

## **FINAL Brine Well Remediation Advisory Authority Meeting Minutes**

**1 p.m. 10-3-17- City of Carlsbad Municipal Annex**

### **Authority Attendance:**

City of Carlsbad (John Heaton) and Mayor Dale Janway (Joined during meeting)

Eddy County (Commissioner Stella Davis)

Energy Minerals & Natural Resources (Deputy Secretary Matthias Sayer via telephone, joined during meeting)

New Mexico Environment Department Secretary (Secretary Butch Tongate)

Carlsbad Irrigation District (Manager Dale Ballard)

New Mexico Department of Transportation designee (Tim Parker)

NM State Engineer designee (Juan Hernandez via telephone)

Attorney General designee (Bill Grantham via telephone)

**Agenda Item 1: Call meeting to order** – Chairman John Heaton called the meeting to order.

**Agenda Item 2: Status of Open Meetings Act Announcement of Meeting** – Chairman Heaton called on Kyle Marksteiner, who established that the meeting met approved Open Meetings Act policies outlined.

**Agenda Item 3: Roll Call to Establish a Quorum** – Mr. Marksteiner read the roll call and established that a quorum was present. Marksteiner explained that Mayor Janway had to go out of town and would be at the meeting later. Voting in attendance were John Heaton, Stella Davis, Butch Tongate, Bill Grantham, Juan Hernandez, Tim Parker and Dale Ballard. Matthias Sayer joined the meeting after the roll call.

**Agenda Item 4: Introduction of Authority Members or Designees:** Mr. Heaton asked for Authority members present and other guests calling in to introduce themselves. He introduced himself as the mayor's designee serving the Brine Well Authority. Juan Hernandez introduced himself as the meeting's designee with the Office of the Engineer. Commissioner Susan Crockett and several NMED staff members also introduced themselves over the telephone.

**Agenda Item 5: Approval of the Agenda** – Mr. Heaton asked members to review and approve of the agenda.

**Action Item Passed: Motion:** Commissioner Davis, **Second:** Sec. Tongate.

**In Favor:** Mr. Heaton, Mrs. Davis, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham, Mr. Hernandez.

**Opposed:** None

**Agenda Item 6: Approval of the Minutes** – Mr. Heaton asked members to review and approve the minutes from the previous meeting. The minutes were approved with two clarifications to Item 10B.

**Action Item Passed: Motion:** Mr. Ballard, **Second:** Commissioner Davis

**In Favor:** Mr. Heaton, Mrs. Davis, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham, Mr. Hernandez.

**Opposed:** None

**Agenda Item 7: Review of Brine Well Status Change**

Jim Griswold said the monitoring system continues to function. With the recent rains we get ponding on the site. The tiltmeters have shown some small but instantaneous movements associated with the surface flooding. Overall nothing has really changed. Chairman Heaton said Mr. Griswold's explanations have been very clear.

**Agenda Item 8: Review of Public Information Provided**

Mr. Marksteiner stated that the Carlsbad Current-Argus covered the Aug. 30 meeting and regional media was notified. Mr. Griswold and the OCD have been adding information to the brine well web page and members of the public should be directed to that page. Mr. Heaton said the Authority has pledged itself to keep the public as informed as possible.

**Agenda Item 9: Presentation by Mosaic of past cavity filling**

Mr. Heaton introduced Paul Gill, the manager of Mosaic, and said he made this presentation happen. He said the authority appreciated everything Gill did to make the presentation happen.

Jim Brandt delivered a PowerPoint presentation about Mosaic's experience in Hutchinson, Kansas. He has been with Mosaic since 2005. Mr. Heaton clarified that Mr. Brandt is making a case study presentation only. Mr. Brandt said he has 32 years with an initial background in environmental science. Mosaic's legacy portfolio includes projects that the company acquired, which included a salt facility in Hutchinson.

The scope relates to backfilling several cavities along the town's BNSF rail line, which rides along the north end of Mosaic's property in Hutchinson. In January 2005, a passing train noticed a small water body along the northern property boundary. What was called Sinkhole 19 ultimately had a diameter of just over 200 feet, and was in close proximity to sensitive infrastructure. Everyone worked together to identify the best way to proceed, with Kansas flagging some other cavities on the property as potential concerns.

Brandt's presentation included detail on the geological profile of the area and the shapes of the brine well cavities. Brine Well 19 had probably been out of operation for 70 years. The long

periods of dormancy allowed the roof rock to fail and the cavity migrated upwards. Mosaic used sonar to map the voids of all of the cavities along the BNSF line.

The backfilling process was very simplistic overall. For each of the cavities, Mosaic wound up using at least one a brine relief well (to remove the brine) and a sand emplacement well. The voids were filled to a point to where the overlay is now supported (In one example, 4 feet from the top). The backfilling started in 2010 and concluded in February of 2012. Mosaic measured for 2 ½ years and everything (after compaction) appears to have stabilized at about 15 feet from the top. The state was very comfortable with this level. Mr. Brandt estimated that the total cost of the remediation process (for three cavities) was around \$8 to \$10 million.

Mr. Brandt took several questions from members of the audience and Authority members, especially about the pressure of the brine that was removed and about the timeline.

#### **Agenda Item 10: Committee Reports**

- A. **Financing Work Group:** Commissioner Davis spoke for Commissioner Crockett, who had to leave earlier in the meeting. She reviewed a recent financial work group meeting. Commissioner Crockett had spoken with FEMA and we are looking at different avenues of FEMA funding. We would have to do the application next year. We need to start lobbying our local representatives for support if we have to come up with a match. Mr. Griswold pointed out that the case could be made to FEMA that expenditures to date have met the match.
- There is also a FEMA pre-mitigation program with certain definitions. One of the subcommittee members has agreed to contact Senator Tom Udall. We feel that since the federal government receives royalties, they should be able to help out with this endeavor.
- Chairman Heaton noted that Senator Udall is the ranking member on the Interior appropriations committee. Local BLM officials have also agreed to pursue the Department of Interior. Chairman Heaton also mentioned the possibility of potentially making the brine well cavity a disposal facility.
- B. **Technical Work Group:** Don Purvis and George Veni said their focus has been on the RFP. The RFP will be in two phases. The first phase was release on Sept. 28 and is a qualifications phase. The second phase of the RFP will look for how are you going to fix it and what is it going to cost. Purvis and Veni attended the state contractor meeting in September and there were a large number of people in attendance. State procurement did a great job putting the file together. The technical committee also visited another collapsed site.

- C. **RFP/Liability Work Group:** The state procurement office said the Phase 2 documents will be released in November. As soon as the selection committee narrows it down to four finalists, they need the perimeters for the second phase. Deputy Secretary Sayer said there have been conversations on liability and it has been determined to leave the wording generic in existing documents while communicating an awareness of liability issues and there will be subsequent conversations with winning bidders. Mr. Heaton said the state's speed in putting together the RFP has been remarkable.

**Agenda Item 11: General Strategy Path Forward:** Mr. Heaton said there were questions about the connection between the brine well cavity and the Rustler Formation. He said there was also a question about the mineral rights and if salt fell under the Mining Act. He said property ownership continues to be a question. If the former owner dissolves, where does the property go? Mr. Grantham said the Attorney General's Office would be an entity who could initiate dissolving the corporation, if that became an issue. Mr. Heaton also observed that the brine well has intruded upon other private property owners.

**Agenda Item 12: Public Comment**

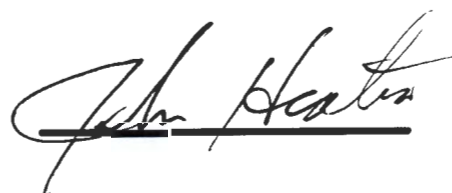
Norbert Rempe expressed that he agreed with the praise for the rapid formation of the RFI, but the RFI incorrectly places Carlsbad in Chaves County. Chairman Heaton said this error has been fixed. Rempe also expressed concerns over potential associations related to the former owner of the brine well.

Mr. Ballard said he was concerned that there was a state legislative meeting in Silver City in which Sec. McQueen presented about the brine well, but Carlsbad-area stakeholders were not notified of the meeting. This is a big issue for Southeastern New Mexico. Any New Mexico legislative town hall should have been held in closer proximity and Sec. McQueen should not have to face this by himself.

**Agenda Item 13: Determination of Upcoming Meeting.** The board consented to give Mr. Heaton the authority to set the next meeting based on RFP Process progression. No action was taken on this item.

**Agenda Item 14: Adjournment**

Mr. Heaton adjourned the meeting at approximately 3:00 p.m.

A handwritten signature in black ink, reading "John Heaton", is written over a solid black horizontal line.