVernois will distribute Internal Staff Input Forms for the**
28 **Director’s performance evaluation to staff, and have the forms**
29 **submitted in confidentiality envelopes to DuVernois by July 31,**
30 **2011. DuVernois will send them to the subcommittee consisting**
31 **of Phipps and Macnab for review. The subcommittee will**
32 **compile the data in the forms and submit a summary to Chair**
33 **Givens by the end of August 2011. Completed staff input forms**
34 **will be kept in a sealed envelope in the Governing Board file in**
35 **the Portland office.**
- 36 **Motion carried.**
- 37

- 38 **5) Legislative Assembly Update:** (Vicki S. McConnell, State Geologist)
- 39 **a. Overview of 2011-2013 Legislatively Approved Budget for**
40 **Oregon and DOGAMI-specific LAB budget (HB 5514):**
41 *Update Item*
- 42

43 HB 5514 – relating to DOGAMI 2011-2013 budget was signed into law by
44 Governor Kitzhaber on June 2, 2011. McConnell briefed the Board on the
45 plan to implement the budget, including an upcoming meeting with DAS
46 Budget and Management and Legislative Fiscal Office to initiate re-
47 organization suggestions.

48

- 49 **b. SB 122 – relating to DOGAMI funding authority – was**
50 **signed into law on May 19, 2011. Governing Board to**
51 **develop a working group for administrative rule writing for**
52 **implementation of the law in January 2012: *Action Item***
- 53

54 The SB 122 requires that the Governing Board or its designee write rules to
55 develop the criteria and procedures for entering into such agreements and to
56 ensure those agreements are within the strategy and mission of the agency.
57 The bill will become law January 1, 2012. The Board will need to draft and
58 adopt rules by that time. Board needs to define the rules writing timeline and
59 participants. MacDougal agreed to participate on the rule writing committee.

60

61 **Motion: Vars moved and Phipps seconded the motion to assign the**
62 **State Geologist to facilitate a rule writing committee and that one**
63 **member of the Board is assigned to participate on the committee. The**
64 **rule writing committee will engage a fiscal advisory group to review the**
65 **rules.**

66 **Motion carried.**

67
68 **c. Overview of other legislation that relates to DOGAMI**
69 **activity and mission: *Information Item***
70

71 McConnell summarized legislation that may have an impact on the agency.
72

73 **6) Break**

74 **7) Regulatory Issues:** (Gary Lynch, Mineral Lands Regulation and
75 Reclamation Program)

76 **a. Status of rulemaking for aggregate, oil and gas, and**
77 **geothermal laws. The agency and AAG will update Board**
78 **on geothermal and oil and gas programs rules status:**
79 *Update Item*

80 Divisions 10 and 15 rules are currently under review by AAG - Larry
81 Knudsen. Once the department has received and incorporated his
82 comments, DOGAMI will hold a Rules Advisory Committee hearing
83 consecutively for both divisions. DOGAMI has identified several individuals
84 to participate on the committee.
85

86 Division 20 (second half) of the Geothermal rule write process is on the
87 same track as the Oil and Gas Divisions 10 & 15. The technical changes to
88 Division 20 rule are currently under administrative review. After the
89 administrative review process, MLRR Administrative Specialist will complete
90 a grammatical review prior to sending the revised rules to Knudsen for
91 comment. DOGAMI has identified several participants to take part in the
92 Division 20 Rules Advisory Committee.
93

94 **b. Summary of operational and enforcement activities for**
95 **surface mining and oil and gas and geothermal regulatory**
96 **programs: *Update Item***

97 Coburg Road Quarry: The department issued a notice of violation to Coburg
98 Road Quarry (CRQ) based on a stamped Certified Engineering Geologist
99 slope stability study commissioned by the landowner that concluded that
100 blasting caused impacts to the landowner's adjacent property and structures.
101 DOGAMI and Knudsen have been working with the permittee through the
102 initial stages of the contested case hearing process. CRQ has requested
103 approval to conduct and monitor several test blasts at the quarry in an effort to
104 determine the validity of the slope-stability study submitted on behalf of the
105 adjacent landowner. DOGAMI has contracted with a geotechnical firm to review
106 and approve this Test Blasting Evaluation Plan. Two out of four test blasts have
107 occurred at the quarry. The results of test blast #1 and the accompanying
108 report were submitted to the department for review and were approved.
109 DOGAMI has issued an order approving the plan for test blast #2, which was
110 conducted on June 3, 2011. DOGAMI is waiting for the results of test blast #2
111 for review and approval. Information collected from all four test blasts will be
112 used to determine if blasting impacted the adjacent property. If it is confirmed

113 that blasting at CRQ caused or threatens to cause impacts to the adjacent
114 property, CRQ would then be required to develop a slope-stability mitigation
115 plan and a structural mitigation plan to stabilize the property and any impacted
116 structures. If it is documented that blasting at CRQ did not cause or does not
117 threaten to cause impacts to the adjacent property, CRQ would be required to
118 submit a phased Operational Blasting Plan to DOGAMI for review and approval
119 prior to commencing blasting operations.

120
121 Mining permits continue to increase slightly. As of May, we have 883
122 permitted sites and 198 TE's. We have brought on two interns from Oregon
123 State University to address our key performance measures.

124
125 Staff met with Oregon Energy LLC, who is looking at the feasibility of an open
126 pit uranium mine near McDermott. Lynch advised the company that it might
127 be worthwhile for them to make a presentation to the Governing Board at the
128 fall board meeting.

129
130 **c. Update on contested case for determination of amount of**
131 **reclamation security bond for Harney Rock and eventual**
132 **Board responsibilities:** *Update Item*

133 The Administrative Law Judge has given Harney Rock a 90 day continuance
134 before we need to go to a contested case hearing, to complete a new
135 reclamation plan that would address the sloping requirements, and thereby
136 reduce the bonding requirement for their site. If the new plan is approved, we
137 may set a new amount for the bond.

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139 **8) State of the Agency:** (Vicki S. McConnell, State Geologist)

140 **a. Update of Agency activity by State Geologist:** *Update Item*

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142 McConnell summarized the State of the Agency with updates of recent project
143 grant proposals and approvals, projects completed, recent meetings and
144 conferences, staffing changes, and agency synergy.

145 **b. Financial Report for Agency through end of 2009 Biennium:**
146 *Information Item*

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148 Lewis briefed the Board on the agency finances at the close of the biennium.
149 Both programs are in the black.

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151 **9) Set Time and Date for next meeting:** (Board)

152 The next meeting will be on Tuesday, September 13, 2011 in Corvallis.

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154 **10) Additional Public Comment:** (*three minutes limit per person unless*
155 *otherwise specified at the meeting by the Chair*)

156 There were no members of the public present at the meeting.
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Action Items:

1. Send thank you letters to Dawn Marshall and Rob Witter from the Board.
2. Send customer survey results from to Board. Done
3. Send internal staff input forms to DOGAMI employees for Director's Performance Evaluation.
4. Board will complete self-evaluations for Key Performance Measure.

APPROVED:

Larry Givens, Chair

Steve Macnab, Vice Chair

Charles Vars

Lisa Phipps

Douglas MacDougal