GOVERNING BOARD MEETING MINUTES
OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

Friday, December 10, 2021
8:30 a.m.
Virtual Public Meeting

1) Call to Order: (Laura Maffei, Board Chair)
Chair Laura Maffei called the meeting to order at 8:33 a.m.

2) Executive Session – Review of Executive Director Candidates: (Laura Maffei, Board Chair)
Chair Maffei announced the start of the Executive Session for the Executive Director Candidates interviews and discussion.

3) Return to Public Session:
Chair Maffei reconvened the regular public session at 1:42 p.m. following the Executive Director Candidates interviews and discussion.

4) Introductions: (Laura Maffei, Board Chair and Staff)
Chair Laura Maffei, Vice-Chair Katie Jeremiah, and Board Members Scott Ashford, and Diane Teeman and Linda Kozlowski were all in attendance via Zoom video/phone.

Department of Geology and Mineral Industries (DOGAMI) Staff in attendance:
Sarah Lewis, Interim Director/State Geologist and MLRR Program Manager
Lori Calarruda, Recording Secretary/Executive Assistant
Steve Dahlberg, Chief Financial Officer (CFO)
Jason McClaughry, Interim GS&S Program Manager
Cari Buchner, Mining Compliance Specialist

Others in attendance:
Sherry Lauer, DAS Human Resources Business Partner
Francisco Garibay, DAS Recruiter
Diane Lloyd, Department of Justice (DOJ)
Jesse Ratcliffe, Department of Justice (DOJ)
Renee Klein, DAS Office of the Chief Financial Officer
Christina Appleby, DOGAMI Staff on personal time and as DOGAMI’s SEIU Sub-Local President
Mike Kortenhof, Executive Director Candidate
Randy Jones, DEQ

5) Executive Director’s Recruitment Decision:
Chair Maffei stated during the Executive Session the Board interviewed the two candidates for the appointment of Executive Director for the Agency, but the name of the selected candidate cannot be announced until the offer process has been completed. She said both candidates were well qualified
for the position. It was a close and very tough decision, and the Board really appreciated the time
and effort of both candidates put into the process.

Maffei explained the Board ranked the candidates in order to allow an offer to be made first to the
higher-rank candidate. Pending acceptance of that offer, then offering the position to the next
highest candidate if for some reason the first candidate does not accept. Maffei opened the floor for
a motion to authorize DAS to proceed on behalf of the Board.

Board Action: **Ashford moved to authorize DAS to make an offer to the higher ranked candidate,**
and **authorize DAS to make an offer to the second ranked candidate if the first ranked candidate
does not accept. Jeremiah seconded. Motion carried.**

6) **Review Minutes of September 17, 2021 Board Meeting:**
Chair Maffei asked if there were any changes to the minutes as presented. No changes.

Board Action: **Jeremiah moved to approve the minutes of September 17, 2021 as submitted.**
**Teeman seconded. Motion carried.**

7) **Confirm 2022 Board Meeting Dates:**
The Board discussed the Proposed 2022 Board Meeting Dates. The Board discussed the Proposed
2022 Board Meeting Dates. Due to the uncertainty of the ongoing pandemic, a discussion also took
place regarding whether all meetings will be held via Zoom, in person, or both. The legislation
[HB2560] passed last session that will require all public meetings to have a virtual component going
forward was mentioned during the conversation.

The 2022 DOGAMI Board Meeting dates are:

- March 4, 2022 (Friday)
- June 16, 2022 (Thursday)
- September 27, 2022 (Tuesday)
- December 1, 2022 (Thursday)

Board Action: **Ashford moved to approve the proposed Board Meeting dates as discussed and
amended. Jeremiah seconded. Motion carried.**

8) **Civil Penalties:**
Sarah Lewis, Interim Director/State Geologist and MLRR Program Manager, introduced Cari Buchner,
Mining Compliance Specialist, to discuss the Civil Penalties being brought to the Board for approval to
proceed.

Buchner provided an overview of the Morgan Creek (10-0223) Civil Penalty Case for Mining Without a
Permit, including a request for Board Action. She stated the negotiations have resulted in a signed
consent order requiring Board approval, Jesse Ratcliffe is in attendance to provide legal counsel for
DOGAMI in this matter.
Buchner said the site, located in Douglas County just east of Canyonville, was first introduced to the Board on July 13, 2020. On the Civil Penalty continuum of 1 to 10, it ranked and continues to rank as a high priority site, at around an 8. She stated that at the July 28, 2020 Board meeting the Governing Board approved a Civil Penalty up to $196,000 ($98,000 per respondent) with a potential reduction to $58,000 ($29,000 per respondent) based on mitigating factors.

Buchner stated on September 1, 2020 Notices of Civil Penalty were issued to both respondents. The respondents requested a Contested Case Hearing on September 16, 2020. The hearing was scheduled to begin June 29, 2021. DOGAMI initiated settlement negotiations and agreed to postpone the hearing, which was rescheduled to begin December 1, 2021. The negotiations resulted in the Department approving and the respondents implementing a temporary stabilization plan, reclamation steps and a timeline to implement them, and a reduced penalty amount that is contingent upon meeting the terms of the Settlement Agreement. As the negotiated settlement amount is lower than the minimum penalty set by the Board, this agreement must be approved by the Board to be fully executed. Jesse Ratcliffe, counsel for DOGAMI, has prepared written legal advice to the Governing Board.

9) **Executive Session – Civil Penalties Review:** (Laura Maffei, Board Chair)

Chair Maffei announced the start of the Executive Session for the Civil Penalties discussion.

10) **Return to Public Session:**

Chair Maffei reconvened the regular public session at 2:19 p.m. following the Civil Penalties discussion.

11) **Civil Penalties Decision:**

Chair Maffei stated during the Executive Session the Board discussed the Civil Penalties request, and opened the floor for a motion to approve the Settlement Agreement as presented.

**Board Action:** *Ashford moved to accept the Civil Penalties settlement as presented.* Teeman *seconded.* Motion carried.

12) **Financial Report:**

Steve Dahlberg, Chief Financial Officer, presented the DOGAMI FY2021 Budget Status Report, as of October 31, 2021, for the Geological Survey and Services (GS&S) and Mineral Land Regulation & Reclamation (MLRR) programs.

Dahlberg said the update is DOGAMI’s financial projection for the 2021-23 biennium. Included are the actual results from July – Oct 2021 and the projection for the rest of the biennium through June 2023. This projection accounts for everything anticipated for the operations of the Agency, plus increasing allocations in specific areas. The projection also includes unallocated amounts in recognition of potential changes driven by a new Executive Director, or the outcome of strategic planning.

Dahlberg stated a correction to the projected ending balances for GS&S printed in the board materials. The projected General Fund ending balance is $565,100. There was a small reduction in
the projected revenues on Other Funds and Federal Funds, resulting in an ending balance for Other Funds to be $334,757, Federal Funds to be $40,547, and All Funds total to be $940,404.

Dahlberg said the Agency will be underbudget. There has been a lot of effort and collaboration that has gone into the to ensure the projection is reporting all the anticipated expenditures for the biennium.

The projected MLRR ending balance is $786,135, due to fee increase that began January 1, 2021 and careful operational spending. At the next Board meeting he anticipates providing an update on the performance of the fee increase toward the intended 6-month operating balance by 2025.

Dahlberg stated there is a correction for the Strong Motion Instrument Fund (SMIF), the dollar amounts are correct, but it should not have “All Funds” listed. The current ending balance is $295,499. There are no projected revenues, as DOGAMI does not know what may be coming from the large building developers. For Expenditures, the Agency is committed to University of Oregon for purchasing seismic equipment at 18 new sites this biennium. The Reclamation Guarantee Fund current ending balance is $669,943 with 58 Cash Securities.

For Business Office activities, Dahlberg said he meets monthly with the Program Manager and project managers to review their progress and remaining available budget, by using tracking tools and project financials. There have been new tools created to help the project managers with their planning in the later stages of the grant to help ensure success and staying within their budget. The project managers appreciate the information and support from the Business Office.

The Business Office has documented and presented to the Leadership Team three of our current processes: Accounts Payable, Accounts Receivable, and TED’s (travel reimbursement). They will use the comments received to update the process flows and documentation, and the revisions will then be represented for approval; once approved, the Business Office will present to staff.

Dahlberg discussed the GS&S Budget Status Report numbers, which have been broken down for General Fund, Other Funds, Federal Funds, and All Funds. It is color coded for the budget (cream); actuals spent for July-October 2021 (blue); the percentage of actuals spent to date (orange); projection for remainder of the biennium (yellow); combined actuals (blue) and projected (yellow) to represent the full entire biennium (salmon); which is then compared to the percentage of the budget (green). He explained the MLRR Budget Status Report has the color-coding format, but with Other Funds as the only funding source due to being fee based. Included in these projections are the 15.51% indirects from MLRR.

Dahlberg said included in the General Fund projection, besides the mandatory expenditures, are discretionary amounts earmarked for publicity and public outreach, grant preparation, web site upgrade, consulting for the strategic planning initiative, replacement of aging technology, and employee training. This projection demonstrates there is capacity for considering grants that may have a match requirement and/or less than full indirects, as well as including potentially critical scientific work that is not grant funded. In anticipation of a new Executive Director, there is also flexibility for their input in planning DOGAMI’s discretionary spending in the biennium.
Dahlberg stated he likes to look at the total, large categories of Personnel Services, and Service and Supplies; some lines are a little high and some are low; and during the next budgeting sequence he will try to tune the budget to be a little more representative of the Agency’s actual expenditure style.

Chair Maffei asked if the Federal Funds projected ending balance is expected to be low because of cost reimbursement. Dahlberg said that is correct. In fact, the Agency ended on a very small negative balance at the end of the last biennium because it is on a reimbursement basis and frequently personnel costs are expended and recovered later, which is similar to lidar expenses for supply and operations that are collected from the funders to pay for them.

Dahlberg reviewed the charts/graphs associated with the budget information just shown in a different format, with one set continuing to display the running balance and a new set of graphs being the monthly activity.

Dahlberg said the lidar program for 21-23 biennium will have approximately $1.3 million from FEMA, $1.1 million from USGS, and $748,000 from BLM. Lidar projects are in three phases, which are invoiced as completed over time: 40% at first flight, 30% at first arrival of data for QAQC work, and 30% at completion and acceptance of data. When a phase is completed, the vendor sends their invoice, DOGMAI collects the money from the project funders, then DOGMAI pays the invoice. There are currently eight projects, which two have been submitted but we are waiting approval from USGS. Every year the lidar consortium pursues new projects and funders, DOGAMI will continue doing so and will update its project list, funders, and projections.

Ashford asked if the lidar projects require match. Dahlberg explained there is no match from General Fund, but contributions from other partners can be used as match for larger projects such as USGS.

Board Action: **Teeman moved to accept the Budget Status Report as presented. Jeremiah seconded. Motion carried.**

**13) Director’s Report:**

Interim Director Lewis began with a staffing update by formally introducing Jason McClaughry as the Interim GS&S Program Manager. He is the DOGAMI Eastern Oregon Regional Geologist in Baker City and lead for the agency’s geologic mapping program (STATEMAP). He is a Registered Geologist and has 20 years of research experience focused on mapping and detailing the physical volcanology, sedimentology, and structure/tectonics of a number of volcanic provinces in British Columbia, Washington, and Oregon. Since 2004, much of his work with DOGAMI has focused on the detailed mapping of Oregon’s complex geology, providing a framework for understanding and managing groundwater resources, geologic hazards, and mineral and energy resources.

Lewis said McClaughry previously served in the role of rotational supervisor for GS&S between 2016 and 2018. He currently has flexibility in his workload, allowing him to take on the GS&S Program Manager responsibilities without jeopardizing any grant timelines. She sincerely appreciated his willingness to jump in and help out after the departure of Bob Houston, who moved on to a new position in private industry at the end of November. She formally recognized Houston for his 21 years of service to DOGAMI, most recently as GS&S Program Manager and Legislative Coordinator. The Agency has already opened the recruitment for a permanent GS&S Program Manager; set to close on January 3rd. Chair Maffei thanked Jason for stepping up, stating the Board appreciates it.
Additionally, Lewis stated that DOGAMI is in the middle of first round interviews for a Public Affairs Coordinator, a position that has been vacant since June, and two additional position recruitments open for geologist positions at the NRS4 level; a Lidar Coordinator and Remote Sensing Geologist for GS&S, vacant since October, and a Reclamationist and Mining Geologist for MLRR; both of those postings close December 21st.

Lewis said the reclamationist position recruitment is open because Ben Mundie is retiring from DOGAMI at the end of December. She formally recognized Mundie’s efforts on behalf of the Agency, most recently as Tribal Liaison and DOGAMI representative on the state’s Environmental Justice Task Force, as well as his 27 ¾ years of service to MLRR as a reclamationist. Lewis stated Mundie is often praised for his communication style and ability to bring disparate groups together to find solutions. In addition to a new director, she hopes to welcome new DOGAMI employees in these four positions in January and February 2022.

Lewis said the Board Agenda did not include specific time for the Program Reports, but the written materials were included in the Board Packet. They include the GS&S Update Summary, the MLRR Permit Status Summary, and ENGAGe Fall 2021 Newsletter. Please note, the ENGAGe Fall 2021 Edition newsletter that is also available online: https://www.oregongeology.org/mlrr/engage.htm

**Grassy Mountain**

Lewis said one update that she routinely provided as MLRR Program Manager, that is not included in the MLRR written report, is for the Grassy Mountain Gold Mine Project. Since the last Board meeting, the applicant, Calico Resources, has submitted a revised Baseline Data Report, and held a field visit to the proposed project site in Eastern Oregon. She stated at this time DOGAMI has not received a revised consolidated application for the project, although the Program understands that the applicant intends to submit this soon. DOGAMI is coordinating with its technical contractors and state agency partners on the review of the submitted Baseline Data Reports for Groundwater and Geochemistry, and anticipates scheduling Technical Review Team meetings during the first few months of 2022 to discuss approval of those reports; they are continuing to make progress. Monthly meetings with Calico Leadership and overall project coordination remain positive and productive.

**Agency Report:**

Lewis said at the September Board meeting she outlined four focus areas for the Leadership Team while the Agency is between permanent Directors. Those areas were: monitoring the budget, meeting key legislative requirements, implementing necessary state initiatives, and keeping lines of communication open. She can confidently say the Leadership Team is meeting those basic goals. She limited her comments to provide updates in two areas – ePermitting and DOGAMI Reopening.

**MLRR ePermitting:** In response to a budget note from the legislature, this summer and fall DOGAMI scoped the feasibility of coordinating with Department of Environmental Quality to host ePermitting services for MLRR on DEQ’s new online permitting platform (EDMS or Your DEQ Online). As delivered in a budget note response to the Legislative Fiscal Office at the end of October, DOGAMI and DEQ determined that there are significant advantages to this approach from the substantial savings of time and the cost of eliminating duplicative project coordination and contracting processes that have already been completed by DEQ. Integration of the projects would save state resources, and reduce risk due to DEQ’s platform having already demonstrated its ability to meet the state’s needs. The
proposed vendor, enfoTech, prepared a quote and solution to include a DOGAMI-branded entry portal, with segregated data architecture to avoid permittee and public confusion between the DEQ and DOGAMI permitting platforms. However, the initial cost estimate from the vendor for development and implementation of the system is over $1 million, with system hosting and support services of $160,000 per year for the next 5 years. This estimate is only vendor costs and does not include internal costs to DOGAMI, such as staffing, project implementation, training, IT upgrades, or changes in staffing positions going forward.

Lewis stated because of the significant costs associated with a large-scale IT modernization effort, realizing DOGAMI’s ePermitting project will likely require legislative action. The project team for this work and Agency’s advisors have identified specific next steps to position DOGAMI for developing a Policy Option Package or Legislative Concept for the 23-25 biennium to fund this initiative. She anticipates the next Board meeting will include preliminary information for Board consideration about DOGAMI’s 2023-2025 policy proposals and Agency Request Budget (ARB).

Kozlowski asked if DOGAMI has calculated what the savings would be with ePermitting. Lewis said yes, in their initial business case they did scope out what the staff efficiency savings would be in the way of hours not spent on paper permitting, which would be realized more in freeing up staff time. There would not actually be a savings in cost per se. MLLR does have an estimate of that and it will be wrapped into the full project proposal, which is the next step to move forward to look at what will the program need for project management and implementation; where is the staff time shift that they could allocate toward working on the ePermitting and making sure they are balancing it realistically with the time that will be required to maintain ePermitting and have a different type of customer service in order to ensure permittees can access and interact with the information as needed. Kozlowski said that helped answer her question.

DOGAMI’s reopening plan:

Lewis stated this discussion came up earlier with respect to Board meetings and whether or not the Agency would be able to host them in person or online. As mentioned, there was legislation passed last session that will require all public meetings to have a virtual component going forward [HB2560]. So even if DOGAMI did choose to hold Board meetings in person, there would still be a requirement to provide something like the Zoom interface so everyone can interact together. This is actually one of the challenges that DOGAMI is facing as it moves to a hybrid workforce, how to maintain a connection when you have some people in the office and some people working from home. It is a very real concern.

Lewis said last Friday, the Department of Administrative Services (DAS) released additional guidance on State office reopening to the public targeted for January 1, 2022, for DOGAMI that is January 3, 2022 due to the holiday. This recommendation was for agencies to establish a work environment that includes flexible work styles. DOGAMI has been working on a reopening plan since August, and its plans are in line with the state guidance. For the Agency, a January re-opening will not look very different from its current operations.

Lewis provided extensive details of the plan to the Board. She said relocation of offices or shrinking office footprints is not under consideration at this time. DOGAMI will wait to have that conversation as part of strategic planning and once the Agency has a sense of what staff prefer for a remote, in-office or hybrid work styles. The state enterprise perspective is that the consolidation of offices is a
2-3 year conversation, so DOGAMI is not out-of-step with that timeframe, and may include those
considerations when building the 23-25 biennial budget.

Lewis explained that when the Leadership Team thought about re-opening, the focus was on the
existing offices and footprints in Portland and Albany. Within those spaces, they considered how to
support the remotely working and in-office staff equitably, while operating within available resources
and budget. This included thinking about how to bring staff back who would like to work full or part-
time in-office, how to provide in-person meeting and collaboration spaces in accordance with health
and safety guidance, and how to organize workstations or shared desk spaces for those who are only
in the office periodically.

As the Portland and Albany Offices “reopen” in January, DOGAMI will maintain regular business hours
but officially shift to a “by appointment only” model. This will ensure that appropriate staff are
available to provide service to visitors, permittees, and stakeholders, while allowing maximum
flexibility for those working remote and hybrid schedules. The Agency does not foresee a decrease in
our ability to provide services, but will monitor and track external requests for appointments and
services and adjust if needed.

DOGAMI’s staff preference for work situations ranges from those who would like to work fully
remotely to those who prefer to come into the office every day. Similarly, there are some positions
that fulfill a business need that can only be accomplished in the office, to those that just need a
computer and a connection to the Agency’s server, to those that have a position requirement for
field work. There is no one size fits all for DOGAMI, and luckily, as a small agency it has the flexibility
to make decisions about remote work with input and consideration for each individual. While still
meeting business needs, DOGAMI will enable remote work to the maximum extent possible for those
who want to work from home.

The Leadership Team recognizes and values the opportunities provided by coming together in a
common space; there are real and tangible benefits to in-person interactions; both for work
creativity and personal well-being. But they acknowledge and celebrate that DOGAMI has
successfully provided its core functions under remote work conditions for 21 months. The Agency
does not immediately anticipate a weekly, monthly, or quarterly requirement for staff working
remotely to come into the office, but this may change at the discretion of the new Executive Director
or Program Managers if it is determined that there is a need for in-person agency-wide or program
meetings.

Lewis said going forward, DOGAMI’s plan will be reviewed and revised as needed to maintain
alignment with State Policy that the use of alternate work options: 1) promotes the health and safety
of Oregonians; 2) ensures high-quality work and optimal use of resources for agencies; 3) ensures
that cultural, equity and accessibility issues are addressed in a meaningful way; and 4) supports
flexibility and work-life balance for employees. This approach also offers the opportunity to be more
flexible in the Agency’s interactions with Oregonians and decreases DOGAMI’s impact on the
environment.

Ashford said he understands the logic going to an appointment only schedule. They have found at
the university there is also a lot of value in the drop-ins. It is important for the Board that the public
have easy access to the Agency. As long as they are tracking the appointment and drop-in
information, and reflecting on the data, he is happy with the approach.
Chair Maffei said, at a future meeting, the Board would like to have more information with offsetting Civil Penalties with a higher level of reclamation as a strategy and how that might be accomplished in the future for sites when it is appropriate. Lewis said they would be happy to come back at a later meeting to present/discuss this. The Department’s Division 38 describes the voluntary reclamation rules that MLRR has, but has not been implemented previously, because Division 38 is funded by Civil Penalties. As they have developed the Civil Penalty Program, they do have ideas about possibilities for funding reclamation. The first use of Civil Penalties collected is to offset the cost of pursuing the penalties and DOGAMI has not reached a point where they have excess funds. To be transparent, the Morgan Creek Civil Penalties will be coming in a quarterly basis, not as a lump sum, so there will not be funds to consider for some time to come. Maffei said as part of the next MLRR report they would like to hear about it [Division 38].

Lewis stated that the Leadership Team’s focus on improving internal communication has continued, including an all-staff training in late October focused on trust building, monthly all-staff meetings focused on information sharing, and coordinated messaging to staff by Program Managers. There are tentative plans in place for a follow-up with the all-agency trust training in January, with future opportunities for input from the new Executive Director.

Chair Maffei asked if McClaughry had anything to add (gave him the opportunity). McClaughry said he appreciates the opportunity to serve in the role as long as he is needed. He appreciates the guidance that Director Lewis and help from CFO Dahlberg is providing him. The GS&S staff are cranking away on projects to make sure they come in on time and underbudget, and keeping track of everything they need to do to produce great science for the State of Oregon.

Ashford thanked Lewis for stepping up as Interim Director and providing leadership to the Agency. It made the Board’s job easier. He said she has done a great job and is glad she is staying with DOGAMI after the new Director starts.

Chair Maffei added Lewis does not get to leave as Interim Director just yet because there are still negotiations that need to be completed before a new Director is hired.

Lewis thanked Maffei and Ashford for their words, saying it has been an invaluable experience to step into role to see what is like. She is very happy to be rotating back to her full time MLRR Program Manager position, but excited to go with a different perspective. She has a much better understanding of what a Program Manager needs to be doing in support of the Director, the Board, and the State. Thank you.

Briefing: **No Board Action Required.**

**14) Public Comment:**

Only written comments received prior to or by 3:20 p.m. on the day of the meeting were to be accepted. Chair Maffei read aloud the written public comment received from Ben Mundie.

Comment of Ben Mundie: Good afternoon Chair Maffei and Board members. For the past 40 years I have been involved in the reclamation of lands disturbed by mining, 12 years in Montana and 28 here in Oregon. I will be retiring from DOGAMI as of January 1, 2022. It has been an honor and privilege...
to be a part of the DOGAMI team. The staff is comprised of some of the brightest and most
dedicated professionals I have encountered in my career. The strengthening of both programs over
the past 5 years – even with chronic understaffing – is nothing short of phenomenal. However, the
need for adequate funding for both programs remains.

The importance of this agency to Oregon was well illustrated last Spring in the defeat of the
Governor’s budget proposal (HB 5010). It’s importance will only grow as the population continues to
swell.

With mixed emotions I will leave DOGAMI. Thank you all for your expertise that helped set the
trajectory DOGAMI is now on. Even with cloudy skies, the future looks bright.

Thank you. Stay safe.

Chair Maffei asked to have the copy of the email sent to the Board members.

Jeremiah said Ben has done such a good job for DOGAMI. He is a well-respected technical expert and
has really helped industry step up its game on the reclamation side. It will be a big loss and she
appreciates his service.

15) **Board Adjourn:**

Chair Maffei adjourned the meeting at 3:10 p.m.

**APPROVED**

Laura Maffei, Chair