

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

April 3, 2015

8:30 a.m.

*Teleconference Meeting*

**1) Call to Order:** (Larry Givens, Board Chair)

Chair Larry Givens called the meeting to order at 8:35 a.m.

**2) Introductions:** (Larry Givens, Board Chair and staff)

Chair Givens, Vice Chair Lisa Phipps, and Board Members Dennis Luke and Laura Maffei were in attendance.

DOGAMI Staff in attendance:

Ian Madin, Interim State Geologist

Andree Pollock, Assistant Director for Geologic Survey & Services Program

Richard Riggs, Assistant Director for the Mineral Land Regulation & Reclamation Program

Derrick Moten, Chief Financial Officer

Bob Houston, Energy Resources Geologist

Ali Ryan, Earth Science Information Officer

Others in attendance:

Larry Knudsen, Assistant Attorney General, DOJ

Lauri Aunan, Governor's Office

Vicki Jorgensen, DAS

Kristian Foden-Vencil, OPB

1 **3) Approval of Minutes of February 27, 2015 Portland, OR Meeting:** (Board) *Action*  
2 *Item*

3 **Motion: Luke moved to approve the minutes. Maffei seconded. Motion carried.**  
4  
5

6 **4) Board Business:** (Board, staff; Lauri Aunan, GNRO)

7 a. **Board member nominations:** *Update Item*

8 Aunan updated the Board on nomination status. Governor Brown has been  
9 reviewing all board nominations put forward prior to her taking office. Nominations  
10 for the DOGAMI governing board are expected to be considered for appointment in  
11 September.  
12

13 b. **Revision to Governing Board Delegation log:** *Action Item*

14 The delegation log authorizes specific authority to Madin as the Interim State  
15 Geologist. Vicki Jorgensen prepared an updated form for Board consideration.  
16 **Motion: Luke moved that the Chair sign the delegation log as presented. Phipps**  
17 **seconded. Motion carried.**

18  
19 **5) State Geologist recruitment:** (Board; Lauri Aunan, GNRO)

20 a. **Discussion of recruitment process for the permanent State**  
21 **Geologist position:** *Update Item*

22 Aunan noted that the board had previously discussed moving forward with the  
23 recruitment in June, given that there would be a clearer picture of the Agency's  
24 budget at that point. No additional update at this time.

25  
26 **6) Agency Sustainability Review:**(Board, staff; Lauri Aunan, GNRO)

27 a. **Progress update:** *Update Item*

28 No update since previous discussion, during which a budget note recommending a  
29 sustainability review of how to make the Agency's business model and operations  
30 more stable was discussed. Aunan noted that focus is currently on bills, but further  
31 discussion of the sustainability review could be expected as bill-making wraps up.

32  
33 **7) Regulatory Issues:** (Richard Riggs, Mineral Land Regulation and Reclamation)

34 a. **Summary of operational and enforcement activities for mining,**  
35 **stormwater, oil/gas and geothermal regulatory programs:**  
36 *Update Item*

37 Riggs reported the permit numbers are right at the 900 mark, and that he expects to  
38 be at 100 percent for the key performance measure that tracks site visits. No  
39 additional updates since the last Board meeting on enforcement action, geothermal  
40 program, and oil and gas program.

41  
42 b. **Update on Grassy Mountain/Calico Resources Inc. Notice of**  
43 **Intent to apply for chemical process mining permit activity:**  
44 *Update Item*

45 Riggs and Madin attended an onsite meeting with the Calico Resources team. The  
46 Technical Review Team also met in March to review baseline data and broadly  
47 review reports that are being submitted; the Water Resources Subcommittee  
48 reviewed water monitoring results.

49  
50 c. **Update of mining bills before the legislature:** *Update Item*

51 Riggs reported that DOGAMI provided testimony on five bills; testimony was  
52 included in the board packet. Those bills included:

- 53 • SB 361: requires local governments to issue a document stating that a proposed  
54 mine site is in conformance with local land use laws prior to DOGAMI issuing a  
55 new permit, amendment, or renewal.

- 56
- 57
- 58
- 59
- 60
- 61
- 62
- 63
- 64
- 65
- 66
- 67
- HB 3089: requires DOGAMI to conduct a study on increasing local revenues from mining operations in five eastern Oregon Counties and to present the results of the study to the legislature.
  - HB 3090: requires DOGAMI to conduct a study of Oregon’s consolidated permitting process for metal mines and to present the results of the study to the legislature.
  - HB 3096: requires DOGAMI to conduct a study of the mineral resource potential of all areas of Oregon outside of the Willamette Valley, and to publish the results on the Department website.
  - HB 3269: requires DOGAMI to conduct a mineral resource assessment of all parts of Oregon and report to the legislature on September 15, 2017.

68 Board members noted that several of the bills discussed require the Agency to perform certain actions but do not have funding attached as currently drafted.

69 Madin noted that fiscal impact information has not yet requested but would expect to provide that if the bills move forward; staff will keep the Board updated. Staff has

70 been and will continue to coordinate with the Governor’s Office on official response.

71

72

73

74 **Break**

75

76 **8) State of the Agency:** (Ian Madin, Interim State Geologist)

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

78 Madin presented a memo of highlights since the last update. He noted a few items, including:

79

- 80
- 81
- 82
- 83
- 84
- 85
- 86
- 87
- 88
- Four new lidar projects have been funded. Funding from the USGS 3DEP project has been awarded; state match for that project awaits legislative approval.
  - The USGS STATEMAP award was less than previous years; there is less funding available and it’s also becoming extremely competitive.
  - Recruitments for open positions have been suspended given budget challenges.
  - Madin gave kudos to Jed Roberts, whose work resulted in significant FEMA funding to support projects and staff.

89

90 b. **MLRR Program financial data and potential for fee increases:** *Update Item*

91

92 DOGAMI is in the process of collecting information about MLRR program expenses in order to inform development of and support for a potential fee increase. The currently available data, Madin said, is based on a fixed allocation and does not offer sufficient information on actual operating costs of program areas. MLRR staff began tracking their time by program area in November. Over the next year we will have much better actuals that will provide a starting place, though Madin noted that staff workloads are highly cyclic so a year of data will not be sufficient for long-term

93

94

95

96

97

98

99 analysis. Information has been provided to the Oregon Concrete & Aggregate  
100 Producers Association and discussion with that stakeholder group is ongoing.

101  
102 **c. Legislative Update: *Update Item***

103 DOGAMI currently has the authority to regulate development in the tsunami  
104 inundation zone. Certain types of structures, such as fire stations, hospitals, and  
105 police stations, are prohibited; the Board may grant exceptions to prohibition.  
106 Developers of other types of structures, such as high rises, are required to consult  
107 with DOGAMI on mitigation measures. SB 778 would require developers currently  
108 required to consult, to actually implement mitigation measures as directed by  
109 DOGAMI to reduce unreasonable risk to public safety. The bill would also give  
110 DOGAMI the authority to forbid development, if it was determined no measures  
111 existed to make the construction reasonably safe. Madin noted that:

- 112 • The Agency would need to take on a significant rule-writing process to  
113 implement the change, including development of an appeals process.
- 114 • The Agency recognizes that there may be technical elements involved in  
115 review of plans and recommendation of mitigation measures that would  
116 necessitate hiring consultants.
- 117 • The current official regulatory line was set by the Board in 1995. The line was  
118 created with the best available technology in 1995, but technology has  
119 progressed and new science has occurred since, including development of  
120 much better simulations and maps. A technical advisory committee  
121 convened in 2013 recommended adopting the “large” inundation line as the  
122 new regulatory line. This would increase the number of buildings in the  
123 regulatory zone from 20,000 to 28,000.
- 124 • The Board previously recommended a series of public meetings to get input  
125 on such a change; the Agency has not had funds to spend on a public  
126 involvement process.
- 127 • To-date, there have been 14 contacts, 7 consultations, and no requests for  
128 exceptions on the current tsunami regulatory line requirements.

129 The Board discussed the proposed legislation, including:

- 130 • The bill would put DOGAMI in a much different role than the Agency  
131 currently plays with regard to regulation.
- 132 • Several Board members noted the bill may put DOGAMI in conflict with local  
133 government decision-making on land use or building codes.

134  
135 **d. Agency Financial Report: *Update Item***

136 Madin, Andree Pollock and Derrick Moten gave an update on the Agency’s current  
137 financial status. Madin said he has asked for a projection of financial status for the  
138 remainder of the current biennium, as well as the next biennium, as well as  
139 improved reports. Work is continuing to get a better picture. Moten noted that  
140 expenditures are outpacing revenues. At this point, Pollock said, are projecting slight  
141 positive year-end balance. Cost-saving measures, including not filling vacant

142 positions, have been and will continue to be implemented. Aunan noted that the  
143 Agency's financial status is high on the radar screen of DAS and the Governor's  
144 Office, and they'll be working closely with DOGAMI.

145  
146 **e. OPB Public Records Request: Update Item**

147 DOGAMI has received a public records request for correspondence related to the  
148 seismic preparedness of facilities in the critical energy infrastructure hub on the  
149 Willamette River. OPB has asked for and been granted a fee waiver for their request;  
150 staff is working with the OPB reporter to focus the scope of the request and provide  
151 the information.

152  
153 **f. DOGAMI Staff Representative Reports: Update Item**

154 Madin has asked the Geological Survey & Services staff to appoint a representative  
155 to attend Board meetings in order to report on program activities and to report back  
156 to staff on Board meeting activity. An MLRR staff member is already typically in  
157 attendance at Board meetings.

158  
159 **9) Set Time and Date for next meeting: (Board)**

160 May 15 at 8:30 a.m. is the tentative next meeting date and time.

161  
162 **10) Public Comment**

163 There was no public comment.

164  
165 **11) Executive Session**

166 The Governing Board met in Executive Session at 11:15 a.m. for consideration of  
167 information and records that are exempt by law from public inspection. The  
168 executive session was held under ORS 192.660(2)(f).

169  
170 **12) Return to Public Meeting and Adjourn**

171 Chair Givens returned the meeting to public session and adjourned at 12:18 p.m.


172  
173  
174 **Action Items:**

- 175 1. Madin will work with Board members to confirm next meeting date and  
176 time.

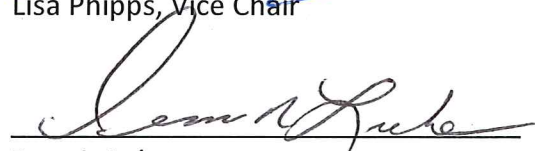
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198

APPROVED:

  
\_\_\_\_\_  
Larry Givens, Chair

  
\_\_\_\_\_  
Lisa Phipps, Vice Chair

  
\_\_\_\_\_  
Laura Maffei

  
\_\_\_\_\_  
Dennis Luke