1) **Call to Order:** (Laura Maffei, Board Chair)

   Chair Laura Maffei called the meeting to order at 8:06 a.m.

2) **Introductions:** (Laura Maffei, Board Chair and staff)

   Chair Laura Maffei, Vice-Chair Katie Jeremiah, Board Members Linda Kozlowski were in attendance in person and Scott Ashford and Diane Teeman (via phone).

   Department of Geology and Mineral Industries (DOGAMI) Staff in attendance:
   - Brad Avy, Director/State Geologist
   - Lori Calarruda, Recording Secretary/Executive Assistant
   - Dania Ballard, Chief Financial Officer (CFO)
   - Bob Houston, Interim Legislative Coordinator
   - Sarah Lewis, MLRR Program Manager
   - Cari Buchner, Mining Compliance Specialist
   - Bill Burns, Acting Earth Science & Remote Sensing Supervisor
   - Connor Anderson, Chief Information Officer (CIO)
   - Belinda Sautao, Grant Accountant

   Others in attendance:
   - Sherry Lauer, DAS Human Resources (HR)
   - Diane Lloyd, Department of Justice (DOJ)
   - John Terpening, Legislative Fiscal Office (LFO)
   - Renee Klein, DAS Office of the Chief Financial Officer
   - Amira Streeter, Governor’s Office Natural Resources Policy Advisor
   - Courtney Graham, SEIU 503
   - Brien Flanagan, Schwabe

3) **Review Minutes of September 9, 2019:**

   Chair Maffei asked if there were any changes to the minutes as presented. No changes.

   Jeremiah had a question about approving the report and not the budget on page 5 and wanted to know if it was still a pending action item. Ballard clarified for FY19 the Agency is still waiting on DAS to process payables and it should be finalized by December 31, 2019.

   **Board Action:** 
   - **Kozlowski moved to approve the minutes of September 9, 2019 as submitted.**
   - **Jeremiah seconded. Motion carried.**

4) **Approval of Annual Director’s Evaluation Written Document:**


Chair Maffei did not have the document ready for this meeting. She explained she needs to write up the evaluation done for Director Avy in September based on the minutes and the Board discussion in Executive Session. The written document will not contain any Executive Session material, only the statement they made at the open session of the meeting. The document will need to be approved at the next Board meeting in March or if the Special Meeting is held in January.

5) Confirm Time and Date for Next Meeting:
Chair Maffei stated the next DOGAMI Board is currently scheduled for Monday, March 9, 2020 at 8:30 a.m. in Portland. She confirmed this date is still acceptable for Board members.

Maffei gave a heads up that a Special Meeting may need to be scheduled in January to discuss additional financial requirements such as a potential second year budget and MLRR Fee Increase. This is in anticipation of the Short Session that begins in February. A discussion took place on available dates for Board members to determine availability for a potential Special Meeting date. The Board chose to hold the afternoon of January 10, 2020, starting at 1:00 p.m., for a potential Special Meeting that all Board members would attend by phone.

6) Rule Writing:
Bob Houston, Interim Legislative Coordinator and Rules Coordinator, discussed four separate rule writing updates and/or requests that will need to be approved by the Board for further actions.

1) Update on Service Fees Rulemaking
2) Update on Permit Boundary Survey Maps Rulemaking
3) Update of HB 2202: High Value Soils Rulemaking
4) Request to Initiate Formal Rulemaking on Alternative Dispute Resolution Model Rules

Request 1 – Approval of Service Fees Draft Rule Language

Background: The Oregon Department of Administrative Services has updated the Statewide Policy on Public Records Request Fees and Charges (107-001-030). At the July 9, 2019 Governing Board meeting, the Board authorized the Department to initiate rulemaking to amend OAR 632-001-0010 to comply with the statewide policy on Public Records Request Fees and Charges. The proposed draft amendments to OAR 632-001-0010 were approved at the September 9, 2019 Governing Board meeting.

Houston stated that rulemaking is currently proceeding through the rule writing process. The Department will provide an update after it has been completed to the Board at an upcoming meeting.

Proposed Board Action: No Board Action Required.

Request 2 – Update on Permit Boundary Survey Maps Rulemaking
Background: The Board authorized the Department to initiate rulemaking on OAR 632-030 at the September 9, 2019 Governing Board meeting to amend rule language relating to the submittal requirements of a permit boundary survey map.

Houston stated the Department will develop draft rule language in the next few months and provide an informational update to the Board at an upcoming meeting.

Proposed Board Action: No Board Action Required.

Request 3 – Update of HB 2202 – High Value Soils Rulemaking

Background: As you may recall, the legislature passed HB 2202 (2013 Regular Session) involving aggregate mining on high value farmland in the Willamette Valley (ORS 517.825). The legislative intent was to make sure operators mined deep enough to remove all the aggregate and thereby limit impacts on high value soils. The Board authorized the Department to initiate rulemaking on OAR 632-030 on September 9, 2019 to implement provisions specified in HB 2202.

Houston stated the Department is currently developing draft rule language. Steps include identifying Rules Advisory Committee (RAC) members and convening a RAC meeting(s). The RAC provides input on substance and language of the rule and provides input on the Fiscal Impact Statement. The Department will provide an update to the Board at an upcoming meeting.

Proposed Board Action: No Board Action Required.

Request 4 – Request to Initiate Formal Rulemaking on Alternative Dispute Resolution – Model Rules

Background: Under certain conditions the Department may modify an operating permit or reclamation plan without the consent of the operator (ORS 517.831). If the Department modifies an operating permit or reclamation plan without the consent of the operator, the department must provide the operator with an opportunity for alternative dispute resolution in the manner provided in ORS 183.502. Currently, OAR 632-001 does not provide an alternative means of dispute resolution. The Attorney General’s (AG) Collaborative Dispute Resolution Model Rule is available for adoption by reference.

Staff Recommendation: DOGAMI requests authorization to initiate formal rulemaking on OAR 632-001 to provide an alternative dispute resolution procedure.

Houston explained this is a new request to initiate formal rulemaking on an alternative dispute resolution, as this issue came up recently. DOGAMI does not currently have an alternative dispute process, but the AG’s Office does have model rules, which can be adopted by reference.

Chair Maffei wanted the background on this request and why staff thinks it is necessary.

Diane Lloyd spoke to the statute that allows the Agency to modify an operating permit without consent of the operator, which requires the Department to provide alternative dispute resolution as
an option. There are currently no procedures in place and something needs to be done. She
explained the AG’s Office does have model rules that can be adopted without process, the same way
the Board adopted the Contested Case Model Rules.

Chair Maffei asked if someone invoked alternative dispute resolution. Cari Buchner explained this is
a preemptive move. The Department has a site they plan to impose a permit condition on
unilaterally and wanted to ensure they provided the opportunity for alternative dispute resolution.
Maffei asked if they know this permit condition is coming. Buchner answered yes, she has been in
contact with them.

Jeremiah asked if this was more an administerial aspect of the permit renewal, such as a due date
change, or is it an actual you cannot go beyond this boundary type situation. Buchner responded
that it is a depth of groundwater dewatering and ORS 517.835 gives DOGAMI the authority to impose
conditions for the protection of groundwater resources. This is specifically under that statute,
limiting the depth of dewatering without further study.

Maffei asked what the process is for alternative dispute resolution and what is required. Lloyd said
they do not provide full framework just the basics that are needed to submit one.

Jeremiah asked if there are any requirements to provide notification when an operating permit is
being amended. Buchner answered as a courtesy they notify them, but there are no statutory
requirements. Jeremiah said this is something DOGAMI may want to look into for fundamental
fairness to permittees, they should have opportunity for a notice. Houston asked for clarification if it
is providing pre-notification or some kind of notification process when the Department is taking a
corrective action or allowing a change to permit condition. Jeremiah said yes.

Board Action: Kozlowski moved to authorize DOGAMI staff to initiate formal rulemaking on OAR
632-001 to provide an alternative dispute resolution procedure using the Attorney General’s Model
Rules. Ashford seconded. Motion carried.

7) Civil Penalties:

Sarah Lewis, MLRR Program Manager, said, as previously discussed, they have been developing their
Civil Penalty program. Lewis stated this is the first request for authorization to proceed with a Civil
Penalty to assess a fine of $500 for a late payment on a renewal fee.

Lewis introduced Cari Buchner, Mining Compliance Specialist, to discuss the Civil Penalty being
brought to the Board for approval to proceed. Buchner said this respondent has held his permit since
2010, when it was transferred to him, and he has only paid on time once since taking it over. A
permit renewal notice was sent on August 1, 2019, which was due on August 31, 2019. On October
1, 2019, a Notice of Violation was sent out stating he was 30 days late and gave him another 30 days
to pay the renewal. On October 9, 2019 she spoke to him on the phone regarding a separate
compliance issue and reminded him that his renewal was late and could be assessed a Civil Penalty if
it was not paid at the end of the month. October 22, 2019 the Notice of Violation that was sent out
on October 1, 2019 was returned unclaimed. The respondent called and said he did not have the
renewal form because it was sent back, so she emailed him a renewal form that day and reminded
him that he could be assessed a Civil Penalty if not paid by October 31, 2019. On November 14, 2019
a Suspension Order was issued for failure to pay the annual renewal. Buchner called him to inform
him they were instating the Suspension Order. On November 15, 2019 he paid the fee to lift the Suspension Order. She told him a Civil Penalty would be presented to the Governing Board for approval. Buchner stated he is one of the chronic late payers, which is why they wanted to institute Civil Penalties for this particular violation. Chair Maffei asked if the Board needs to approve each one. Diane Lloyd said for the time being yes, since there is no history of DOGAMI doing this process previously.

Ashford asked if this one is being treated differently than any other late payments and asked for more context. Buchner said a new renewal policy has been implemented when instituting the Civil Penalties and it was agreed that when calculating the penalties, they will only take into account if the permittee has paid late at least once in the past 3 years. Depending on the history and circumstance, a low or medium penalty would be assessed. Ashford clarified that criteria and guidance have been established for rolling out the Civil Penalties. Chair Maffei stated the structure for assessing Civil Penalties is new, but the Agency has had the authority and is now actually implementing it; this is the first Civil Penalty presented to the Board.

Lewis stated there were zero late payments for both the July and September renewals, this is the only one late for August. She believes the penalty program being in place has been excellent preventative and proactive work on behalf of the Compliance Specialist and the program to get that word out. Maffei asked how many renewals there were for July, August and September. Lewis stated the approximate renewals are: July - 100; August - 80, September - 95; October - 110; November - 65; and December - 55. For the July – September renewals, this is the only late payer. Buchner said they have chronic late payers who are now paying on time.

Jeremiah asked questions about the Board being involved on approval for Suspension Orders instead of Civil Penalties for late payments. Lewis explained a Suspension Order would not normally be the next action for late payments. There were other extenuating circumstances regarding compliance issues that actually brought on the Suspension Order and the renewal was a condition of his current operating permit and when he failed to pay that, it triggered a Suspension Order because of the other compliance concerns around the site. Maffei stated the staff have the authority to do a Suspension Order based on a violation to protect the environment or human health.

Buchner explained the respondent had submitted an amendment application to amend his permit boundary but when they overlaid his survey map, it was apparent he had been mining outside of his proposed area and it went into State owned lands. He owed the State for the minerals he had sold and for the trees he had cut down that belong to the Department of Forestry, and now he has to fix issues with an unstable over steepened high wall, which will require further impacts to State land. There are other agencies involved with helping him get a plan developed to remedy this situation.

Lewis handed out a revised Page 5 of the document, stating Section V was changed to explain the penalty is being assessed as a single occurrence with the duration of the violation lasting for 15 days, but does not change the amount of the penalty. She clarified the Board is being asked for authorization to proceed, not actually approving that specific document.

Chair Maffei asked if a reason is known why the Certified Letter was returned. Buchner said his Certified Letters chronically come back unclaimed.
Board Action: **Jeremiah moved to approve the Civil Penalty with the amendment as presented.**
**Kozlowski seconded. Motion carried.**

8) **Financial Report:**

Dania Ballard, Chief Financial Officer, presented the budget status report as of October 31, 2019 and discussed the memo in the Board packet.

Ballard said for FY19, DAS has continued to process Accounts Payable and Accounts Receivable and are still going through the effort. The drop dead date is December 31, 2019. A final fiscal year report will be presented at the next board meeting in March.

Ballard pointed out for General Fund there is currently showing an anticipated negative (deficit) amount due to capacity and classification issues. Ballard explained there were new grants that started in July but did not have the financial structure setup, so staff was using General Fund as an expense account and those charges need to be reclassified and the expense transferred appropriately to Federal or Other Fund money. The Agency’s costs are higher than anticipated so cost cutting/reduction measures have been established for services and supplies, and limiting travel. She expects not to have a deficit at the end of the year but to be whole and stay within budget.

Chair Maffei asked questions regarding classification issues and how much it was. Ballard answered she was not positive but thought it is about $90,000.

Kozlowski asked how the staff is taking the changes. Ballard said she believed the staff are remaining positive with all the changes and are looking at ways to reduce costs. Her perception is there is a greater sense of transparency and a greater understanding of what is actually happening, therefore they are more engaged to help everyone be successful going forward. Avy confirmed the email regarding General Fund restrictions that was sent to staff, was also sent to Board members.

Ashford asked who approves the use of General Fund until the federal grants are setup and if there is a limit on the amount, to ensure the Agency does not get too far ahead. Ballard stated the approval process is part of the budget approval and explained the details of how things are currently being handled. Avy gave a recent example using DAS GEO. The Leadership Team allowed staff to work on grants using General Fund while the Agency was awaiting the signed document, but it was based on an email approval from DAS GEO saying the requested changes of no match and allowing indirect charges were going to be accepted.

Chair Maffei asked if the signed agreement needs to be received before work can be started or accounts setup. Ballard explained how the process works. Kozlowski asked if training and travel are being added to the grants and are there other charges that will be charged to General Fund. Ballard said that some items can be added to a grant if it is expected to be part of the grant work. She also gave an example of Houston charging his travel to General Fund due to the Agency needs. Kozlowski asked if there are any plans in place to prioritize the approval of travel and training charged to General Fund. Ballard explained the requirement to reduce all costs and that no travel is being done at this time and any exceptions are being reviewed carefully by Director Avy before any justification is approved. Ballard provided an example, stating the Board only has coffee and water today, where last meeting included food.

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Ashford said he is happy with the process, that it seems clean, and asked in the future for someone new working for the Agency that more oversight is provided on charges.

MLRR is projecting an ending balance of $65,000, which is low due to the Calico settlement being less than anticipated and the fee increase has not been done yet.

The Strong Motion Instrument Fund is about $326,000, which is normal. The Reclamation Guarantee Fund added four new cash securities, so the balance is about $720,000.

Ballard said Jack Kenny is still here at the Agency working on the mandatory grant reporting requirements. All the overspent grants that were identified in FY19 have been closed. Kozlowski said she really appreciates the summary report memo that contains the details with the backup.

Ballard discussed the Business Office recruitment. She introduced Belinda Sautao, the Agency’s new Grant Accountant, who started today and came from DEQ, where she spent 5 years. Sautao introduced herself. She originally came from Alaska and worked with the State there as well. She was a Contracts and Grant Accountant at DEQ. Maffei asked what her role will be. Ballard explained she will take over the grant reporting and the monthly project financials for project managers to keep things on budget, and processing the payables. [Ms. Sautao decided to return to DEQ.]

Jeremiah asked what the additional overall spend is for the new staff and the DAS Services used. Ballard explained that each business office staff person is about $7,500 per month and about $22,000 per month General Fund consumption which is built into the projections going forward. She said Jack Kenny will drop off around the end of December. DAS services will also be reduced. These roles will be key to ensure the Agency does not go overbudget.

Jeremiah asked about the $650,000. Ballard explained the Agency received an additional $650,000 of General Fund in FY19 to cover budget overspend and the entire amount has been consumed. Kozlowski asked about the need for reducing the number of employees to cover the new positions. Ballard explained in FY19 the Legislature reduced positions on the science side that helped free up General Fund to help support the Business Office.

Ballard said they interviewed for a Contract and Procurement Specialist, made an offer, and is expecting an answer back today. They also did second-round interviews for the Fiscal Analyst role and are facilitating reference checks. Maffei asked what the positions do. Ballard explained the need for internal controls and to have one person that pays expenses and one that receives the funds; one person should not do both. The Grant Accountant processes all the grant reporting and the paying of the bills. The Contract and Procurement Specialist will draft the contracts, working with other agencies and partners to write the contracts, administering the contracts while assuring the project manager is getting a project done according to the terms of the contract. The contract person is going to be looking at the key delivery dates, key pay points, key pieces and actually produce the invoicing, which is an accounts receivable function to ensure the Agency gets paid on the contracts, and facilitating other accounts receivable activities. Jeremiah asked if this is a permanent plan or just to get the Agency over the rough spot. Ballard replied it is permanent. The Fiscal Analyst oversees everything else regarding the Agency’s needs, including ad hoc analyses, analyses on project budgets, and to develop strategy to ensure that grant seeking matches personnel skill capacity.
Ballard explained the Fiscal Analyst position and their role in more detail. Maffei asked if this person will help determine if grants should be gone after. Ballard said they can help facilitate it, but the Agency already has created a tool to help with this aspect.

Jeremiah asked if there is a comparable agency that DOGAMI could look to, what is their ratio, and are they running successfully. She said she was having a hard time swallowing the ratio of people. She understands the need and understands the Agency got into big trouble and that it has to do something to fix it. Jeremiah said for her to swallow this as a permanent plan just seems like a lot of overhead for an agency and she is looking at the deficit the Agency is trying to cover. She feels like the Agency is limiting the amount it can do, just so that it can have proper financial controls in place that maybe could be done by fewer people.

Ballard replied she thinks it is a great observation and just on the surface it appears top heavy. One of the things that is unique about DOGAMI, in particular as a small agency, is the amount of grants it has to have in order to actually survive. Last year and the year before last, when they were looking at comparisons, there is not a small agency who has the level and volume of grant activity that DOGAMI has, and so that was one of the justifiers to actually get this grant position in place. Doing a straight comparison from another agency to DOGAMI is difficult. She said there is somewhere between 35 and 40 active grants the Agency has right now. Most people who facilitate grant activity do not have 35 to 40 grants to actually manage, but this is what is needed for this Agency. With that being said, this is a case of room for improvement in anything the Agency does, and they are going to do their best to look at how they can make things more efficient as they go. She does not know what the future is going to look like as a whole, but this is what is needed to make the Agency work now.

Ashford said the Agency should not be in a position where it needs to go after grants to cover the costs of the new grant staff salaries. Kozlowski said she appreciates Jeremiah’s question and her understanding is the Agency has changed the financials from a less than adequate financial oversight to a really strong financial oversight, that the Legislature has required of DOGAMI and does not believe there is much choice. She does think moving forward it will be important to balance it, but keeping the finances accurate and the Legislature in support of DOGAMI is critical. In addition, Kozlowski said the Agency needs to be really careful about ensuring the financial information is accurate and it has the personnel to make sure that it is. Ballard said she agreed with the statement, saying the Agency is still building the foundation to determine what the appropriate monitoring requirements will be, not just the accounting process. Maffei stated the staffing is required by the Legislature. Jeremiah said as a temporary plan she is behind it but not necessarily as a permanent plan.

Chair Maffei said certainly the Agency does not want to end up on the short side of Business Office capacity, but thinks what is sometimes missed in all this discussion is, if DOGAMI has sufficient capacity not to get in trouble, it in effect is bringing in a third of the Agency’s budget through federal grants. Which is money that is not coming out of the State General Fund. She views it a little bit as an investment, and a little higher investment in the General Fund in order to get the return on all that federal work, which is a good check of the work the Agency does and an important part. She said will the Board want to monitor it ongoing, absolutely. If the Agency ever gets to a point where the Board feels like it is overstaffed in the Business Office, they can then address that. Maffei stated, that as Kozlowski already said, DOGAMI is kind of required to do this by the Legislature anyways, so it is not like the Agency has a whole lot of choices.
Jeremiah said she is just now concerned to have it be permanent if reading it correctly between the divisions, the Agency’s revenues as a whole are $6, 7, 8 million for the whole Agency and looking at it from a business standpoint, to have four finance staff FTE to manage $8 million seems excessive as a permanent plan. As a temporary plan she is in full support. She just hopes that the Agency can right the ship and then continue to reevaluate whether it is really necessary. Kozlowski agreed that it makes sense.

Ballard discussed the Grant Budget Monitoring Tool and how it works. This tool has helped them identify gaps and meet the capacity needs. This also helps facilitate what the Agency goes after for work. Kozlowski asked who is tracking it. Ballard said the supervisors, herself and DAS CFO. Ballard talked about using the tool for the monthly meetings with project managers.

Ashford stated they only used about half the time to discuss the financial report and appreciated the efforts Ballard has been making. Chair Maffei agreed, stating the summary memo is helpful.

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

9) Public Comment:

Chair Maffei asked for public comment.

Comment of Amira Streeter, Governor’s Office Natural Resources Policy Advisor: Streeter said she wanted to give a little preview of the Strategic Plan they are thinking of in the Governor’s Office. It includes multiple options and alternatives they are considering right now. A letter will need to be turned in highlighting the direction they are going for the Agency by January 17, 2020, and will include a few more details. She said it is a little tricky since DOGAMI is making a lot of progress now. They are balancing the progress DOGAMI has made with what else the Agency needs to be successful in both the long-term and short-term future. Streeter stated DOGAMI’s current main mission is to provide earth science information and regulation. She does not think there will be changes to that aspect but in doing research on DOGAMI, she stated there have been a lot of ups and downs in the Agency’s history from its first inception with a State Geologist. She thinks the vision may require a rebranding of the Agency and aligning the Department more towards the science side. She discussed the potential plan and the amount of funding needed to be successful. Other alternatives include possibly moving the Agency closer to Salem.

In recent years, natural hazards and risk assessment have been the growing core work for DOGAMI. DOGAMI currently has a Strategic Plan that ends in 2021, so this is actually very good timing. The Strategic Plan would go on for 6 years from 2022-2028.

Streeter said she divided up the alternatives into Plan A and Plan B. Plan A being DOGAMI continues as usual in its structure, with just maybe a few tweaks in how it operates. Potential for right sizing is something that is being discussed right now considering what is the amount of funding that DOGAMI really needs to be successful and how does that impact the types of grants it goes after, the staff and professions that are within the Department. Then to potentially move the offices to be closer to
Salem or in Salem; helping keep the Agency whole with right sizing and closer to other agencies in Oregon’s capital.

Under Plan B, it is possible that DOGAMI could move under another natural resource agency. An alternative would be to move the mining program into an agency and the GS&S portion into a natural resource agency or university. Streeter said this is the broad overview and she would love to know the Board’s perspective and to get their feedback. In the past, around 5 years ago during Kitzhaber’s administration, this last alternative had been considered.

Chair Maffei said it was actually almost exactly 5 years ago because it was early December 2014, the Governor’s Budget came out with the suggestion that DOGAMI was going to be disbanded and she thinks people got a little freaked out.

Streeter said no decisions have been made at this point, but these are the things that are brewing in their office.

Chair Maffei said for the record, she met with Streeter in October to provide her perspective/input and she sent out a note to the rest of the Board to invite them to contact Streeter to discuss strategic planning for DOGAMI and provide their input as well. Maffei asked when Streeter thought she would have an idea of when a recommendation by the Governor’s Office would be made for the January 17th letter. It was decided she would provide an update to the Board if they held a Special Meeting on the afternoon of January 10, 2020.

Streeter provided more context as to why she was thinking about these alternatives. In looking at what has been discussed in past years with DOGAMI, plus looking at what other states are doing and which state has a model that is an easier jump from where DOGAMI is now. Of other states, including Washington, Idaho, and California, California has a Department of Natural Resources, where geology is under their purview. Washington is university connected, and Idaho is connected with the university as well, but their structure is very similar to what DOGAMI is currently doing. She is taking a really close look at Idaho.

Jeremiah asked if the January 17th letter will be the definitive selection of a plan and the direction the Governor’s Office is going with the other options no longer to be considered. Streeter said it will be the direction the Governor’s Office will go to present to the Legislature, but there is room for conversation and could be changed by the Legislature. Jeremiah said her concern is that the Agency is going down the route of planning for Alternative A and has expended significant State resources and has a plan in place to expend further resources to make that work. The Agency seems committed and everyone in the room has agreed to that plan. Jeremiah has grave concerns about the carpet to be threatened to be pulled out from underneath it before there is even traction on that plan. Let it go in the one direction and let the agency get stable. Jeremiah does not want to speak for people who know more than she does about how long that is going to take, but she feels like every time the Agency thinks it gets somewhere there is a shift of direction, so it never gets traction with the plan and it just seems very wasteful to continue to change directions. She said it was noted regarding staff retention and it becomes really difficult when there is constant uncertainty.

Streeter said she really appreciates that comment, and that is why she labeled it as Plan A. She wants to get the agency stable as well but thinks in terms of presenting to the Legislature they would appreciate the range of alternatives.
Kozlowski asked Streeter if she is going to present all four alternatives to the Legislature or select a preference. Streeter replied she will select a preference.

Kozlowski asked how will the DOGAMI Board have any input on that, or if there will be any conversations around it. Streeter said she was not sure how that will work, besides just talking to her. She will figure that out.

Kozlowski said if she understands it, that they are looking at this from a 30,000 foot point of view. A movement more towards the science, maps and publications and moving away from mining, the mining industry and asked if that is correct. Streeter replied yes, but moving it away from the mining aspect is not exactly what she meant. Kozlowski asked if she meant deemphasizing. Streeter answered yes.

Kozlowski said she really agreed with Jeremiah in terms of where the Agency is now. She thinks it has made huge progress. She and Streeter have had conversations particularly around staffing and the commitment of staff to make these changes which has been significant. She hopes there is a way for the Board to have some input in this process, because they work with it a lot and she thinks they know a lot about the flaws and the strengths of the Agency. The change over this last six months to a year has really been significant, and people have stepped up and put systems in place to make sure that we move forward.

Streeter stated yes, it definitely seems like it, and also being given a 1-year budget, DOGAMI is now starting to really get on track and it is almost like a 6-month progress report.

Kozlowski asked if the 2022-2028 is like Step 1 of beginning that Strategic Planning process. Streeter said yes. Kozlowski reiterated again that it would be great if the Board could have some input into that process.

Streeter said she did not know how the Strategic Plan was developed the first go around, but she will talk to Avy about that and figure out what the process would be to inform a new one.

Avy said it was already in place when he came into the Agency, but his understanding is an outside consultant was engaged to create it and that it included input from outside stakeholders. Maffei explained it was adopted in 2015/2016 so it was already well on its way in 2014 when she joined the Board. It was developed by a consultant and Ali Ryan led the process. The Agency does not have a public outreach person now, so it would have to figure out how that would work. The information was presented to the Board, the Board gave feedback, there were a number of iterations. She also understands the document they came up with was not a strategic plan, because there is not really a plan, it was a strategic vision and this time around the Agency needs to actually have a plan to go with it. Avy said it was changed/renamed from a plan to a framework. The reason for that was it did not have implementation items. The Agency had started down that path when Ryan took another position and then DOGAMI lost Ryan’s position. Maffei said it is a lot of work to come up with an actual plan with implementable action items that go into it, but it is something this Board is going to have to take on if they want to have it ready for 2022.

Jeremiah said just to be blunt she thinks the other piece that needs a lot of reflection on is the path the Agency took to get to the financial position that it was in. It is her understanding it was a
personnel issue and making all these dramatic changes does not necessarily prevent future personnel issues. She does not think it was really an Agency structure issue, and so in her opinion she thinks that they can spend all kinds of money going and changing direction to any of the other three alternatives, but it does not guarantee that they are going to continue to solve the same problem that it had before. Because you had the problem, it was resolved, and then you had it again.

Chair Maffei replied it was not fully resolved, but because the issue with the Agency is in the last 10 years. She said she does not share with the Board all the emails she gets from people saying, “Hey this was never like this in 1999.” She is thinking because everything was different in 1999. But when the Agency switched over from being mostly General Fund to relying so heavily on grants, it changed everything, and it has taken 10 plus years for them to figure it out. When you are a General Fund agency, you have to keep track of your budget, but General Fund is a much bigger pot of money. Keeping track of the grant spending has been something the Agency had not done very successfully until recently.

Kozlowski asked if the percentage of grants that DOGAMI has been relying on to fund the Agency increased significantly. Maffei answered the amount of money that the grants fund has, the actual dollars, plus the number of grants. She said the Board has heard it many times in these Board meetings, DOGAMI is just not like other agencies at all and so they know it has been an ongoing problem. It is something the Agency thought it solved in 2015/16 but clearly that was not the case. She thinks it is because it took the microscope that DOGAMI has had on it for the last 6 months to really figure out and inherently know what the problem was. She thinks it was the same problem the Agency had in 2014 and they put a band aid on it, but it did not fully solve it.

Jeremiah responded that moving the Agency into another agency is not the same and it does not solve the problem. Maffei said DOGAMI is still going to need grant money. The scientists are still going to be funded by grants. Jeremiah said in her opinion it further complicates it. Where the Agency has a pretty clear path forward, with a lot of smart people who put their efforts into making sure that it is setup for success, she has great concerns about compounding it.

Chair Maffei said another thing is that the sciences done in this Agency are not like the sciences done in neighboring states. She does not know about California so much, but Washington and Idaho do not have the same level, she thinks, of scientific brain power that DOGAMI does here. She said Washington hired DOGAMI’s lidar people because it was an issue that they do not have the same capacity to do what the Agency does, and so it is inherently different from some of the neighboring states.

Kozlowski asked for the last Strategic Plan, how much did the Agency partner with the Governor’s Office. Maffei said she did not think there was a whole lot of back and forth with that. She did not remember specifically, she was just coming new on the Board. It was drinking from a firehose anyway, but she does not think there was a ton of communication with the Governor’s Office at that time. Kozlowski said she thinks that partnership would be really important.

Avy asked Streeter, if you look at the budgeting process, when the Governor endorses a particular budget, everybody is to support that in agency land. He asked once she makes her recommendation to Ways and Means what latitude does the Board have to weigh in at that point.
Streeter replied there is expectation that the Board will come in line with the Governor’s Office. She is not sure what the Board’s participation is on advocating for a budget or even engaging with the Governor’s Office. She thinks this is a very special case, so there may be more opportunity than in the past and she would love to just follow-up with Board members and give them a better understanding of where they can. She stated this is already really helpful.

Jeremiah asked for Ashford’s input on incorporating the Agency into a university. Ashford said the universities have the strong research focus, so grant work is done at many of them, but their budgets are being tightened and is concerned there would be a false belief of cost savings by this choice. He thinks there would be a high potential for loss of technical staff of moving it to Salem and that Portland is a better area for qualified staff. He asked if there are other agencies that could do the MLRR regulation work, because the work they do is very important.

Ashford said his thoughts mirror/echo the other Board members about all the work and progress being made by the Agency and it speaks well to its direction.

Teeman said it was a little overwhelming and there are a lot of questions and detail that are still not available.

Kozlowski brought up the statewide meetings being held for HB 3309 and asked Streeter to reflect on what she has learned and her thoughts. Streeter said she has been getting good feedback about DOGAMI doing an excellent job of consulting with different communities and doing work to help them be tsunami prepared. But there is still a lot of work that needs to be done in terms of cross coordination with different entities, municipalities, agencies, and community groups. She thinks there is opportunities for legislators and the Governor’s Office to also co-collaborate and do different things to help coastal communities. Work is being done but needs to be coordinated better. Kozlowski asked if a report will be generated after the third meeting that discusses the outcomes and perceived next steps. Streeter answered yes.

10) **MLRR Update:**

Sarah Lewis, MLRR Program Manager, provided an update on MLRR.

[Lewis handed out a packet that included the ENGAGe Winter newsletter being sent out and can also be found online: [https://www.oregongeology.org/mlrr/engage.htm](https://www.oregongeology.org/mlrr/engage.htm)]

**Permit Status Summary**

Lewis reviewed the detailed list of permits. There are 24 current applications, and they have reduced the amount of time it takes to process them. It is taking less than a year to complete these, with the average time being about 8 months. She gave kudos to Nick Tatalovich, Vaughn Balzer, Ben Mundie and Bob Brinkmann for getting the sites through the permitting process in a timely manner.

Lewis stated this quarter there was a shift away from transfer applications to new applications; this is common as they enter the winter timeframe where quarry operations and mining operations slow and close for the winter depending on their permits. Some permittees shift to start working on new projects or amending current projects during this time.
Lewis said that compliance actions related to late payments are down. The graph also reflects the fluctuation of the program’s revenue based on permit renewal and production fees. This introduces some variability into the monthly revenue stream, which is one reason why it is important to have a cushion from year to year.

Lewis briefly discussed the compliance actions being worked on. The focus for Civil Penalties is on non-payment of fees and those mining without a permit. Jeremiah asked what the process is for identifying those. Buchner answered they use a lot of tools including aerial imagery review and complaints. There is a lot of investigation done to determine if it falls within MLRR’s jurisdiction or is covered by another agency. Then a Notice of Action is provided to them that asks for a response for information on their activities, which include whether they are exempt, will be applying for a permit, or will cease mining. This is the program’s first step in compliance of asking nicely first and if no response then escalating to a Notice of Violation. If no response after that, then a Civil Penalty may be appropriate.

Lewis discussed the new Winter newsletter that went out last week. Staff have been working to include information on topics they get a lot of phone calls and questions about or where they feel there are miscommunications or misunderstandings and want to address.

Lewis informed the Board that DOGAMI has signed a new Memorandum of Agreement (MOA) with DEQ regarding the Delegation of Authority for the Stormwater Permit program. It has been updated to reflect current expectations and practices of how things are being done. DOGAMI will be receiving 5% more of the DEQ fees for administering the program and it increases 3% every year. Chair Maffei wanted to clarify that the fees are paid to DEQ and then DOGAMI is paid for administering the program, through this agreement. Lewis answered yes. Kozlowski asked how much the fee is. Lewis said there are different types of permits and did not want to misspeak the amounts, but it covers one staff member’s salary for a year.

Lewis shared that as part of the KPMs for Customer Service, MLRR received 49 responses, with 18 people leaving comments and 17 of them being positive. She stated the program is getting positive feedback even though changes are being made that require more of the permittees and applicants. She read three of the comments to the Board.

Comment 1: “Excellent, dedicated, brilliant staff that are always responsive and a pleasure to work with.”

Comment 2: “Sometimes I do not get the answer I think is right, but it is delivered professionally and without prejudice.”

Comment 3: “While I did not apply for a permit this year, I’ve had some operators apply for mining activities on property I manage. They all said they were pleased with the service they received. Personnel with the Agency were willing to accomplish the many complicated tasks required, with skill and good communication.”

Briefing: No Board Action Required.

11) Grassy Mountain Update:
Sarah Lewis, MLRR Program Manager, provided the Grassy Mountain Update.

Lewis said they had been working with Calico to come up with a settlement agreement that was signed in September. A Cost Recovery Agreement was signed with Calico on November 14, 2019 and the Agency received final payment the same day. On November 15, 2019 a Consolidated Permit Application for the Grassy Mountain Project was received via hand delivery. She discussed the Consolidated Permit Application process, which DOGAMI has 90 days to determine if it is a complete application. The entire application is posted on the Agency website for anyone to review. She has been receiving excellent cooperation from the partner agencies also responsible for contributing to the completeness review. There are cost recovery partners that include the Department of Environmental Quality (DEQ), Water Resources Department (WRD), and Department of Fish and Wildlife which have important roles in the review process. DEQ and WRD have individual permits the applicant is submitting to them directly. DOGAMI is responsible for overseeing the entire process and ensuring the process is followed appropriately. Lewis is utilizing inhouse staff as much as possible. The Agency will be contracting out services for project management, meeting facilitation, meeting minutes, and compilation of both public and technical comments which will be returned to the applicant. The deadline for all that is February 19, 2020. This is just the beginning of the process and she is looking at recruiting for a Project Manager, which will be a technical position focused on chemical process mining.

Kozlowski asked if Lewis felt they would meet the timelines outlined. Lewis said yes. Maffei asked Lewis how much of her time is spent on this project compared to managing MLRR. Lewis answered about 50% since receipt of the application.

Lewis said they are also working on an MOU with Calico for establishing expectations and communications around project reporting and management.

Lewis noted that a lot of the permit specific work will be handled by DEQ. There are important permits that need to be in place and are administered by DEQ. MLRR will have an aggregate permit, and will write the overall permit and the permit conditions.

Briefing: **No Board Action Required.**

**12) GS&S Update:**

Bill Burns, Acting Earth Science & Remote Sensing Supervisor, provided an update on GS&S.

Burns discussed general staffing, saying John Bauer left the Agency in October, which means two staff have left on their own accord since the layoffs. Most of the staff are at capacity working on externally funded projects reducing the General Fund burn, and the stress felt in the Department. Kozlowski asked if Bauer’s work has been reassigned. Burns said yes.

Burns stated the lack of a Program Manager and Business Office staff/capacity continues to make effective project management difficult. The current supervisors will be kept on for the near term to keep things stable. The email from Director Avy regarding the reduction of expenses and general direction for DOGAMI was well received by staff. He believes this is because a combination of an email being sent out and then an in-person discussion took place to answer questions.
Burns said work on existing proposals, projects and publications is getting done, despite the loss of the two staff members. He is continuously impressed by the staff with their efforts. He went over the list of new projects, publications and proposals since September’s Board meeting.

Projects:

**Compilation of Statewide Tsunami Data; Interagency Agreement: $86,151; Funder: DAS GEO**

To develop new statewide tsunami spatial geodatabases of Oregon tsunami modeling data. The project proposes to integrate existing disparate tsunami datasets into a suite of standardized geodatabases. An Open File Report (OFR) describing the data will be published along with the data.

**Oregon Coast Watershed Boundary Dataset (WBD) Lidar Derived Feature Update; Interagency Agreement: $113,348; Funder: DAS GEO**

Sixteen subbasins for the Oregon Coast and Klamath Basin will be updated in this project. This fundamental dataset is used to maintain many other framework elements with many areas that are deficient with respect to spatial accuracy.

**Statewide Building Footprints Project; Interagency Agreement: $119,441; Funder: DAS GEO**

Aggregate all building footprint datasets within the state of Oregon into a single dataset. For areas with redundant building footprint coverage, data quality will be determined based on mode of digitization and source data quality and age. The aggregated dataset will serve as a “starting point” from which a workgroup can direct future efforts of data improvements and attribution.

**Oregon Earthquake Database; Interagency Agreement: $107,927; Funder: DAS GEO**

The purpose of this project is to develop an updated, maintainable statewide earthquake hazards geodatabase for Oregon which combines the best available earthquake and co-seismic geohazard data that are derived from a consistent methodology.

**Technical Assistance and Outreach Support of FEMA Risk Map in Oregon; Federal Grant: $57,304; Funder: FEMA**

The purpose of this project is to provide technical assistance at FEMA meetings: Discovery, Resilience, NHMP.

**Baker, Grant, and Clatsop NHMP; Interagency Agreement: $10,080; Funder: DLCD**

DLCD requests publication assistance and expertise for Natural Hazards Mitigation Plan (NHMP) documents being prepared for 1) Baker and Grant Counties and 2) Clatsop County. Deb’s tasks are to 1) train DLCD staff in use of the DLCD style and template, in the format developed previously by DOGAMI and DLCD, 2) consult as needed during the DLCD writing process, and 3) copy edit the documents as described in the Project Estimate.

**Oregon State NHMP; Interagency Agreement: $30,000; Funder: DLCD**

DLCD requests publication assistance and expertise for the Oregon State Natural Hazards Mitigation Plan (NHMP).

**Grant & Baker Natural Hazards Risk Assessment; Interagency Agreement: $34,000; Funder: DLCD**
DLCD requests DOGAMI to perform natural hazards risk assessments for Grant and Baker counties.

**Natural Hazard Risk Assessment for State-owned Buildings; Interagency Agreement: $20,000; Funder: DLCD**

The Oregon Department of Land Conservation and Development has asked DOGAMI to conduct natural hazard risk assessments for the state-owned buildings with the state for their FY2020 Oregon Natural Hazard Mitigation Plan grant. Updating the state-owned buildings dataset, identifying those which are critical facilities, and producing hazard maps and table of results are the primary tasks involved in this project.

### Publications

- **Preparing for Landslide Hazards, A Land Use Guide for Oregon Communities**

- **Post-fire rockfall and debris-flow hazard zonation in the Eagle Creek fire burn area, Columbia River Gorge, Oregon: A tool for emergency managers and first responders**

- **Tsunami evacuation analysis of Newport, Lincoln County, Oregon**

- **Tsunami evacuation analysis of Lincoln City and unincorporated Lincoln County: Building community resilience on the Oregon coast**

- **Tsunami evacuation analysis of communities surrounding the Coos Bay Estuary: Building community resilience on the Oregon coast**

- **Tsunami evacuation analysis of some unincorporated Tillamook County communities: Building community resilience on the Oregon coast**

  By Michael Bunn, Ben A. Leshchinsky, Michael J. Olsen, Nancy C. Calhoun, Jon J. Franczyk, and William J. Burns. Special Paper 52 Learn more and download the publication from the preview link. https://www.oregongeology.org/pubs/sp/p-SP-52.htm
Proposals and Potential Projects:

**National Tsunami Hazard Mitigation Program (NTHMP) FY20; Federal Grant: $400,000; Funder: NOAA**

To maintain local outreach programs and coordinate mitigation actions, state leadership is critical for focusing support on communities most in need of help and providing a central repository for tsunami mitigation information. DOGAMI and OEM work in partnership to provide the needed leadership and strategic support critical for building resilient coastal communities on the Oregon coast.

**Oregon Coast Resilience Plan; Federal Grant: $400,000; Funder: OEM-State Homeland Security Program**

The goal of this proposed project is to produce an Oregon Coast Resilience Action Plan to guide future development of a coastwide Cascadia disaster “infrastructure backbone”. The Plan would build on work completed for the Oregon Coastal Hospital Project that supported the eleven coastal hospitals to effectively plan for Cascadia earthquake disasters to improve the reliability of medical services. This project would also help protect Oregon’s major coastal communities.

**STATEMAP FY20; Federal Grant: $300,000; Funder: USGS**

Geologic mapping in the Walla Walla Basin, northeast Oregon approved, funded by OWRD, and started. Will be rolled into STATEMAP program for FY20 and remaining OWRD state funds used as the program match component. Maps produced from this project will be submitted as FY20 STATEMAP deliverables. Project proposal also includes continued mapping in the mid-Columbia, Harney, and the Prineville area.

**South Coast Lidar; Federal Grant: Up to $3M; Funder: BLM**

DOGAMI anticipates BLM to add $627,000 to the initial grant agreement. This initial money will be used to finish the south coast project.

**Upper John Day Lidar; Federal Grant: $400,000; Funder: USGS 3DEP**

Oregon Lidar Consortium (OLC) project that would acquire 2,711 square miles of new lidar in central Oregon. The lidar will be collected in Wheeler, Grant, Union, Umatilla, and Baker counties.

**Harney Silver Lidar; Federal Grant: $189,558; Funder: USGS 3DEP**

Oregon Lidar Consortium (OLC) project called OLC Harney Silver 2020. In 2017 and 2015, DOGAMI’s Oregon Lidar Consortium (OLC) program acquired 1,292 square miles of Quality Level 1 (QL1) non-3DEP lidar over portions of the Silves, Silver and Donner and Blitzen watersheds within Harney County, Oregon.

Chair Maffei asked if the new project proposals need to go to the legislature for approval. Avy said four have already been approved by the legislature in November and the other two may go during the upcoming session.

Jeremiah asked about the Program Manager position that was filled by Alyssa Pratt, who took a rotation outside the Agency. Avy explained the position has been put on hold; there is a vacancy that
is not being filled at a lower level, which needs to remain open pending Alyssa’s decision at the end of the rotational year on whether she returns.

Briefing: **No Board Action Required.**

13) **Director’s Report:**

Director Avy presented his Director’s Report on the following:

Avy wanted to acknowledge the tremendous work of staff during this challenging and stressful time. Relief of the three additional Business Office positions will be felt immediately.

**Legislative Budget Notes Progress**

Avy handed out and discussed a progress document that has been shared with legislators. The Agency has been having monthly financial reporting meetings with LFO, DAS-CFO, and the Governor’s Office; in addition, daily conference calls with DAS Financial to discuss the budget to stay on track. The document includes a summary of what the Agency has been doing to meet requirements.

Avy and Houston met with the co-chairs of the Budget Committee. The Agency will continue to follow identified steps to meet the requirements from the Governor’s Office, DAS and Legislature.

**Internal Communication**

Avy stated internal communications are taking place as discussed at the previous Board meeting. He said challenges with the internal communication have been the lack of a Program Manager and limiting the number of staff meetings charged to General Fund. Some emails that have been going out to staff were forwarded to Board members as an FYI. Currently work is being done on a formal internal communication plan to be discussed at the March Board meeting.

**GS&S Program Manager Position**

Avy said this position was supposed to be recruited for but the Agency is unable to do so due to General Fund spend and not having an official Program Manager position available. He has had conversations with DAS, LFO, and the Governor’s Office that two positions actually need to be created to handle all the work. Avy discussed the need for having these manager positions. The current supervisors are being kept on to handle issues in the interim. There is some concern of putting two positions in front of the Legislature due to the challenges faced by the Agency.

Chair Maffei said the Board wanted a single manager as a go to person managing that program, and conveyed her reluctance to have two managers, especially with the budget issues. Avy stated that two supervisors would still be needed to handle all the issues.

Jeremiah asked Avy what his and staff’s perspective would be on the four alternatives from the Governor’s Office. Based on not having previously seen the information presented or having a chance to talk to staff, he believed Alternative 1A would likely be preferred by staff.

**Grants – Internal Approval Process and Strategic Direction/Guidelines**

Avy said the Board has expressed interest in having more input on the grants. He explained how the process currently works. He said sideboards have been discussed but not formalized. A draft of the
Chair Maffei asked when the sideboards will be brought back to the Board. Avy stated the March meeting.

Ashford said he was happy with the work on the grant process.

**Briefing: No Board Action Required.**

14) **Public Comment:**

Chair Maffei asked for public comment. No public comments.

15) **Board Adjourn:**

Chair Maffei adjourned the meeting at 11:04 a.m.

APPROVED

Laura Maffei, Chair

[Signature]