GOVERNING BOARD MEETING
OREGON DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES

Friday June 29, 2012
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 Douglas MacDougal and Board Members Steve Macnab, Charles Vars and Lisa Phipps were present.
DOGAMI Staff in attendance:
Vicki McConnell, State Geologist
Bob Houston, Energy Resources Geologist
Rachel Lyles, Project Operations Manager
Carol DuVernois, Executive Assistant
Others:
Linda Gilbert, Fiscal Analyst, Legislative Fiscal Office
Jeff Weber, DLCD

3) Approval of Minutes of March 20, 2012 meeting and April 23, 2012 teleconference meeting: (Board) Action Item

    Motion: Macnab moved and Phipps seconded motion to approve minutes as written. Motion carried.

4) 2012 Legislative Assembly Update: (Vicki S. McConnell, State Geologist)
    Board members reviewed self-evaluation materials and agreed to submit completed Best Practices Self-Assessment forms by July 31, 2012.

5) State of the Agency: (Vicki S. McConnell, State Geologist)
    a. Update of Agency activity by State Geologist: Update Item
    McConnell briefed the Board on recent agency activity, including new projects, completed projects, meetings and conferences attended by staff, staffing changes and agency synergy.
    Board member Phipps noted that the public response to agency tsunami evacuation outreach has been overwhelmingly positive and the maps have been
well received. Board member Vars said that the tsunami outreach program showed a phenomenal fulfillment of strategic plan goals.

McConnell showed the Board recent maps published by the agency, including Open File Report O-12-02, the Lidar-based Surficial Geologic Map of the Greater Portland area; and IMS-36, map of the Missoula Flood features in the Portland area. The maps were so admired by the Board that they suggested we investigate the possibility of publishing a coffee table book of our maps.

b. Update on Recruitment for DOGAMI Assistant Director - Geologic Survey and Services Program: Update Item

Recruitment for a new Assistant Director is in progress. Interviews will be held in the near future, and hopefully an offer will be made by early August.

c. Discussion of potential revisions to Oregon Administrative Rule 632 Division 5 - Tsunami Inundation Zone: Information Item/Action Item

McConnell outlined the potential revisions to the current Tsunami Inundation Zone maps using current digitizing capabilities and what that would entail. She requested permission to develop a workshop to discuss potential revisions with stakeholders.

Motion: Vars moved to approve staff recommendation to develop a workshop to discuss potential revisions to SB 379 Tsunami Inundation Maps with interested parties and stakeholders. Phipps seconded the motion. Motion carried.

6) Break:

7) Regulatory Issues: (Robert Houston, Mineral Lands Regulation and Reclamation Program)

a. Status of rulemaking for aggregate, oil and gas, geothermal laws.

The agency and AAG will update Board on geothermal and oil and gas programs rules status: Update Item

Rulemaking for Divisions 10, 15, and 20 are all with the Assistant Attorney General for review of the proposed draft rule language. We are anticipating that the draft rules will be ready to submit to the Board for approval at the next meeting.

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

There are no enforcement actions at this time. There are no new oil and gas well permits and one new geothermal well permit since the last update. US Geothermal (Neal Hot Springs – Vale) is drilling the last two injection wells and has already identified partial injection volume to proceed with the construction of the pipelines, turbines, power lines and related infrastructure. Projected start test date on the turbines is July 2. US Geothermal is planning a dedication ceremony of the field in early fall. Chair Givens and Director McConnell agreed
to attend the dedication ceremony. Staff will extend invitations the Governor
and his Natural Resource Policy Advisors.

Additionally, Surprise Valley Electric (Paisley – Lake County) has identified
an economic geothermal resource (temperature and volume) that merits the
exploration for sufficient injectivity this year. Other notable exploration
activities include: Adel – Lake County (Crump Geothermal), Glass Buttes – Lake
County (ORMAT), Olene Gap - Klamath County (Kodali), and Newberry Volcano –
Deschutes County (Davenport, Davenport-Alta Rock, ORMAT).

The revised Notice of Intention to File a Consolidated Application has
been received from Calico Resources for the Grassy Mountain mine site and
approved by the Agency. Public outreach activities prescribed by the Division 37
rules have commenced. A site visit for state agencies and local government was
conducted on June 8th. The first Project Coordinating Committee meeting is
scheduled for August 14 and a public site visit scheduled for August 15. Chair
Givens and Director McConnell will attend.

8) Agency Request Budget, 10 Year Strategy Budget, Legislative Concept (Vicki S.
McConnell, State Geologist)

a. Update on the Agency Request Budget process: Update Item

McConnell briefed the Board on the policy option packages, and told the
Board they would need to schedule a teleconference for early August to adopt
the Agency Request Budget, which is due at the end of August. She made a note
that there will be no appeal process this year.

b. Update on the 10 Year Strategy Budget process: Update Item

McConnell outlined work done by agency Directors to help develop the
Outcomes Based Budgeting process and described the outcome groups
assembled by the Governor’s office. Geologic Survey & Services has been
mapped to the Safety group, and Mineral Land Regulation and Reclamation has
been mapped to Healthy Environments. Each program submitted Program Bid
Forms to the Program Funding Teams and we are waiting for feedback.

c. Update on the status of the draft Legislative Concept 63200/001

Modifications to Metal Mining Statutes: Update Item

A placeholder Legislative Concept Request was submitted to DAS in early
June. The Agency has until July 13th to submit substantive draft legislative
concept language. We are on track to meet that deadline. Once submitted, DAS
has until July 30th to approve the LC for submittal to Legal Council for bill
drafting. An approval from DAS does not imply that Governor Kitzhaber will fully
support the legislation.

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

The next meeting will be in Eastern Oregon, on September 27 and 28,
2012. Details to be determined.
10) **Additional Public Comment:** (three minutes limit per person unless otherwise specified at the meeting by the Chair)
   There was no public comment.

11) **Adjourn** – Meeting was adjourned at 12:15 pm

**Action Items:**
1. Send a link to the Governor’s outcome groups’ webpage to the Board. Done.
2. Carol will transcribe work session minutes from March 20, 2012.

**APPROVED:**

______________________________  ________________________________  
Larry Givens, Chair             Douglas MacDougal, Vice Chair  

______________________________  ________________________________  
Charles Vars                    Lisa Phipps

______________________________  
Steve Macnab