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.

3) **Approval of Minutes of February 11, 2011 Portland Meeting:** (Board)  
**Action Item**  
**Motion:** Vars moved and Macnab seconded motion to approve minutes as written. Motion carried.

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

4) **Board Business:**  
   a. **Set timeline for self-evaluation for Governance Performance Measure:** **Action Item**
   b. **Set a timeline for DOGAMI Director Performance Evaluation:** **Action Item**

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

**Motion:** Macnab moved and Vars seconded the following motion:
1. Board members will submit self-evaluations to Don Lewis by July 31, 2011.

2. Board will submit Director’s performance evaluations to Board Chair by July 31, 2011

3. DuVernois will distribute Internal Staff Input Forms for the Director’s performance evaluation to staff, and have the forms submitted in confidentiality envelopes to DuVernois by July 31, 2011. DuVernois will send them to the subcommittee consisting of Phipps and Macnab for review. The subcommittee will compile the data in the forms and submit a summary to Chair Givens by the end of August 2011. Completed staff input forms will be kept in a sealed envelope in the Governing Board file in the Portland office.
   Motion carried.

5) Legislative Assembly Update: (Vicki S. McConnell, State Geologist)
   a. Overview of 2011-2013Legislatively Approved Budget for Oregon and DOGAMI-specific LAB budget (HB 5514):
      
      HB 5514 – relating to DOGAMI 2011-2013 budget was signed into law by Governor Kitzhaber on June 2, 2011. McConnell briefed the Board on the plan to implement the budget, including an upcoming meeting with DAS Budget and Management and Legislative Fiscal Office to initiate re-organization suggestions.

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

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

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

      Motion carried.
c. Overview of other legislation that relates to DOGAMI activity and mission: Information Item

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

6) Break

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

a. Status of rulemaking for aggregate, oil and gas, and geothermal laws. The agency and AAG will update Board on geothermal and oil and gas programs rules status:

Update Item

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

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

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

Coburg Road Quarry: The department issued a notice of violation to Coburg Road Quarry (CRQ) based on a stamped Certified Engineering Geologist slope stability study commissioned by the landowner that concluded that blasting caused impacts to the landowner’s adjacent property and structures. DOGAMI and Knudsen have been working with the permittee through the initial stages of the contested case hearing process. CRQ has requested approval to conduct and monitor several test blasts at the quarry in an effort to determine the validity of the slope-stability study submitted on behalf of the adjacent landowner. DOGAMI has contracted with a geotechnical firm to review and approve this Test Blasting Evaluation Plan. Two out of four test blasts have occurred at the quarry. The results of test blast #1 and the accompanying report were submitted to the department for review and were approved. DOGAMI has issued an order approving the plan for test blast #2, which was conducted on June 3, 2011. DOGAMI is waiting for the results of test blast #2 for review and approval. Information collected from all four test blasts will be used to determine if blasting impacted the adjacent property. If it is confirmed
that blasting at CRQ caused or threatens to cause impacts to the adjacent property, CRQ would then be required to develop a slope-stability mitigation plan and a structural mitigation plan to stabilize the property and any impacted structures. If it is documented that blasting at CRQ did not cause or does not threaten to cause impacts to the adjacent property, CRQ would be required to submit a phased Operational Blasting Plan to DOGAMI for review and approval prior to commencing blasting operations.

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

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

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

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

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

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

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


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

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

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

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

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

1. Send thank you letters to Dawn Marshall and Rob Witter from the Board.
2. Send customer survey results to the 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:**

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Larry Givens, Chair       Steve Macnab, Vice Chair
______________________________ ________________________________
Charles Vars               Lisa Phipps
______________________________ ________________________________
Douglas MacDougal