

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

Thursday, November 25, 2013
Portland, Oregon

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

Chair Givens called the meeting to order at 8:30 am. The Board then went into Executive Session to consult with Legal Counsel.

2) Executive Session:

a. Legal Counsel:

ORS 192.660(2)(h) Board consultation with counsel.

Chair Larry Givens called the meeting back into open session at 9:20 am.

3) Introductions: (Larry Givens, Board Chair and staff)

Board Chair Larry Givens, Vice Chair Douglas MacDougal and Board Members Lisa Phipps, Charles Vars, and Dennis Luke were present.

DOGAMI Staff in attendance:

Vicki McConnell, State Geologist

Gary Lynch, Assistant Director, MLRR

Andree Pollock, Assistant Director, GS&S

Seay Johnson, Chief Fiscal Officer

Rachel Smith, Project Operations Manager

Carol DuVernois, Executive Assistant

Others:

Larry Tuttle, Center for Environmental Equity

4) Approval of Minutes of September 26, Salem, OR Meeting: (Board) *Action Item*

Motion: Phipps moved and Vars seconded approval of minutes as written. Motion carried.

5) Board Business: (Board)

a. **Update on upcoming Board vacancies:** *Information Item*

The Board and Director are in the process of identifying potential candidates for replacing Charles Vars, the Board member who represents the south western area of the state.

b. **Farewell to outgoing Board member, Charles Vars:** *Information item*

The Board and agency staff thanked Charles Vars and presented him with a certificate of appreciation and a token of gratitude for his 6 years of service.

c. **Director's Performance Evaluation:** *Information Item*

The Director's Performance Evaluation is still in progress. Chair Givens will report to the Board when it is complete.

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

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

McConnell reported on recent activities in the agency, including new projects, completed projects, meetings and conferences attended by staff, staffing changes and agency synergy.

b. **Financial Report for Agency activity through end of 2013:**
Information Item

Seay Johnson briefed the Board on the financial report for the end of the calendar year.

c. **Update on 2015 – 2021 Agency Strategic Planning activity:** *Update Item and Action Item*

The agency would like to adopt its new Strategic Plan at the beginning of 2015, and began the process of revising the current plan during the staff meeting in September. Following that meeting, the agency selected staff to sit on the Strategic Planning Committee and intends to hold a day-long retreat in January. The retreat will include a selection of a writing subcommittee. McConnell asked the Board to appoint two members to the committee.

Motion: MacDougal moved and Vars seconded the motion to appoint Phipps and Luke to the Strategic Planning Committee. Motion carried.

7) **Break**

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

a. **Status of rulemaking for aggregate and metal mining. The agency and AAG will update Board on HB 2248 and HB 2202 rules status:**
Update Item

There is a public hearing scheduled December 5 to accept comments on HB2248 rules. Lynch reported that MLRR is getting 2 or 3 calls a day from the public about these rules, and we expect to get comments. The draft rules will most likely be ready for approval in January. The Board will get a copy of the comments and responses as well as the draft rules prior to the meeting we will schedule for adoption of the rules.

There are also draft rules for HB 2202. This is in effect January 1, 2014. We will send copies of the draft rules to the Board when we get them together.

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

60 Mining Enforcement: No new surface mining enforcement activity at this time.

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62 Mining Update: Operational activities are business as usual. To date we have not
63 seen the effect of seasonal heavy rains on mine site operations. Permits remain
64 above 900. Importantly, we have completed documentation that explains how we
65 interact with the tribes, State Historic Preservation Office and others associated with
66 antiquities and cultural resources and potential impacts at mine sites.

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68 The new Permit Coordinator, Rachel Lilley joined the MLRR program on November
69 18th. Kelly Wood will join the agency as a Reclamationist on December 2nd.

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71 Geothermal or Oil & Gas Enforcement: DOGAMI has issued a notice of intent to
72 recover security held for the decommissioning gas well permits issued to Westport
73 Energy LLC. These wells are located in Coos County on private timber lands south of
74 Coos Bay. The notice of intent was issued for non-payment of annual fees. DOGAMI
75 is working with the permittee to bring their permit back into compliance. Once the
76 back fees are collected the notice of intent will be cancelled and the permits will be
77 in compliance.

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79 There are no Geothermal enforcement actions at this time.

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81 Geothermal Update: The current number of geothermal permits is 28 and 6
82 Geothermal Prospect permits. The department is currently reviewing three
83 applications for geothermal wells, one located at Olene Gap, Klamath County and
84 two located at Glass Buttes, Lake County.

85
86 Over the previous three years Surprise Valley Electric (SVE) has drilled three
87 production wells near the town of Paisley in central Oregon. SVE is currently
88 assessing which of the wells will be producers and which will be injectors. As part of
89 this assessment, SVE must submit a DOGAMI permit modification application to
90 amend one or more of the geothermal wells permit to allow for injection operations.
91 Additionally, SVE must also obtain an Underground Injection Control permit from
92 ODEQ.

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94 ODEQ permits the injection of fluid into underground aquifers, from a water quality
95 perspective. DOGAMI permits the well to inject fluid into a specific aquifer, from a
96 well stability and mitigation of potential offsite impacts to other natural resources
97 perspective. Both ODEQ and DOGAMI work closely together to streamline the
98 permitting process where possible. In addition to ODEQ, DOGAMI circulates the
99 application materials and a draft permit to other natural resources for comment.

Oil & Gas Program Update: The total number of active O&G permits remains 106, and there is 1 O&G Seismic program permit. At the request of the applicant their three previous applications that were under review were put on hold until a fourth application could be submitted. DOGAMI had just received this additional application and has resumed the review process of all of the applications.

c. **Update on Division 37 Chemical Process Mine activities:** *Update Item*
Calico Inc. continues baseline data collection. The October 31 Project Coordinating Committee meeting was postponed and is expected to be rescheduled in the first quarter of 2014.

Alamos Mining is in the initial stages of seeking an exploration permit for the Quartz Mountain area in Lake County. They are still at the discussion stage at this point.

9) US DoE Geothermal & OR Health Authority Projects: (Geologic Survey and Services Program Staff)

a. **Briefing on completion of the USDoE ARRA funded National Geothermal Database and new geothermal data:** *Information Item*
Clark Niewendorp gave a presentation on the completed American Recovery and Reinvestment Act-funded geothermal project. He gave kudos to former DOGAMI geologists, students, temps, and other DOGAMI and DAS colleagues for all the work they did on this complicated project.

b. **Briefing on new DOGAMI/OHA seismic project:** *Information Item*
Andree Pollock briefed the Board on the Oregon Health Authority seismic resilience project. We are looking at one of the lifeline corridors, focusing on two hospitals and the water systems along that corridor. Our hope is to move forward with developing a resilience index to identify where the greatest risks are in relation to the state's hospitals.

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

The next Board meeting will be held on Monday, March 17, 2014, at 8:30 am in Portland.

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

There was no public comment.

12) Adjourn

The meeting was adjourned at 12:30 pm.

Action Items:

1. Board to send a letter to Geneva Beck thanking her for her service to the agency. Done
2. Send draft rules for HB 2202 to Board.

- 145 3. Send draft rules, comments, and responses for HB 2248 to Board.
146 4. Contact DEQ Director Pedersen to get DOGAMI on their agenda in 2014.
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APPROVED:

Larry Givens, Chair

Douglas MacDougal, Vice Chair

Lisa Phipps

Dennis Luke

Charles Vars