

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

Friday, May 23, 2025

12:45 p.m.

Hybrid Teleconference Public Meeting

1) Call to Order: (Linda Kozlowski, Board Chair)

Chair Kozlowski called the meeting to order at 12:51 p.m.

2) Introductions: (Linda Kozlowski, Board Chair and Staff)

Chair Linda Kozlowski, Vice-Chair Anne MacDonald, and Board Members Diane Teeman, Tiffany Thomas, and Ruth Dittrich were all in attendance.

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

Ruarri Day-Stirrat, Director/State Geologist

Sarah Lewis, MLRR Program Manager

Lori Calarruda, Recording Secretary/Executive Assistant

Alex Lopez, Public Affairs Coordinator

Steve Dahlberg, Chief Financial Officer (CFO)

Jason McClaughry, Interim GS&S Program Manager

Cari Buchner, Mining Compliance Coordinator

Laura Gabel, KPM Coordinator and Coastal Field Geologist

Christina Appleby, Legislative Coordinator and Geologist

Others in attendance:

Diane Lloyd, Department of Justice (DOJ)

Nathan Karman, Department of Justice (DOJ)

Peggy Lynch – League of Women Voters

3) Civil Penalties:

Sarah Lewis, MLRR Program Manager, and Cari Buchner, Mining Compliance Coordinator presented the Civil Penalties.

Lewis provided an update on the Ekroth Quarry, a Civil Penalty case for Mining Without a Permit and Trespass that has been going on since 2022. She briefly reviewed the case details. The Board approved a Civil Penalty in December of 2022 and in September of 2023 the respondent requested a Contested Case that DOJ facilitated a referral to the Office of Administrative Hearings. There was no interest in negotiation around the Civil Penalty. The hearing was held in July and August of 2024, and the Administrative Law Judge issued a Proposed Order in March of 2025. The respondent has not filed any exceptions to the Proposed Order; therefore, the Program is asking for approval to issue the Final Order. In the Final Order, the Administrative Law Judge upheld all nine assertions of the Department with no exceptions. Those include: revoking of Operating Permit; liable for paying Civil Penalties \$426,000 in total civil penalties; requirement that all surface impacts be reclaimed, including restoring the ODF property to stable condition that meets MLRR requirements, and this

16 must complete within 1 year after issuance of the Final Order. This is a very important milestone as it
17 sets case law to some extent, and the Program's authority to be assessing Civil Penalties for these
18 types of egregious violations. Lewis requested the Governing Board approve the Department's
19 issuance of Final Order in the form she provided as Exhibit 1, which adopts and incorporates the
20 Administrative Law Judge Proposed Order as Final Order.

21
22 Chair Kozlowski asked if there has been any communication with the respondent. Karman answered
23 he received contact from opposing counsel exploring if there is still a possibility of settlement. He
24 replied back to them that it is late in the game, but did not foreclose that as an option and the
25 Department intended to move forward with the Final Order process. Even with the Final Order, if it
26 makes sense, some settlement discussions could take place.

27
28 Thomas asked if a reclamation plan had been submitted. Buchner said different versions have been
29 submitted, but only about half of one has been approved, as the consultant who wrote the plan is no
30 longer working with the respondent; a new consultant has been introduced they hope will be able to
31 finish what was started. Thomas asked what the scope of the plan is. Buchner replied reclamation of
32 Ekroth Quarry, and laying the sloping back to meet minimum standards onto the Department of
33 Forestry (ODF) property, making ODF whole.

34
35 Vice-chair MacDonald asked what ODF's role in approving the proposed reclamation for their parcel.
36 Buchner replied ODF has been very cooperative throughout this whole process and their mission is to
37 reduce the amount of additional impact that has to occur, protecting marbled murrelet habitat and
38 when that it occurs, and make sure their property is safe and stable. They want their property being
39 stable; habitat. Lewis added that ODF had participated in the Administrative Hearing and did provide
40 testimony, which was taken into account when the Proposed Order was issued.

41
42 Vice-Chair MacDonald asked the same question about the City of Garibaldi and if there were any
43 potential impacts to their watershed for water supply. Buchner said they had not had any contact
44 with the City of Garibaldi. There were suspected or potential impacts, but MLRR was not able to
45 actually document any impacts to the water supply specifically.

46
47 Thomas asked if the impact was more surficial reformation of the slope stability issue, and not a
48 water quality or contaminant concern. Buchner replied that was correct at this point. Karman added
49 that during the hearing, MLRR presented photo evidence of impacts to the creek, related to the
50 water supply, and Buchner testified to the condition of it when she was there inspecting it, but did
51 not separately track down whether it had impacted the water supply for the city.

52
53 Dittrich asked about the Final Order creating case law and if Lewis could contextualize it. Lewis
54 replied that this is the second Civil Penalty for Mining Without a Permit the Program has
55 implemented and deferred how this impacts MLRR's regulatory practice going forward to DOJ. Lloyd
56 explained the Final Order, once it is issues, is a Final Order of the Board. There are findings of fact
57 and conclusions of law in that Order, so in future Administrative Hearings the Agency could site to
58 that opinion to the extent it was helpful. It would be precedent for the Agency and future hearings
59 and penalties.

60
61 Chair Kozlowski asked about the potential negotiations afterwards and what kind of flexibility
62 DOGAMI will have if this goes through the next steps. Lewis replied that after the Final Order is
63 issued, the respondent has to do the reclamation, and the Agency has some discretion on whether

the respondent does the work or the Program collects the full fees and does the reclamation on their behalf. Since the Board did approve the original amount of \$432,000 and a lower threshold amount, the Department would be able to reduce the Civil Penalty if the respondent were compliant and interested in taking care of the issue quickly. Lloyd added that depending on what was negotiated between the Department and petitioner, there may be a request to amend the ultimate conclusions of the Final Order, but the analysis the Judge did in finding there was Mining Without a Permit or finding the Department had authority to revoke the permit would remain in the Final Order and would not be amended.

Chair Kozlowski asked if this is the first time the Agency has gotten this far and if Lewis would talk to why this is important and why she is recommended the Board move forward. Lewis explained this is the next step in the process and if it stopped there would not be a Final Order and the Program would not be able to enforce the Proposed Order from the Judge. The Board has the authority to make it a Final Order, which allows MLRR to act and move forward. Lewis said the importance of the case encourages compliance of others when they see the Program has been successful with this particular case, as well as developing the toolbox MLRR needs to be able to do this more efficiently. Lloyd added that Civil Penalties acts as a deterrent in terms of regulated entities complying with the law and shows the Agency is willing to go through the process in these egregious cases. She explained this step is a level of formality, as the Board approved the Civil Penalties initially, but it is not clear in rules or statutes that it becomes final until the Board takes action.

Teeman asked if the Program has identified any opportunities to work collaboratively s with other agencies to identify and able to hold operators accountable in this way, and if the Board might consider this an opportunity to consider some type of rulemaking to make this process more streamlined. Chair Kozlowski asked Director Day-Stirrat if it could be considered. He replied they would need to evaluate the request and bring it back. Lewis answered Teeman's question by stating the Program does work closely with the other agencies involved, and that the Agency is very careful to only assess Civil Penalties for the portion of the violations it has authority for, there may additional penalties the permittee is assessed by other agencies.

Thomas asked about collecting fees for reclamation separately from the Civil Penalties. Lewis answered the Program could potentially collect the fees for reclamation separately from the Civil Penalties if the respondent does not want to manage it themselves or if the Agency is not comfortable with them managing it themselves. The Civil Penalty assessment is based only on the violations, and the cost of reclamation is separate, that is assessed as part of every permit. Each permit is required to hold a reclamation security or bond. In this case, the Program does not hold a reclamation security adequate to cover the reclamation, which is one of the violations in the Civil Penalty.

Chair Kozlowski commented on the excellent work on this by Lewis and staff. She remembers how strongly the Board felt about this penalty and that it is critical to carry this through.

Board Action: **MacDonald moved to approve the Department's issuance of the Final Order in the form attached as Exhibit 1, which adopts and incorporates Administrative Law Judge Rackstraw's Proposed Order as the Final Order In the Matter of George Jay Williamson. Teeman seconded. Yes Votes: Kozlowski; MacDonald; Teeman; Thomas; Dittrich. Motion carried.**

4) Clarification of Board KPMs:

Chair Kozlowski explained the Board has struggled with evaluating itself when going through the Board KPM, and not being clear on what they are evaluating. She asked Gabel to come today and walk the Board through its KPM questions to come to some consensus around what the terms mean.

Laura Gabel, KPM Coordinator and Coastal Field Geologist, provided a high level overview of the Agency's Key Performance Measures (KPMs). The Agency currently has 6 KPMs, three represent GS&S performance measures: mapping hazards; geologic mapping; Lidar collection. KPM 4 is MLRR's and assesses mine site inspections. KPM 5 is for Customer Service, in which a survey with basically the same questions is sent out separately to GS&S stakeholders and MLRR stakeholders. The last one is KPM 6, which is the governance one that assesses both the Director's performance, and the Board's relationship to the Agency and the Board's performance. The KPMs are reviewed annually and the period covers the fiscal year, which starts July 1 and ends June 30. These need to be submitted to the Department of Administrative Services (DAS) by October 1, so they will be reviewed and approved by the Board at the fall meeting in September.

Gabel said KPM 6 is specifically for the Board and there are 15 questions that are yes or no answers. The request is to go through each question to ensure everyone on the Board is seeing them the same way and in the same vein. The questions will not change, but notes will be taken to create a guidance document on questions that potentially have a way of being looked at in more than one way. She reviewed each question with the Board.

Question 1 – Executive Director's performance expectations are current: Vice-Chair MacDonald asked when the Board would change the Director's expectations. Chair Kozlowski said probably in the fall meeting because he is being evaluated for the past year during the June meeting.

Question 3 – The agency's mission and high-level goals are current and applicable: This is focused on the Strategic Plan. Chair Kozlowski asked when the review will happen. Day-Stirrat explained it would happen on an annual cycle to ensure that during the budget development process it allows for alignment between the Strategic Plan focus and then ultimately the budget.

Question 5 – The board is appropriately involved in review of agency's key communications: Day-Stirrat explained the different types of communications the Agency does, which does not typically come to the Board, but can confirm that should there be an issue of significance, the Board will be informed about the communication. Vice-Chair MacDonald asked if a formal designation should be determined for key communications. Teeman asked what does appropriately involved mean and if it would be appropriate to delegate the Chair to be the liaison to work with staff on key external communications that is not a publication. A lengthy discussion took place. Lopez explained some recent media requests. Day-Stirrat suggested what is being reactive as opposed to the Agency being proactive. It was agreed that staff would continue working on this and come back with a proposal of what are key communications.

Question 7 – The agency's policy option packages (POPs) are aligned with their mission and goals: Day-Stirrat explained this as part of the budget development process. Chair Kozlowski wants the process outlined so there is a description of how and when the POPs are presented to the Board and when they are submitted.

Question 10 – The board is appropriately accounting for resources: Chair Kozlowski asked Day-Stirrat what does that mean and what he would describe it. Day-Stirrat said there is a large spreadsheet in

the Board Packet with lots of line items, which is all the revenues and expenses in the Agency. The question is are the resources the Agency can spend externally being reviewed. Thomas said it is literally a measure of the actual accounting. Dahlberg added from a financial aspect, he considers resources as essentially the Agency's budget, which is made up of people and expenditures. Does the Agency have adequate staffing to do the job and enough to maintain operating expenses. Dahlberg will come up with a summary to be part of the guidance document. Day-Stirrat added that the Agency is meeting monthly with the Chief Financial Office (CFO) and Legislative Fiscal Office (LFO) for checks and balances. Vice-Chair MacDonald said to her Question 9 is saying does the Board physically look at the page, and Question 10 is does the Board think about what they are seeing. Chair Kozlowski said what the Board wants to be clear about, is the words in the future and there being some consistency with how the Members look it.

Question 11 – The agency adheres to accounting rules and other relevant financial controls: Day-Stirrat said because the Agency receives Federal funds, there is a potential audit process from the Federal Government. FEMA has done two desk audits in the last 5 years, the first passed with no findings at all, and in May 2024 they had one audit finding for about \$1,000 bill that was paid in January that should have been paid in December. Chair Kozlowski said the Board would like to know when there is an external audit.

Question 13 – The board coordinates with others where responsibilities and interest overlap: Chair Kozlowski asked who is others, the Board coordinates with whom. Vice-Chair MacDonald provided an example of a meeting in December for the Natural Resources Cabinet Department heads and boards. She would consider others as stakeholders, other State agencies, elected representatives. The Board decided to leave it open ended instead of trying to narrow down the list.

Question 14 – The board members identify and attend appropriate training sessions: Day-Stirrat said this is for the various necessary Workday trainings. Teeman asked for additional assistance for these notifications. It was decided the Recording Secretary will send Teeman a text message when training is available to take.

Gabel and Calarruda will come up with documentation to provide to the Board at the fall meeting. Board will review and approve the document at the next meeting.

5) Director and Staff Presentation:

Ruarri Day-Stirrat, Director & State Geologist, and Sarah Lewis, MLRR Program Manager provided an updated on the Strategic Plan and where the Agency is in its progress.

Day-Stirrat said agencies are being asked to update their Strategic Plans on a yearly basis. He advocated to hold the Strategic Plan as is, then provide a status update on what the Agency has accomplished over the past year. At that time come back to discuss whether any updates are necessary.

Lewis said the Agency responded to the Governor's Office request for an update on where the Agency is on its Strategic Plan, which was approved by the Board and adopted. The Agency has been diligently working toward implementing it. The Leadership Team identified five agency imperatives that actions have been organized under, and developed a list of strategic actions that fall under each of the categories. These are not included in the plan itself, but are behind the plan helping to inform

207 their actions. The Leadership Team is excited about this as a framework. Lewis reviewed the
208 progress report information on each of the imperatives and provided examples of the work being
209 completed.

210
211 Teeman mentioned that related to the Tribes and innovation on one of the slides, there are
212 opportunities to partner on things like internships with agencies, and that it is being done with
213 Federal agencies and some States.

214
215 A question was asked about what trusted resource refers to. Lewis answered is the Agency is to
216 serve as a trusted data-driven resources to State, Tribal, Federal, and local leaders on matters related
217 to geohazards, water, mineral resources, and future earth science related opportunities. Basically,
218 DOGAMI is the go to folks. Vice-Chair MacDonald said the trusted resource thing is undervalued and
219 very important. She thinks DOGAMI is in that position to be that trusted resource for a lot of State
220 data, and that trust often needs to be demonstrated by how the public sees the data, as much as
221 how it is shared with others in the professional community.

222
223 Chair Kozlowski asked for an example of where the Agency has had the best success related to
224 improve service. Lopez answered the transfer from the old website to the new website system,
225 which has State approved website templates that allows the Agency to piggyback on the work done
226 throughout the State enterprise to increase accessibility related to the American Disabilities Act
227 initiative from the Federal Government. Vice-Chair MacDonald also mentioned Lopez's posts on
228 social media about the new reports being published.

229
230 Lopez mentioned that more is being done with the Outreach Program than what had been done in
231 the past and provided a few examples. Chair Kozlowski asked if the Agency coordinates public
232 outreach with OEM. Lopez answered yes, the Agency has coordinated a decent bit with them. The
233 revamp of the outreach material resulted in the new Agency postcards that have been well received,
234 and part of the Expand Outreach imperative. For MLRR, one of the initiatives is ePermitting, which
235 Lewis believes will be completed within the next 2 years.

236
237 Day-Stirrat wrapped up by saying the Agency has made a lot of progress in a year, and there are
238 some things that still need to be worked on. He advocates to hold the Strategic Plan and keep going,
239 then come back in a year and make a reassessment.

240
241 Christina Appleby provided a brief update on the legislative action on water and the potential change
242 in the State Water Data Portal. Appleby said HB 3106 is a bill that creates and funds the Integrated
243 Water Data Team, that is made up of different natural resource agencies. The current iteration has
244 the team potentially led by DOGAMI. The Agency would be tasked with creating and maintaining an
245 online water data portal. The portal would display existing water data produced by State agencies,
246 and other publicly available data. It would be designed to increase the data availability, accessibility,
247 and usability in support of water and watershed planning and management at the basin or watershed
248 scale. If passed and signed, it would require DOGAMI to hire new staff to actually complete the
249 substantial body of work. Appleby explained the legislative process details that took place to get to
250 this point. It has been referred to Ways and Means and the Agency does not know if this particular
251 bill is going to move forward or not. Day-Stirrat added this came as a surprise to the Agency and is
252 not part of the Governor's Recommended Budget. DOGAMI does not have a water related
253 regulatory function and is a data driven agency, it would be a more neutral agency to handle it. It
254 would effectively be a new program and needs to be funded appropriately.

255
256 Thomas asked what the potential scope of it is, how inclusive of an effort, and how many head count.
257 Day-Stirrat said the scope is large, but the most important part is the fidelity of the data, so it would
258 only be clean QC data of the correct fidelity. It is a multi-year effort and the data should be digitally
259 available and interpretable. A full Fiscal Impact Statement has not been produced yet, but there has
260 been a robust conversation about what a fiscal impact would be submitted for the amount of FTE
261 needed.

262
263 Chair Kozlowski asked who would be the receiver of the information. Day-Stirrat answered literally
264 anyone who is interested in water, but specifically the intent of the Bipartisan Water Caucus is this is
265 for Oregonians to be able to go and find information. Teeman asked if this is related to the 100 year
266 water vision that was rolled out a few years ago. Day-Stirrat stated everything is related in some way
267 and discussed other states efforts to capture water data.

268
269 Ruarri Day-Stirrat, Director & State Geologist, presented on the Geologic Carbon Sequestration in
270 Oregon, that is a synthesis of three different presentations he has given in the past few months to
271 the State Land Board, House Committee on Climate, Energy and Water, the Senate, and the Senate
272 Committee on Energy and Environment. It relates to a Policy Option Package in DOGAMI's Budget,
273 and is also linked with a Policy Option Package in the Department of State Lands Budget.

274
275 Dittrich asked if it is known what the pore space capacity is. Day-Stirrat answered there is plenty of
276 pore space capacity, the limiting factor is money. Dittrich asked if the places are scalable or is there
277 no economies of scale yet. Day-Stirrat replied the first one is expensive, the tenth is premium. The
278 more it is done, the more infrastructure that goes in around it, the costs come down. Dittrich asked
279 about the point source for direct air capture. Day-Stirrat replied the point source is there and would
280 come first, and then direct air capture. There is other technology and potentially three sources.

281
282 Thomas asked with the other departments involved, considering the talk about injecting below the
283 drinking water aquifers, what is DEQs position on potential cross contamination of or influence on
284 the aquifer systems. Day-Stirrat said protection of groundwater is sacrosanct in the regulations, that
285 is the line in the sand. DEQ already primacy for two other classes of injection wells, Class 2 and Class
286 5 wells. Class VI would just be an addition to their portfolio of regulatory reporting. Their role is to
287 protect groundwater, DOGAMI's role would be around drilling and broader geology, and both
288 agencies with regulatory programs would work together to make sure there is no impact to
289 groundwater. UIC Class VI regulations are incredibly strict around the monitoring that has to occur
290 around the proof around injection pressure.

291
292 Thomas asked if the point source options are power plant, and in terms of the complicating
293 chemistry of those point source emissions, as it would pertain to the chemistry of what would
294 happen in the subsurface, be part of DOGAMI's assessment. Day-Stirrat answered no, that is
295 definitely in US DOE space, where they are working on understanding capture technology to make
296 sure they have a pure form of CO2 for injection. That is individuals tuned into individual facilities
297 around how that scrubbing occurs.

298
299 Vice-Chair MacDonald is interested in the kinetics of mineralization and how that varies by the
300 mineral source of the iron and anything else that would form a carbonate. She asked if this is
301 something one must think about only for iron oxides, or are you going to get into other mafic
302 minerals, and if so, how does one do that kinetically. Day-Stirrat said this goes back to the UIC Class

303 VI regulations, where you have to prove that subsurface is disconnected from the shallow system, via
304 whatever mechanism possible. The second part is the water chemistry, and the Class VI regulations
305 describe something that is non-potable. It is definitively a brine that does not have a human or
306 agricultural use. So it must be proven via seismic and other mechanisms that there is no connection
307 from that injection well to aquifers for drinking. A lengthy discussion took place.
308

309 Thomas asked from the accessibility perspective, considering the wells are about 3000 feet deep
310 potentially, is there infrastructure available in Eastern Oregon to readily install UIC wells that depth.
311 Day-Stirrat answered not right now, but it is standard technology in the oil field, the only thing
312 different is going through basalt. This is where the experience that CarbFix has drilling in younger
313 basalt in Iceland comes from. Thomas said it is akin to oil field drilling effectively. Day-Stirrat said
314 yes, definitely not water well drilling.
315

316 Dittrich asked if there is interest from industry, given the changes in financial incentives. Day-Stirrat
317 said he believes there is. One of the questions he asked himself last year is will this industry go away
318 and he does not think it will, it is just going to change.
319

320 Kozlowski thanked Day-Stirrat for the presentation.
321

322 A quick discussion took place about having the September meeting be in person.
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324

325 **5) Board Adjourn:**

326 Chair Kozlowski adjourned the meeting at 2:52 p.m.
327

328 APPROVED
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331 
332 Linda Kozlowski, Chair
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