

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

SATURDAY, MAY 5, 2007
RIVER LODGE & GRILL, BOARDMAN OR

(1) Call to Order:

Chair Donald Haagensen called the meeting to order at 8:00 am.

(2) Introductions:

Board Chair Donald Haagensen, Vice Chair Steve Macnab, Board Members Vera Simonton, Barbara Seymour, and Charles Vars were present. Assistant Attorney General Larry Knudsen was present, as were DOGAMI staff members Director Vicki McConnell, Assistant Director Don Lewis, Assistant Director Gary Lynch, Field Geologist Mark Ferns, and Administrative Assistant Carol DuVernois

In the audience were:

James Roddey, DOGAMI Earth Sciences Information Officer
Larry Givens, Umatilla County Commissioner
Judge Terry Tallman, Morrow County Commissioner
Sam Nobles, Critical Ground Water Task Force, Umatilla County

a. Welcome to new Board Member Charles Vars ***Information Item***

Chair Haagensen officially welcomed Charles Vars to the Board.

1 **(3) Approval of Governing Board Minutes for February 6, 2007: Action Item**

2 Charles Vars noted that the dates on lines 223 and 224 were incorrect.

3
4 **Motion:** Steve Macnab moved to approve the minutes with an amendment to
5 lines 223 and 224. Vera Simonton seconded the motion. Motion carried.

6
7 **(4): Seismic Needs Assessment of Public Schools and Emergency**

8 **Facilities Project Update:** (Don Lewis, Geologic Survey and Services
9 Program): ***Information Item***

10 We are preparing to report our findings regarding the seismic vulnerability
11 of public schools and emergency facilities to the legislature and make the
12 database and report available to the public. Lewis summarized the final work
13 and data analysis and reviewed the project timeline with a PowerPoint
14 presentation. The agency is in the process of giving preliminary briefings to the
15 Department of Education and the Governor's Office. The report will be presented
16 to the Joint Committee on Emergency Preparedness and Ocean Policy on
17 Tuesday, May 22 at 3:00 in Hearing Room C. The agency is recommending that
18 there be a press conference immediately following the presentation to discuss
19 the results.

20 The preliminary draft report is being compiled by Lewis, and will be
21 reviewed by others over the next couple of weeks. McConnell pointed out that

22 we were tasked by the legislature to do this assessment (SB 2, 2005). Senate
23 Bill 3, 2005 authorizes the Office of Emergency Management to administer and
24 create this seismic needs grant committee, which has not yet been formed. That
25 committee will design the grant program and would ask for bonds to be let. They
26 will be developing the grant program from scratch. Both the Senate President's
27 office and the Governor's Office are very interested in this, so we are hopeful that
28 there will be a good unified message from them that will let interested parties
29 know that the program will be developed. There will be some lag time between
30 the release of the report and when the committee will be formed.

31 Macnab wondered if DOGAMI will be the lead agency for fielding
32 questions about the report. McConnell said we are developing a public relations
33 strategy with guidance from the Governor's Office on how to design the unified
34 message. McConnell noted that the agency is under constraints, in that we don't
35 want anyone getting the information before anyone else, and want to be fair
36 across the board and not feel like we are leaking information.

37 McConnell asked for a volunteer reviewer from the Board, who is also
38 willing to attend the hearing on the 22nd. Haagensen volunteered to both review
39 the report and attend the committee hearing.

40 Commissioner Tallman wanted to know if there will be a tie in with the
41 county and city level of emergency management, in light of the fact that Morrow
42 County is in the process of finishing a natural disaster hazardous mitigation plan,
43 coordinated with FEMA and the University of Oregon. McConnell said that at a
44 county and school district level, you can identify actions to mitigate risks, and
45 counties will be able to use the information from the seismic needs assessment
46 to help identify risks and thus improve their emergency preparedness and
47 response.

48
49 **(5) DOGAMI's Role in Groundwater Issues in Oregon:** (Mark Ferns, Eastern
50 Oregon Regional Geologist): ***Information Item***

51 Presentation on Geologic Basin Studies around Oregon – DOGAMI staff
52 have developed several geologic maps with the focus on improving knowledge of
53 groundwater availability and sustainability in watershed basins around the state.
54 Ferns presented an overview of major studies, showing that each of the
55 watershed basins in the state is unique.

56 Sam Nobles commented that of about 300 wells in his basin, he can only
57 use about 20% of them. Ferns said this is not uncommon.

58 McConnell noted that this presentation was a training exercise for the
59 Board.

60
61 **(6) Break**

62
63 **(7) Invited Guest Presentation:**

64 **a. Morrow County Highlights** (Judge Tallman, Morrow County
65 Commissioner): ***Information item***

66 Judge Tallman showed some of the economic and tourism highlights of
67 Morrow County, including the County Courthouse, Big Horn Sheep, the Marina,
68 and the new 6200 acre park in Morrow County.

69

70 **(8) Report of the State Geologist:** (Vicki McConnell, State Geologist)

71 a. State of the Agency: **Information Item**

72 **Primary project grants and/or grant approvals:**

- 73 • We finally received our StateMap 2007 grant award of \$220,834. This
- 74 represents 74% of our grant request. We ranked 11th in states total
- 75 awards behind AK, CA, CO, ID, IL, KY, NM, SC, UT, and WA. Note the
- 76 program continues to be under funded and over requested.
- 77 • The NANOOS pre-proposal to NOAA for funds to continue the program
- 78 and that include increasing shoreline monitoring over the next 3 years was
- 79 approved and NANOOS has submitted a full grant proposal for funding.
- 80 • We continue discussion with USGS and NEHRP to extend the Portland
- 81 Earthquake Hazards Mapping project for another 5 years.

82 **Primary projects milestones:**

- 83 • Wrapping up Pre-Disaster Mitigation planning work with Morrow and
- 84 Umatilla Counties. Our contributions included assistance with hazard
- 85 mapping and conducting a seismic risk analysis. We congratulate the
- 86 counties for their proactive hazard planning and they were a pleasure to
- 87 work with including submitting support letters for the Agency during the
- 88 Ways and Means subcommittee hearings.
- 89 • Our LIDAR contractor has collected approximately one-half of the 2100
- 90 square miles of LIDAR data scheduled for this year.
- 91 • We have closed out the Klamath Basin Compilation project with a
- 92 deliverable.
- 93 • We have closed out the PSU Pre-Disaster Mitigation building grant. Final
- 94 grant totaled \$3.789 million, our part was \$175,500.

95 **Other:**

- 96 • Testifying at Joint Committee on Emergency Preparedness and Ocean
- 97 Policy – McConnell
- 98 • Testifying at House Committee on Agriculture and Natural Resources –
- 99 McConnell and Lynch
- 100 • Testifying at the Senate Committee on Energy and the Environment -
- 101 Lynch
- 102 • Landslide Symposium held April 26th to a record crowd of approximately
- 103 120 participants.
- 104 • Agency has adopted a new Affirmative Action Plan.
- 105 • GS&S staff met with USGS, Washington State Survey, Idaho State
- 106 Survey, and PSU Geology staff to discuss how to implement a regional-
- 107 wide web-based interactive geologic map. The demo project is going
- 108 forward with USGS and WA funds, data from the three states, and the
- 109 open source software that we use for our interactive geologic map.
- 110 • McConnell participated in the Northwest Earth Hazards Initiative
- 111 Workshop sponsored by University of Washington and USGS, April 26
- 112 and 27.

113 **Publications and Databases completed or near completion:**

114 Geothermal Cascadia almost out the door.

115 **Agency Synergy**

116 MLRR reclamationists can now overlay landslide hazard maps on
117 aggregate sites. New sites are automatically evaluated for landslide hazard as
118 per our publications. We are still catching up on existing sites.

119 **Congressional Bills tracked:**

120 Reauthorization of National Cooperative Geologic Mapping Program
121 (StateMap) – Has been reintroduced and no movement.
122 Ice Aged Floods Bills have been reintroduced.

123 Two bills have been introduced to task USGS with assessing the
124 geological storage capacity for CO₂. Committee hearings on the Senate side in
125 the Committee on Energy and Natural Resource have taken place.

126 **Natural Resource Policy Issues Briefing**

- 127 ■ OWRD Oregon Water Supply and Conservation Initiative has been
128 passed through the OWRD budget.
- 129 ■ Renewable Energy Initiative and geothermal – Governor's renewable
130 energy legislations are doing well including the Renewable Energy
131 Portfolio Standard.
- 132 ■ Aggregate resource economics and drivers white paper is still being
133 revised by GNRO staff
- 134 ■ DOGAMI management is scheduled to brief the Governor's Chiefs of Staff
135 on the Seismic Need Assessment Report on May 3rd.

136

137 b. Agency Strategic Plan draft timeline and process: **Action Item**

138 McConnell thanked Steve Macnab for his research on this process.

139

140 The Agency's present Strategic Plan expires in 2009. At the February
141 2007 Governing Board meeting the State Geologist suggested that the Board
142 and the Agency should start now to devise the new plan or revise the existing
143 plan. The Board made several excellent suggestions as to how the process
144 should occur and what their role would be. Since that meeting the Agency
145 management and section leaders have discussed options for beginning the
146 process for the new strategic plan.

147

148 Staff recommends that the following actions should be approved and acted upon:

149

- 150 1. Governing Board select 2 members of the Board to represent the Board
on the Strategic Plan Task Group
- 151 2. Schedule a retreat for developing mission and vision concepts.
152 Participants should be agency management, section leaders, and
153 Governing Board representatives. This should occur immediately after the
154 close of the 74th Legislative Assembly. Agency will have internal
155 discussions between now and July 2007.
- 156 3. Strategic Plan Task Group would report back to Governing Board at next
157 full meeting for open discussion and prioritization of mission and vision
158 concepts.
- 159 4. Strategic Plan Task Group will package the mission and vision concepts in
160 preparation for several town hall meetings for stakeholders and general

- 161 public. This should occur in concert with Governing Board meetings and
162 discussions regarding 2009-2011 budget requests.
- 163 5. Strategic Plan Task Group revises mission and vision concepts to reflect
164 stakeholder input and reports back to the Governing Board by second
165 meeting in 2008. Specific goals and objectives and projects should be
166 identified by now.
 - 167 6. Strategic Plan Task Group compiles a draft plan for review, circulates to
168 identified stakeholders, and Governing Board for comments.
 - 169 7. Governing Board adopts final plan in late 2008 (last Board meeting) for
170 implementation beginning in 2009.

171
172 Once the timeline and process has been adopted, the Strategic Plan Task Group
173 will report back to the Board at every meeting. Other interim reports will likely be
174 necessary.

175
176 Haagensen wants to ensure that the task group would maximize input
177 back to the other 3 members of the Board. McConnell stressed that the task
178 group's main job is to take the information and package it in a way that it will be
179 ready for stakeholders and general public, and to draft the final report as well. To
180 that end, James Roddey would be in the group.

181
182 McConnell advocates that the retreat occur before the next Board
183 meeting.

184
185 Knudsen clarified that anytime 3 or more members of the Board meet that
186 it is covered by the Public Meetings Law and the Executive Session would not
187 apply here. He also noted that any drafts will be public documents, so anything
188 written needs to be sent to Carol DuVernois, instead of to the other members of
189 the Board. She will then pass along information to the Board.

190
191 Haagensen suggested that the Board look closely at the draft timeline and
192 make any revisions, either orally or in written form.

193
194 **Motion:** Vars moved to follow staff recommendations in Agenda Item 8b be
195 adopted with refinements as discussed. Seconded by Simonton. Motion carried.

196
197 **(9) Budget and Legislation Update:**

198
199 a. **Legislative Briefing: Update Item**

200 McConnell passed along regrets from Senator Nelson and Representative
201 Smith, who were both invited to the meeting. Larry Givens also expressed
202 regrets sent by Representative Smith's wife.

- 203
204 1. *HB 5514 – Agency Budget Bill* – passed both houses, Governor's
205 signature pending (signed 5/7/07). McConnell wanted to note that when
206 the bill got to the House side, the vote was very close, with 31 ayes and

207 27 nays, with impassioned discussions by Representatives Boquist,
208 Boone, and several others. They were saying that the LIDAR package
209 should not have been taken out of the bill and the agency is continually
210 under funded. So the nay votes were saying that there was not enough
211 money in the budget.

212 McConnell noted the budget is flat from last biennium, with little change
213 in the funding. LIDAR was taken out of the bill, but may be considered
214 at a later date using alternate funding sources. Federal limitation for
215 MLRR went down a little.

216 KPM 4, on how we determine if we are getting our hazards and
217 mitigation information available to the public has been difficult to
218 quantify.

219 2. *SB 149 – MLRR Enforcement Bill.* Lynch said that both SB 149 and HB
220 3188 have changed chambers and are both well on their way to
221 passage.

222 3. *HB 3188 – Oil & Gas Bill.* McConnell reminded the Board that they
223 would convene by teleconference upon the passage of this bill to
224 prepare for temporary rule making. **Action Item**

225 4. *HB 2924 – Seafloor Mapping Act. (Not our bill, but we are involved.)*
226 Bathymetry of the territorial sea. We have been tasked to administer this
227 program so we can include what we need for the acceleration of the
228 Tsunami Inundation Mapping program. Completion would take place
229 over 3 summers. Macnab asked if this bill replaces part of the
230 acceleration of the Tsunami Inundation mapping. McConnell said we
231 are tacking our part on to the bathymetry, \$1.3 million, covering data
232 collection, some staff, and some tsunami inundation modeling.

233 5. *SB 1038 – Oregon Coast Safe Communities Act.* The agency is not
234 supportive of in the way it is now written because there will be a large
235 fiscal impact on the agency, without any appropriations. So this bill will
236 get a courtesy hearing, but we don't expect it to go anywhere.

237 6. *Other*

238

239 Seymour asked about HB 2564, mandating that Oregon Water Resources
240 require all water users to measure the amount of water withdrawn or stored.
241 McConnell said that it is a very controversial bill, there would be a huge fiscal
242 impact for Water Resources, and the bill should be quite different in its final form.

243

244 **Motion:** Seymour moved that the Board authorize the agency staff to begin the
245 process of temporary rulemaking for HB 3188, specifically focused on the fee
246 provisions, which will be considered and adopted during a teleconference
247 meeting. Vars seconded the motion. Motion Carried.

248

249 **(10) Regulatory Issues: Update Item**

250 Lynch summarized operational and enforcement activities for surface
251 mining and oil and gas regulatory programs. The Governor's Office is preparing
252 a white paper in a macro level analysis of aggregate production, in the context of

253 how you balance a long term affordable supply of aggregate with farm land and
254 infrastructure issues, as well as fish issues. It will address the issue of how to
255 supply aggregate in an economically, socially, and environmentally acceptable
256 way. A draft will be delivered this week to federal agencies. We will distribute
257 that to the Board when we get it.

258 The Agency wants to propose doing a white paper specifically on the
259 Applegate region, led by Frank Schnitzer.

260 Lynch believes we may be seeing record levels of aggregate production
261 for the state this year.

262 McConnell noted that we have had our first geothermal well application in
263 quite some time.

264

265 **(11) Board Business**

266 a. Governing Board Briefing Book update: **Update Item**

267 We have updated the Briefing Book for the Board Members. Haagensen asked if
268 we included the summary he put together regarding our statutory authority.
269 McConnell said we would send that out to the Board. She also noted that new
270 Board members are required to attend the Governor's training on Boards and
271 Commissions. We will also make arrangements to give Mr. Vars an agency
272 orientation.

273 b. Adoption of Governing Board Performance Measures: **Action Item**

274 McConnell reminded the Board of the workshops and discussions they have had
275 on this topic and briefed them on the Best Practices Criteria, the Performance
276 Measures, and what the revised draft process would be for measuring the
277 Board's performance based on the input from the Board. Staff recommends that
278 the Board adopt the draft process as the Performance Criteria and Measurement,
279 one part specifically for the Performance Measures 1 & 2, A Standardized
280 Process for Director Recruitment. McConnell summarized the process in an
281 outline for any future recruitment, which she also suggests be adopted.
282 Macnab suggested that the Board amend PM 11 to read "Board delegates
283 contract **approval authority** [obligations] to Agency Director & Agency Director
284 reports on contracts and projects to Board."

285 c. Ratify Existing Authorities to State Geologist: **Action Item**

286 McConnell asked for 3 actions:

287 1. Adopt Director Recruitment Plan

288 Haagensen had one suggestion for the Director Recruitment Plan, in item IV A,
289 "Appointment Decision" should be amended to say "Appointment Discussion"
290 and B should say "Appointment Decision and Announcement" since that must be
291 done in a public meeting.

292 2. Adopt Best Practices Key Performance Measures

293 **Motion:** Seymour moved to approve the Best Practices Key Performance
294 Measures for the Governing Board of the Oregon Department of Geology &
295 Mineral Industries and the Director Recruitment Plan with amendments as
296 discussed. Macnab seconded. Motion passed.

297

298 3. Ratify Existing Authorities to State Geologist.

299 According to Knudsen, no formal order is required, and this is more of a
300 housekeeping effort. Macnab and Haagensen suggested making it a formal
301 document. Knudsen will prepare a delegation log and circulate it before a
302 determination is made on this Agenda Item. Motion was postponed to a later
303 date.

304 d. Adoption of Final Order Sundance Rock Contested Case: **Action Item**
305 Knudsen first ensured there were no ex parte contacts or conflicts of
306 interest, and to inform Mr. Vars that he should abstain, being unfamiliar with the
307 Order. He then gave background details on the Contested Case. He then asked
308 the Board if they wanted to accept the Proposed Order or make changes to it.
309 DOGAMI recommended they finalize the Proposed Order. Knudsen will then
310 prepare a short document reciting that the Board heard the background at this
311 meeting and decided to accept the Administrative Law Judge's Proposed Order.
312 There is a possibility that Sundance will choose to challenge the Proposed Order,
313 but the risk is low. Haagensen recommended taking action and not delegating
314 responsibility or leaving the Proposed Order in limbo.

315
316 **Motion:** Macnab moved that the Board accept the ALJ's Proposed Order, dated
317 11/17/2006. Seymour seconded the motion. No further discussion. Vars
318 abstained. Motion carried.

319
320 Knudsen will prepare an Order for the Chair's signature.

321
322 **(12) Setting of time and place of next Board meeting: Action Item**

323 The next Board meeting will be held in Klamath Falls, on September 4th,
324 5th and 6th.

325
326 **(13) Additional Public Comment:**

327 Larry Givens and Terry Tallman thanked the Board for having the meeting
328 in their area.

329
330 **(14) Adjourn:**

331 Meeting was adjourned at 12:10 pm.

332
333 **Action List: (in no order of priority)**

- 334 1. McConnell has spoken with Jim Azumano, Director of the Office of Rural
335 Policy and verbally invited him to the next Governing Board meeting. She
336 will follow-up with a formal written invitation. (Complete, will attend)
- 337 2. Strategic Plan retreat: Choose 2 members of the Board and select staff to
338 comprise Task Group. Once HB 3188 passes, decide when to have
339 teleconference about temporary rulemaking and to discuss Strategic Plan
340 (Meeting set for August 3rd, Silverfalls Conference Center)
- 341 3. Lynch will Draft temporary rules for HB 3188 prior to the bill's passage. (no
342 longer applicable)
- 343 4. White Paper from the Governor's Office will be distributed to the Board
344 when we receive it. (Complete)

- 345 5. We will send out a summary of the Board's Statutory Authority to the
346 Board members. (Complete)
347 6. Arrange an agency orientation for Mr. Vars (and Mr. Macnab), and notify
348 him of the next training opportunity. (Complete)
349 7. Board Key Performance data will be submitted to Don Lewis at the next
350 Board Meeting. (Worksheet distributed July 30, 2007)
351 8. Amend PM 11 to read "Board delegates contract **approval authority**
352 [obligations] to Agency Director & Agency Director reports on contracts
353 and projects to Board." (Complete)
354 9. Knudsen will prepare a Delegation Log, per discussion of Agenda Item
355 11c.
356 10. Simonton's tenure will expire in October, so the Board will make
357 recommendations for recruitment. (Chair & McConnell, in progress)
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359 APPROVED:

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363 _____
Don Haagensen, Chair

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367 _____
Barbara Seymour

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370

371 _____
Charles Vars

Steve Macnab, Vice Chair

Vera Simonton