

**GOVERNING BOARD MEETING MINUTES  
OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES**

Monday, December 5, 2016

8:30 a.m.

*Portland, Oregon*

**1) Call to Order:** (Lisa Phipps, Board Chair)

Chair Lisa Phipps called the meeting to order at 8:32 a.m.

**2) Introductions:** (Lisa Phipps, Board Chair and staff)

Chair Phipps, Vice Chair Laura Maffei, and Board Members Scott Ashford and Katie Jeremiah were in attendance. Dennis Luke was not in attendance.

Department of Geology and Mineral Industries (DOGAMI) Staff in attendance:

Brad Avy, Director/State Geologist

Lori Calarruda, Recording Secretary/Executive Assistant

Holly Mercer, Assistant Director of Geological Survey and Services (GS&S)

Kim Riddell, Chief Financial Officer (CFO)

Ali Ryan Hansen, Communications Director

Bob Houston, Metallic Ore Geologist/Rules Coordinator

Ian Madin, Chief Scientist/Deputy Director

Jed Roberts, Geologic Survey & Services Manager

Bill Burns, Geologist/Natural Hazards Section Supervisor

Others in attendance:

Diane Lloyd, Department of Justice (DOJ)

Mike Harryman, State Resilience Officer/Governor's Office

Bob Short, OCAPA/Robert Short & Associates

Michael Wagy, OCAPA/CALPORTLAND

Todd Baker, Baker Rock Resources

1 **3) Review Minutes of September 26, 2016:**

2 Phipps asked if there were any changes to the minutes as presented. No changes.

3

4 Board Action: **Ashford moved to approve the minutes of September 26, 2016 as submitted.**

5 **Jeremiah seconded. Motion carried.**

6

7 **4) Financial Report:**

8 Kim Riddell, Chief Financial Officer, presented the budget status report as of October 31, 2016.

9 Riddell stated the Governor's budget came out on Thursday morning and is favorable for DOGAMI  
10 but still needs to be approved through the legislative process.

11

12 The packet contained the budget report, the grants/projects list and a Frequently Asked Questions  
13 (FAQ) sheet. As of October close, the agency is projected to carry forward a positive balance: GS&S  
14 \$1.2 million and MLRR \$340,000. The MLRR balance is due to current vacant positions not being  
15 filled. Riddell said the average monthly cost for MLRR is \$120,000 and a 3-month carry-forward  
16 balance is preferred for stability. Because Federal Funds are reimbursable (money is spent first), the  
17 federal fund balance will always show as negative until the close of the biennium. General Fund will  
18 be spent by the end of the biennium. Riddell said she will correct the error in the MLRR indirects line  
19 item.  
20

21 Board Action: **Maffei moved to accept the Budget Status Report as presented. Ashford seconded.**  
22 **Motion carried.**  
23

24 Update to the Board on the Secretary of State (SOS) and FEMA financial audits.  
25

26 Riddell said the SOS audit report was published and came back with no issues or findings that are of  
27 major concern for the Agency. The Agency was fully aware of the items noted and are currently  
28 working on the recommendations. Phipps asked how the Agency follows up on the outstanding  
29 recommendations. Riddell said she will send a response to the SOS as the recommendations are  
30 completed. Riddell also stated that she sent the audit reports to all of the Agency's federal funders  
31 to keep them informed.  
32

### 33 5) **Director's Report:**

34 Director Avy presented the Director's Report on the following:  
35

#### 36 **Status of Leadership Development Initiative:**

37 Avy handed out a revised organizational chart reflecting recent changes. The Agency has filled the  
38 leadership positions with Jed Roberts as the GS&S manager and both Bill Burns and  
39 Jason McClaughry as supervisors. The new structure was officially implemented on December 1,  
40 2016. Avy stated management presented the organizational chart as a preliminary draft at an All  
41 Staff meeting requesting feedback and said there seems to be real interest in the changes, which  
42 includes staff being engaged along the way.

43 The managers, supervisors and MLRR leads have signed up for supervisory training.  
44 Jason McClaughry is an offsite manager located in Baker City. Being offsite will require management  
45 to ensure the arrangement works for staff. Ashford asked what Avy's plan is to provide feedback to  
46 them from staff. Ashford suggested a check-in point with staff at three months. Avy said they are  
47 committed to implementing annual evaluations but with constant feedback along the way. Avy's  
48 focus is on both evaluations and mentoring to develop capacity and leadership abilities and to work  
49 with and be transparent with staff. Avy stated Roberts did a great job outlining items that need to be  
50 addressed internally and he sensed support from staff and managers on the direction the Agency is  
51 heading. Phipps said she thinks it is a great opportunity for staff.  
52

#### 53 **Calico Update:**

54 Avy stated there was a recent Calico meeting at the Portland office and asked Bob Houston to  
55 provide an update on activities since the last Board meeting.

56 Bob Houston said DOGAMI approved Calico to move forward with 29 holes of a core drilling program.  
57 Going forward they are currently reviewing a deep water well program that will drill 5 wells into the

58 deposit to monitor the ground water and to collect baseline data. Houston said in January DOGAMI  
59 is expecting an amended Notice of Intent to expand the project boundary. Ashford asked if DOGAMI  
60 monitors the ground water. Houston replied there is a third party hydraulic team that collects data  
61 and submits it to the technical review team that is composed of several different natural resource  
62 agency leads, primarily Water Resources, DEQ and DOGAMI. Jeremiah asked if the core drilling  
63 program and ground water monitoring is applicable to their anticipated expansion. Houston  
64 answered the intent is to collect baseline data that will feed into the overall application. Houston  
65 stated the expansion is to provide more room for the processing facility.  
66

67 MLRR Update:

68 Avy said since the last board meeting MLRR has been in a period of transition with Holly Mercer  
69 handing over issues and topics to Ian Madin and asked Madin to provide an overview to the Board.  
70 Madin stated he has been working with Mercer on a transition plan. The staff is doing heroic work  
71 with missing staff. He said Mercer had them focus on items that were backlogged to improve  
72 consistency, customer service and follow through. Staff is focusing on permit applications and  
73 compliance issues by getting outstanding notices of violations cleaned up. The long-term goal is to  
74 take a comprehensive look at the entire operation and decided if there are better ways of doing the  
75 processes and organizing the staff. One idea is to do a streamline process which includes revising the  
76 permit application by using a PDF based form and separating out the specialty forms.  
77

78 Madin said staff is working to get the new applicants to come in for a pre-application meeting to go  
79 over what is required. Madin said another idea is to get the applicants together with other outside  
80 agencies they would deal with later in the process at the beginning of the process instead. Ashford  
81 asked if the Agency will be circulating the information to other agencies to review. Madin answered  
82 yes, they would be getting feedback on it. Ashford asked when the permitting backlog will be done  
83 and Madin stated by the next meeting. Madin said the permit application is good for a year and the  
84 goal is to get them through the process in that time. Phipps asked where the new position would fit  
85 in and Madin stated as a Natural Resource Specialist 2 (NRS 2) and would like to hold off on the NRS 4  
86 until after they have gone through the review process. Phipps asked if the pre-application meeting  
87 will be required and Madin said he was not sure if DOGAMI could require it without a rule change.  
88 Maffei asked if there is another area suffering a backlog to take care of the permit backlog. Madin  
89 said yes it is the field inspections and mentioned the KPM should be reviewed in the future to  
90 address it. Jeremiah said in her experience that the pre-application meeting is valuable and worth it,  
91 but is not a fan of making it a requirement.  
92

93 December Emergency Board:

94 Avy stated DOGAMI has a request into the Emergency Board for retroactive approval to apply for a  
95 \$162,000 USGS grant to conduct lidar to be leveraged with other parties. DOGAMI will be reporting  
96 out during the regular session on DOGAMI's overall progress on financial and accounting  
97 improvements, procedures and policies.  
98

99 Registered Geologist Requirements Update:

100 Avy said there was a meeting with DOGAMI registered geologists and OSBGE. There are nuances  
101 between private industry and agencies and the Board is looking at providing guidance on how  
102 agencies can meet the requirements of statute and regulation. Maffei asked for an example of the

103 requirements. Avy said mostly it is the stamping and signing of documents and when documents are  
104 no longer considered draft.

105

106 Avy stated that one of the conditions of his continued employment, per his offer letter, was that he  
107 obtain Oregon registration as a geologist. As of last week he is officially licensed as a registered  
108 geologist. The Board congratulated him on passing the exam.

109

110 Phipps stated that over the next few months the Board will be receiving the paperwork to complete  
111 Avy's annual evaluation at the March meeting.

112

113 Briefing: **No Board Action Required.**

114

115 **6) Public Comment:**

116 Phipps asked for public comment.

117

118 Comment of Todd Baker: Baker said the pre-application meeting is a good idea. He commented on  
119 the application process stating that when it is sent out for comment from other agencies there is no  
120 statutory requirement as to the length of when they need to have them back. This is something the  
121 staff has no control over. Ashford asked it is transparent as to where the holdup is and Baker said yes  
122 staff informs them.

123

124 **7) Public Involvement Plan – Updating the Tsunami Regulatory Line:**

125 Ali Hansen, Communications Director, discussed the public involvement plan for a potential change  
126 to the tsunami regulatory line. The public involvement overview shows the current status and  
127 proposed timeline. Feedback from the community will help inform, along with science that has been  
128 provided by our staff and a technical advisory committee, which line is proposed during the  
129 rulemaking process.

130

131 It is important to hear from coastal communities about how a new line may impact places and things  
132 they care about. The plan is specifically designed to listen to what people are saying and make sure  
133 the Agency is getting the best feedback for the Board.

134

135 Jeremiah asked where does DOJ come in and start advising DOGAMI on the risks of claims. Hansen  
136 stated they have consulted extensively with Diane Lloyd [AAG] to date and she has reviewed the  
137 engagement plan. Ashford asked about the police and fire representing loss of life and Hansen  
138 replied it is both preventing loss of life through effective evacuation and follow on response and  
139 recovery with the help of these critical facilities. Phipps said she thought the wording should reflect  
140 what Hansen just stated so it is clear. Phipps said the one party left out is the Tribes and Hansen said  
141 it is in later versions and was corrected after the packet went out.

142

143 Avy asked Hansen to provide some background on Pat Corcoran's role. Hansen said Pat's role is to  
144 help ensure DOGAMI gets folks to the table and provide checks and balances for her to make sure  
145 the conversations are connective, open, and participatory to collect the best possible information.

146

147 Avy asked Mike Harryman, the State Resilience Officer, to speak to his part in this process. Harryman  
148 said he will attend as many of the meetings along the coast as he can to talk about connecting with  
149 state and local jurisdictions. One of his focuses is on mass care and mass displacement with partner

150 agencies and NGOs, mainly Department of Human Services, Oregon Food Bank, American Red Cross  
151 and recommendations from the Oregon Seismic Safety Policy Advisory Commission (OSSPAC) that tie  
152 back to the Oregon Resiliency Plan. Harryman said CMS is the overseer of Medicare and Medicaid  
153 and they just updated a rule that requires all medical providers and suppliers that receive Medicare  
154 and/or Medicaid funding to do preparedness planning, training and risk assessments. They have one  
155 year to get ready for this new rule that goes in effect November 2017. Ashford asked for clarification  
156 on the type of facilities. Harryman said they include long-term care centers, ambulatory surgery  
157 centers, urgent care facilities, pharmaceutical world, etc. The Oregon Health Authority signed mutual  
158 aid agreements with three of the five big box stores for doing pharmaceutical emergency  
159 preparedness planning so that communities/counties can then sign in on this and then work directly  
160 with those local pharmacies so when they are cut off or isolated they will have pharmaceutical  
161 support pretty close to their whereabouts. Just think of it as anything to do with the healthcare  
162 industry and there is a Medicare dollar, there will be strings attached now in the world of emergency  
163 preparedness.

164  
165 Maffei asked when this will come back to the Board for the start of rulemaking. Hansen said at the  
166 June Board meeting. Ashford asked if there is a financial obligation for Pat Corcoran and Hansen said  
167 they are looking at working out a plan to cover expenses. Avy asked Hansen to describe the planned  
168 meetings. Hansen said DOGAMI is focusing on more direct engagement to ensure complete  
169 understanding of the process through targeted outreach. Ashford asked if there will be public  
170 meetings and Hansen said that will depend on information gathered since public meetings would be  
171 the last phase. Ashford said the public tends to want to be heard and part of the process. Hansen  
172 said this information will be posted online and available to the public.

173  
174 Hansen handed out materials to reflect potential changes. Phipps asked if the lavender is the  
175 suggested area and Hansen confirmed. Hansen stated that larger size maps will be handed out at  
176 meetings if internet is not available. Jeremiah asked if individuals will be notified of the changes and  
177 Hansen replied no. Ashford said that staff at OSU has created a program called O-HELP that might be  
178 able to help with an interactive map.

179  
180 Board Action: **Maffei moved to approve the Public Involvement Plan – Updating the Tsunami**  
181 **Regulatory Line as presented and have the staff move forward with it. Ashford seconded. Motion**  
182 **carried.**

183  
184 **8) Public Comment:**

185 Phipps asked for public comment.

186  
187 Comment of Bob Short: Short asked how the senior assisted living would be considered in this plan.  
188 Phipps asked Harryman if that would fall under medical facilities with 50 or more residents or where  
189 that would fall depending on the size of the facility. Group discussion followed. [Local building code  
190 officials would determine whether new assisted living facilities would be subjected to development  
191 restrictions.]

192  
193 **9) Board Acknowledgement:**

194 Phipps presented a plaque from the Board to Holly Mercer for her work and efforts to bring the  
195 Agency forward. Maffei thanked Holly for her work.

196

197 The plaque reads: Presented on behalf of the Department of Geology and Mineral Industries and its  
198 Governing Board – In recognition of Holly Mercer's leadership, calm nature, and sense of humor in  
199 helping lead the Department through a challenging time.  
200

201 Mercer said she was looking for a challenge a year and a half ago and found it. She said the staff is  
202 incredible and they always work hard. It has been a challenge and fun. Avy stated that it has been a  
203 joy to work with Holly and her insight has been key to making the progress that has been made.  
204

205 Briefing: **No Board Action Required.**  
206

207 **10) Confirm Time and Date for next Meeting:**

208 Phipps confirmed next Board meeting for Monday, March 13, 2017 in the Portland Office.  
209

210 **11) Board Adjourn:**

211 At the conclusion of the public comment period, Chair Phipps adjourned the meeting at 9:57 a.m.  
212

213 APPROVED

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216  
217 \_\_\_\_\_  
218 Lisa Phipps, Chair