

UGS BOARD MEETING
Department of Natural Resources
Utah Geological Survey
1594 West North Temple, Suite 3110, Salt Lake City
Thursday, May 10th, 2018

The meeting of the UGS Board was called to order at 8:30 a.m.

ATTENDANCE

Board members: Marc Eckels – Chair, Dave Garbrecht, Rick Chesnut, Ken Fleck, Elissa Richards, Sam Quigley, Pete Kilbourne.

UGS Staff: Rick Allis, Jodi Patterson, Mike Hylland, Pam Perri, Grant Willis, Ben Erickson, Tom Chidsey, Jim Kirkland, Mike Vanden Berg

Apologies: Tom Faddies

APPROVAL OF MINUTES-January 9, 2018

Sam Quigley motioned to approve the minutes as written. Pete Kilbourne seconded the motion. The Board voted, and the motion carried.

Director's Report

Financial Position

At three-quarters through FY18 the UGS is forecasting a year-end carry-forward to FY19 of close to \$500k with a projected \$8.1 million of annual revenue. The year began with \$456k carrying forward from FY17. The FY18 carry-forward estimate assumes contract revenue of \$1.9 million is fully invoiced, and Mineral Lease revenue comes in at \$1.56 million. Both projected revenue streams are adjusted each month based on reviews of oil and gas price/production trends and project progress and are expected to be within \$100k of targets. Billable revenue at 75% of the year is at 76% of budget. Sustained strong oil prices in the range of \$65-\$70/bbl (WTI) as seen in the last few weeks could mean stronger Mineral Lease revenue next FY. The two- to three-month delay in price changes affecting royalty payments means these increases will have little impact on FY18 revenue.

Jodi Patterson stated revenues are coming in on target.

Director Allis stated that 90% of budget is spent on salaries; with future retirements there may be an opportunity to reduce this to 80%.

Marc Eckels responded to a question about oil production trends in the Uintah Basin and discussed issues due to increasing production. He reviewed a pipeline proposal which has morphed to include a railroad line from the Uintah Basin possibly to Rifle, Colorado.

Director Allis reviewed contract revenue. The FORGE geothermal project has been a big help this year and has been by far the largest contract (\$360k billed; see page 3 of revenue tracking spreadsheet). The competing Nevada site had challenges completing their characterizations within the contractual deadline. If the Milford site is the winner (announcement in June) the UGS will have an ongoing role, but at a lower level (maybe between \$100k - \$200k per year for the next five years). The Groundwater Program has been very active with a mix of proposals on hydrogeologic assessment/monitoring, watershed restoration impacts, and wetlands projects.

The biggest challenge for the UGS remains sustaining externally-funded contract projects at around the \$2 million per year level.

The 2018 legislative session passed without significant impact on the UGS. A summary of the appropriated budget for FY19 is in the Board packet. Non-lapsing intent language for the UGS should allow \$200k of general funds and \$550k of Mineral Lease funds to be carried through from FY18 to FY19. Jim Kirkland supported Senator Bramble's bill to name Utahraptor as the State Dinosaur.

Personnel Changes

Chelsea Samuelson has replaced Gregg Beukelman. A Geotech was determined by Hazards to be the most appropriate use of the position at this time.

Stan Smith, geologist with the Groundwater Program, resigned after just over one year with the UGS, and has taken a position with the local Stantec office. This year there is an unusual jump in retirements. Gregg Beukelman (Geologic Hazards) and Craig Morgan (Energy and Minerals) have retired; Chris Wilkerson (Geologic Information and Outreach, GIO) retires on July 1 after 30 years with the UGS; Vicky Clarke (Editorial Section Manager, GIO) retires on September 16 after 25 years with the UGS, and Ken Krahulec (Energy and Minerals; 13 years), Rick Allis (18 years), and Pam Perri (Admin. Secretary, 7 years) have indicated they will likely retire at the end of the year. This amounts to a turnover of 12% of total staff in 12 months – an exceptionally high rate. Seven other staff are eligible to retire, either because they are at retirement age or they have more than 30 years' service with the state. We are near the end of the bubble in staffing that has been a long-term characteristic of UGS age demographics. Although the retirements result in a loss of institutional memory, they also offer opportunities to match expertise with changing technology and future needs.

Interviews for the vacant oil and gas position are continuing at the time of writing, and we may have an announcement by the time of the meeting. There were 84 applicants for the Senior Geologist-level advertisement (but with possibility of underfilling at Project Geologist level); 12 are being interviewed with the intention of having the top two or three come to the UGS for a more extensive evaluation. There is an excellent choice of candidates, most with industry experience.

Discussions over the hiring strategy for the GIO vacancies are ongoing, Mike Hylland stated at this point we will try to find geologist with strong Web design, data management for Chris Wilkerson's position. It is intended that Jen Miller will replace Vicky Clarke as a career mobility move. Jen has been receiving training so that there will be a smooth transition in Editorial.

There are several options available DNR Director – Mike Styler on the appointment of a new UGS Director when Rick Allis retires. These include selecting someone directly, appointing an Acting Director for a time period or advertising for a replacement using the Board to do initial interviews to select 2 or 3 candidates for consideration by the DNR Executive.

Changing status of TLs

The state has decided that there is overuse of the TL (temporary or “Time Limited”) category for staff. This is usually because the position is dependent on funding and may not be long-term. However, some employees have TL status for decades and may even retire on that status. Reluctance to classify employees as permanent (schedule B) has traditionally been because if funding did disappear it might be difficult to lay-off staff (employees have the right of appeal before being laid-off). To overcome this issue the state has modified the appeal process for schedule Bs (appeals may occur only after the lay-off) and are strongly encouraging TLs only for genuinely less than two-year appointments. For part-time, funding-dependent staff, the state is encouraging use of the schedule IN category (“Indefinite,” and less than 1560 hours/year). The state is allowing a one-time opportunity to convert current schedule TL employees to schedule B, without the need for the full recruitment process; the conversion will become effective on July 1, 2018. For schedule TL employees hired after May 23, 2018, conversion to schedule B will require the position to be advertised and competitive interviews held.

Because of these changes, the UGS has recommended to HR that four TL staff be converted to schedule B, and three staff be switched to IN. These recommendations are being combined with similar recommendations from other DNR Divisions and will be collectively considered during the transition period.

HR working on modified Geology Job Classifications

The job descriptions for the geology career ladder are being reviewed by State Human Resources. They have not been significantly altered for about 30 years, and the way we were interpreting them has evolved with time. Several senior staff reviewed the descriptions, and recommendations were submitted earlier this year. The main recommendation is to split Geologic Program Manager/Senior Geological Scientist into two categories because of the widely differing responsibilities. Geologist is clarified as the entry-level position, with Project Geologist being working level, and Senior Geologist being senior level, but not necessarily supervisory.

Director requirements include licensure or ability to acquire license because the director has a seat on the DOPL Board of professional licensure.

Next UGS Board meeting will address the status of these changes.

UGS Drone

The UGS has purchased a drone to assist with field work due to the multiple applications and value of the imagery. Up to now the UGS had relied on others to acquire drone imagery. The state requires all pilots to be licensed, and drones to be registered with the FAA. Risk Management has liability concerns and will not allow private drones to be used for state work. Christian Hardwick is to be the UGS point person in control of UGS drone activity; two other staff, a Hazard staff member, and Nathan Payne will also be licensed to operate the drone.

Future Meetings

Date of August meeting changed from Wednesday, August 15 to Wednesday, August 22, 8:30 – noon (UGS meeting room).

Friday – Sunday September 14 – 16; Board field trip to Iron County. Formal meeting 8 – 9 am
Saturday September 15, DNR Building, Cedar City. Themes will include the Markagunt gravity slide, Iron County geologic issues, and the FORGE site.

ACTION ITEMS

Summary of Requests to Propose

The following proposal concepts were approved electronically by the Board since the last Board meeting on January 9, 2018.

Development of a Geotechnical Subsurface Geodatabase to Improve Project Planning and Understanding of Shallow Subsurface Conditions, Steve Bowman and Jessica Castleton
Total Project Cost: \$80,000 New Funding to UGS: \$40,000

2017 UGS Geologic Data Preservation Program, Steve Bowman
Total Project Cost: 123,852 New Funding to UGS: \$61,802

CarbonSAFE Rocky Mountains Phase I: Ensuring safe subsurface storage of CO₂ in the Intermountain West, Tom Chidsey
Total Project Cost: \$250,000 (preliminary estimate) New Funding to UGS: \$200,000 (preliminary Estimate)

Utah Geologic Hazards Database and Custom Reporting Tool, Steve Bowman
Total Project Cost: \$25,665 New Funding to UGS: \$19,248

Monitoring Groundwater Response to Pinyon and Juniper Treatments-Year 2, Hugh Hurlow
Total Project Cost: \$50,093 New Funding to UGS: \$37,593

Bryce Canyon National Park Lidar Elevation Data Acquisition, Steve Bowman
Total Project Cost: Cost not to exceed \$43,000 New Funding to UGS: Not to exceed \$43,000

Hydrologic Monitoring of Critical Groundwater-fed Habitat, Diane Menuz
Total Project Cost: \$19,974 New Funding to UGS: \$14,980

Filling Data Gaps for Native Aquatics: Surveying for Sensitive Mollusks and Managing Boreal Toad Habitat Data, Diane Menuz
Total Project Cost: \$18,250 New Funding to UGS: \$13,687

Water-Quality Monitoring of Juniper Treatment Programs, Year 3-Tintic Valley, Grouse Creek Mountains, and Montezuma Creek, Utah, Stan Smith
Total Project Cost: \$19,992 New Funding to UGS: \$14,994

Castle Valley Water-Quality Monitoring, Janae Wallace
Total Project Cost: \$8,700.16 New Funding to UGS: \$4,350.08

Hydrogeological Study of the Bryce Canyon City Area and Emery Valley, Garfield County, Utah, Janae Wallace
Total Project Cost: \$285,472.00 New Funding to UGS: 142,736.00

Pete Kilbourne motioned to approve the Requests to Propose written. Sam Quigley seconded the motion. The Board voted, and the motion carried.

Closed Session for Crawford Award

Meeting resumes at 10:00 a.m.

The winner is Steve Bowman and Bill Lund, *Guidelines for investigating geologic hazards and preparing engineering-geology reports with a suggested approach to geologic-hazard ordinances in Utah*—UGS Circular 122.

Presentations

Ben Erickson presented an update on the Riverdale Slide, which began on November 30th, 2017. UGS is monitoring Above the slide with GPS- VRS system, inclinometers, and piezometer.

Tom Chidsey discussed the UGS' involvement with Mars Rovers at the request of Rebecca Williams (NASA). Rebecca Williams requested Tom suggest Utah names for places and formations on Mars.

Jim Kirkland brought in the new skull of Utahraptor which will be on display at the upcoming AAPG exhibit hall in the Salt Palace. Utah now has a State Dinosaur (Utahraptor) and a State Fossil (Allosaurus). The MOU with Thanksgiving Point covering work on the Utahraptor block was discussed.

Mike Vanden Berg addressed the request by the BLM for the UGS to review resource potential in lands recently proposed to be excluded from the Grand Staircase, Escalante National

Monument. This review will be used as input to a new land management plan being compiled by the BLM.

Marc Eckels adjourned the meeting at 11:45 a.m.