

Brine Well Remediation Advisory Authority Meeting Minutes

1 p.m. 8-16-17- City of Carlsbad Municipal Annex

Authority Attendance:

City of Carlsbad (John Heaton)

Eddy County (Commissioner Stella Davis)

Energy Minerals & Natural Resources designee (Deputy Secretary Matthias Sayer)

New Mexico Environment Department Secretary (Secretary Butch Tongate)

New Mexico Department of Transportation designee (Tim Parker) – Sec. Church participated via telephone

Carlsbad Irrigation District (Manager Dale Ballard)

NM State Engineer designee (Andy Morley)

Attorney General designee (Bill Grantham)

Agenda Item 1: Call meeting to order - Carlsbad Mayor Dale Janway called the meeting to order. Mayor Janway thanked all of the organizations for remaining dedicated to the process. Chairman John Heaton asked for all of the members to introduce themselves.

Agenda Item 2: Status of Open Meetings Act Announcement of Meeting – Chairman Heaton established that the meeting met the Open Meetings Act policies, established at the prior meeting.

Agenda Item 3: Roll Call to Establish a Quorum – Kyle Marksteiner read the roll call and established that a quorum was present. Voting affirmative were Dale Janway, Stella Davis, Matthias Sayer, Butch Tongate, Bill Grantham, Tim Parker and Dale Ballard.

Agenda Item 4: was handled as part of the call to order

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

Action Item Passed: Motion: Mr. Sayer, **Second:** Mr. Parker

In Favor: Mr. Heaton, Mrs. Davis, Dep. Sec. Sayer, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham.

Opposed: None

Agenda Item 6: Approval of the Minutes – Mr. Heaton asked members to review and approve the minutes from the previous meeting.

Action Item Passed: Motion: Mrs. Davis, **Second:** Mr. Tongate

In Favor: Mr. Heaton, Mrs. Davis, Dep. Sec. Sayer, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham.

Opposed: None

Agenda Item 7: Review of Brine Well Status Change

Mr. Jim Griswold said the monitoring system remains functional. Parts of it are eight years old. We continue to see movement in the area. We see lots of things due to the sensitivity of the equipment. He reviewed the technical equipment that is used for monitoring. The equipment is very sensitive and can detect local rain storms etc. on a minute by minute basis. There are different levels of alarm based on the type of alert. The microseismic data is reviewed on a regular basis. If and when a failure is to occur, it would likely occur in the northern area of the cavern.

Agenda Item 8: Review of Public Information Provided

Mr. Marksteiner provided an overview of media coverage of the brine well issue, including the fact that coverage was placed on USA today. He outlined local radio stations that were updated. Additionally, he discussed the presentation at the Recent Radioactive and Hazardous Materials meeting. Mr. Heaton said several potentially good ideas came out of the meeting, including using coal mine remediation funding. They were intensely engaged in trying to get this thing financed. The authority wants to do everything it can to keep the public up to date about progress being made.

Agenda Item 9: Presentation of Emergency Response Planning

Fire Chief Rick Lopez and Jennifer Armendariz with Eddy County Emergency Management presented about emergency response planning. When we are notified, we will close down the highways and get hold of Griswold and AMEC before moving forward in evacuations. Reverse 911 will be activated as part of the plan. This event will tax us to the full extent and we will probably need additional resources. There are a number of mutual aid agreements in place. Mr. Heaton asked for the process of notification for people in the impacted area. It would include reverse911 calls as well as door to door evacuation. Secretary Tongate asked if there is a plan to coordinate with WIPP or potash mines. There have been brief discussions. Question on if there would be any impacts on the airport. Mr. Heaton also asked for Chief Lopez to review the six emergency warning sirens. Lopez clarified that the sirens are meant for people who are outside to hear and get inside. Question: If Amber Alert process could be applied? Lopez said that is the last piece to this early warning system. Not in play yet.

Agenda Item 10: Committee Reports

- A. **Financing Work Group:** Eddy County Commissioner Stella Davis said there was a lot of discussion on federal funding. Jack Volapto contacted the city and county's lobbyist. Will meet with Todd Willens (Interior Department). Other issue we met with WIPP officials to discuss salt that is piled up there. Could we use that salt? The answer was maybe. They use that salt for backfill. 400,000 cubic yards would need 900,000 cubic yards. We need to show ownership before we can qualify for federal funds.
- B. **Technical Work Group:** Don Purvis and George Veni said committee met on July 27. Our priority is towards the preparation of the request for information. Taken a shot at capturing some of the things we need to put together that RFI. We're coming up with a list of questions we would like to see parties respond to. Talking about solution mining research institute. Purvis has been in contact with the owner of another property in the US that has backfilled salt caverns. Getting approval to come before this committee and go through in detail the work that has been done at another site. Pretty close to what we had in Carlsbad. Purvis would like approval for the owner to come in and make a presentation. Does not want the contractor since that might disqualify them. Mr. Heaton would like to ask general services division to check into some of the nuances of the presentation. The committee voted to invite the owner to present. Mr. Ballard asked for more specifics of the remediation. Mr. Purvis added that the project was completed three years ago and there have been no issues since.

Item Passed: Motion: Mr Parker, **Second:** Mrs. Davis

In Favor: Mr. Heaton, Mrs. Davis, Dep. Sec. Sayer, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham.

Opposed: None

Dr. George Veni said he was recently asked if the Superfund site had been considered. The Superfund site deals with the release of a hazardous substance but it may still be worth looking into. Dr. Veni said we are using the term "cavern" to describe the brine well, but we should consider using the term "cavity" due to the bad connotation. Mr. Morley answered a question clarifying that no water rights was authorities or required.

- C. **RFP/Liability Work Group:** Dep. Secretary Sayer said the group met recently. Energy Minerals and Natural Resources are not experts in RFI. Met with other agencies. They are advising us and they will be preparing the RFI with the input that we provide to them. The more questions that you ask and the more technical they get means you might have to provide more time. A more focused RFI lets you get it done quicker. Mr. Heaton asked what the context is on how a question gets asked. Mr. Sayer said questions might be "What are your concerns with risk?" We ask a list of

questions and they respond. Mr. Parker said the DOT submitted the RFP for a road project because there are a lot of similarities. It may be used as a boiler plate. The state's procurement department is willing to draft the RFI with what we've provided them. We're working to get something completed within the next month to 60 days. Mr. Griswold said the state purchasing department has been very dedicated toward preparing the RFI and is highly motivated. Mr. Griswold said the RFI may include an oral and a written phase. Mr. Ballard asked if the liability issue had been resolved. Mr. Sayer said the last time the issue was addressed an attorney said I&W still owns the property. There were questions about how the issue would be resolved through bankruptcy court. Mr. Grantham said he did not believe assistance would be a violation of the anti-donation clause.

Agenda Item 11: Review and consider recommendations for EMNRD to move forward with an RFI.

Action Item Passed with the addition that the working group advise would be considered.

Motion: Mr. Ballard, **Second:** Mr. Tongate

In Favor: Mr. Heaton, Mrs. Davis, Dep. Sec. Sayer, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham.

Opposed: None

Agenda Item 12: General Strategy Path Forward:

An individual from the NMED said he would strongly support having a meeting with the participants after the RFI goes out. What I've instituted in the last few years is to meet with all the parties first.

Mr. Heaton said he is very anxious to get this thing going as quickly as possible.

Agenda Item 13: Public Comment

Steve Yokum (legislative affairs) said the first step is to get the FEMA money through the FEMA hazard mitigation. Reminded everyone to continue speaking with Wendy Blackwell. The first step should be for someone to take over the property from I&W. Mr. Heaton asked if ownership would be beyond the well since other areas are at risk too. He said you will have a difficult time getting a public entity to step up and claim the property. Mr. Yokum clarified that FEMA money would require a declaration of ownership. Mr. Gratham said he would look into the bankruptcy issues. The total FEMA pool is \$90 million. Clarity would be sought on the maximum the project could receive. There is no federal funding through the federal Department of Transportation for preventive efforts. Mr. Yokum said the qualification of this being a natural disaster could be worked around similar to the Hurricane Katrina levees.

Dr. Ned Elkins said the microseismic information is the most important. He suggested accelerating getting the microseismic notification tied into the immediate notification system.

Bernadette Granger with Congressman Pearce's Office said that Congressman Pearce's office has also been happy extend assistance with the communications with FEMA.

Agenda Item 14: Determination of Upcoming Meeting

The next meeting of the Brine Well Remediation Advisory Authority was set for 1 p.m. August 30, 2017.

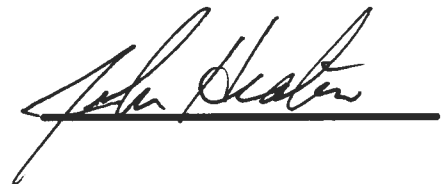
Action Item Passed: Motion: Mrs. Davis, **Second:** Mr. Sayer

In Favor: Mr. Heaton, Mrs. Davis, Dep. Sec. Sayer, Sec. Tongate, Mr. Parker, Mr. Ballard, Mr. Morley, Mr. Grantham.

Opposed: None

Agenda Item 15: Adjournment

Mr. Heaton adjourned the meeting at approximately 2:49 p.m.

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