

# **IME**

**institute of makers of explosives**

**Board of Governors Meeting  
2023 Spring Meeting  
Hilton Washington DC National Mall The Wharf  
Washington, D.C.  
May 11, 2023**

## **Minutes**

Chairman: Tim O'Brien (Detotec)  
Vice Chairman: Jason Rawlings (Austin Powder)

**Voting Board Governors in attendance:** Scott Bell (Dyno Nobel), Brett Lehman (GEODynamics), Jason McCann (Baker Hughes), Ravi Moodley (Orica USA), Tim O'Brien (Detotec), Jason Rawlings (Austin Powder), Wendell Stinson (Accurate Energetic Systems), Stuart Wood (JRC/Halliburton), Tom Young (Hilltop Energy), David Zoghby (General Dynamics OTS-Munitions Services).

**Others in attendance:** Scott Blazek (Nelson Brothers), Carl Byrd (Dyno Nobel), Fred Cardillo (Senex), Mitch Green (Maine Drilling & Blasting), Noel Hsu (Orica USA), Ian McNally (Hilltop Energy), Bobby van Rensburg (Accurate Energetic Systems), Gordon Rogers (DynaEnergetics).

**IME Staff:** Clark Mica (President), Alex Caron, Larry Farnsworth, Susan Flanagan, Josh Hoffman, Colby Sholler, and Sue Swanhorst.

**General Counsel:** Judith Hammerschmidt

### **CALL TO ORDER**

IME Chair Tim O'Brien called the meeting to order at 8:33am. The minutes were recorded by Secretary Sue Swanhorst. Evacuation procedures were shared, and CPR-trained attendees were identified.

Attendees identified themselves and a quorum was confirmed.

### **ANTITRUST GUIDELINES**

IME General Counsel Judy Hammerschmidt reviewed the IME Antitrust Guidelines and advised that the meeting would be conducted in accordance with the guidelines. She also reviewed IME's CVI and SSI guidelines.

### **APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

The Board approved the minutes of the 2022 Annual Meeting which were previously furnished to the attendees on the IME website.

### **CHAIRMAN'S REMARKS**

Tim O'Brien welcomed attendees and thanked them for their participation in IME. Mr. O'Brien thanked Alexandria Caron for the excellent job she did organizing the meeting, and thanked all the IME staff for the work they put in to support the meeting.

### **2022 IME AUDIT REPORT**

Auditor Bernard Gordon, CPA, PLC, reported on the results of the 2022 Financial Audit. Mr. Gordon described the auditing process and the guidelines used in conducting the audit. Mr. Gordon noted that new accounting standards require including the total lease liabilities which are now reflected in the financial statements. Mr. Gordon's overall assessment is that IME is financially sound with revenues and expenses closely following the budget. The financial statements are in conformity with Generally Accepted Accounting Principles (GAAP), and compliance with the American Institute of CPAs (AICPA).

### **PRESIDENT'S REPORT**

Clark Mica updated the Board on the Strategic Plan implementation by sharing and reviewing an IME SMART Goals scorecard which aligns key initiatives with the IME Strategic Plan. He noted that quarterly progress updates will be provided to the Board.

Mr. Mica reported that Tread had withdrawn their membership in early 2023. IME is working with Tread to collect the outstanding 2022 dues.

Mr. Mica introduced Larry Farnsworth, IME's new Director of Communications & Marketing. There was discussion regarding the proposal to create a new Communications Committee with Mr. Farnsworth acting as the committee liaison. A motion was made and approved to initially establish the Communications Committee as an ad hoc vs. standing committee until the Bylaws have been updated. Mr. Farnsworth will reach out to all IME principal governors to identify volunteer representatives to serve on the committee.

Mica reminded members that IME's 2023 Annual Meeting is scheduled to be held October 16-19 at the Cheeca Lodge & Spa in Islamorada, Florida.

### **SECRETARY/TREASURER'S REPORT**

Ms. Swanhorst reported that IME was working with Tread Corporation to collect the outstanding the 2022 outstanding dues.

Ms. Swanhorst reviewed the 2022 end of year financial reports. The 2022 budget surplus was \$72,078, and the Authorized Reserve balance as of December 31, 2022, was \$985,275.

Ms. Swanhorst reviewed the 2023 financials and provided a budget update as of March 31, 2023.

### **CHAIRMAN APPOINTMENTS**

The appointment of an Associate voting member to replace Justin Kreeger (Tread) was tabled and will be addressed later.

## **COMMITTEE AND ASSOCIATED REPORTS**

### **Steering Committee**

Steering Committee Chair Jason Rawlings reported on Steering Committee activities since the 2022 Annual Meeting. Mr. Rawlings noted that the Steering Committee met during the ISEE meeting in San Antonio in February where Clark presented a recommendation for IME to consider a “refresh” of the association in order to better tell our story to policymakers, the media, and the public in a positive way. After extensive discussions on what is needed and several subsequent meetings to more clearly define the goals of such an initiative, the Steering Committee agreed to move forward with a refresh initiative focused on the following areas: develop a clear and consistent message that establishes IME as the voice of the entire commercial explosives industry (not just manufacturing) but also distinguishes from defense/fireworks/ISEE; develop a message to articulate IME’s value to current membership and potential members. use the updated message and value proposition to better engage key stakeholders (policymakers, media, general public and potential new members); modernize IME’s overall identity to better represent today’s industry; and develop messaging consistency across all IME communications.

IME has retained Mekanik, a professional marketing/branding agency, with expertise in the association space, to facilitate the initiative. Steering had an initial discussion yesterday with Mekanik and has a follow up meeting scheduled for July 14<sup>th</sup>.

### **LEAD Group**

Clark Mica reported that the LEAD Group met for dinner Monday night and heard from a guest speaker who discussed the importance of networking and relationship building and getting involved in the political process as part of building leadership skills. Mr. Mica also discussed the need to establish a LEAD curriculum with the goal of better positioning individuals to be leaders in the industry, not just their companies.

## **STANDING COMMITTEES**

### **Safety, Health and Environmental Affairs Committee (SHEA)**

Mr. Byrd, the SHEA Committee Chair, reported that the committee met on May 9, 2023, and discussed a number of regulatory and judicial issues important to the industry. These items included but were not limited to: a potential EPA rulemaking on OB/OD, IME’s comments on the agency’s proposal to amend its Risk Management Program (RMP) rule, additional EPA rulemaking activities impacting the coal industry; EPA’s final rule determining regulation under the federal Clean Water Act; and litigation that would compel the agency to regulate perchlorate. On the safety and health side, the committee discussion centered on a new, more severe enforcement stance announced by OSHA; updated OSHA recordkeeping and reporting requirements; the agency’s plan to update and possibly expand its Process Safety Management Standard to include ammonium nitrate. Mr. Byrd also reported that the committee’s update of SLP-29 and its completed draft of SLP-33 have been submitted to the IME Legal Affairs Committee.

### **Legal Affairs Committee (LAC)**

Mr. Bell reported that the review of SLP 29 and 33 should be finished in the next couple of weeks.

A motion was made and approved for Ross Davidson (Dyno Nobel) to replace Scott Bell (Dyno Nobel) as Chair of the LAC effectively immediately.

### **Technical Committee**

Mr. McNally reported that most of the subcommittee vacancies have been filled. SLP 1, 2, and 12 are up for review. The Board was updated on activities for the following subcommittees:

Academic – The SC met in February and discussed the need for a list of relevant skills and knowledge that students need to be taught to make them more placeable in the commercial explosives industry. There is potential development of an SLP for R&D at the university level to ensure the students are following common procedures.

Electronic Detonators – There are discussions regarding a joint effort between the Electronic Detonators SC and the Oilfield Services SC to ensure proper UN marking for electronic detonators in the oil and gas sector.

MSHA – Luke Proventure (Austin Powder) is the new SC chair. The main project is an MSHA-requested safety alert on Density vs. Sensitivity of emulsions in underground mines.

Lightning Response Working Group – SME Mitch Guthrie has been secured and meetings have been well attended and supported.

Pumping Water Based Explosives – NRCAN is currently reviewing a pumping water-based explosives document from 1995. CEAC will report on the findings after the document review.

The Committee will be reevaluating the 8ms rule by looking into developments like signature hole analysis and other technical advancements, such as electronic detonators. A working group was formed to research the topic further and will present their findings at the Annual Meeting.

### **Transportation, Distribution and Security Committee (TDS)**

Ms. Flanagan reported that the TDS meeting opened with an ATF Roundtable between ATF representatives and IME members to discuss the ongoing regulations modernization project. The Committee also discussed a number of topics directly impacting transportation and security. In particular, the committee was updated on upcoming hazardous materials registration fee increases made necessary by certain provisions in the Infrastructure Investment & Jobs Act. In addition, IME's comments on PHMSA rulemaking HM-219D were reviewed. The comments support PHMSA's proposal to incorporate by reference IME's updates to SLP-22 and SLP-23. Also discussed was a new FMCSA proposed rule that would make changes to the agency's Compliance, Safety, Accountability (CSA) Safety Measurement System (SMS). The committee briefly discussed the use of electric vehicles to transport explosives. New items of interest appearing in the Committee Report were reviewed and included the use of automatic emergency braking systems, additions to the list of "non-preventable crashes," and possible future mandates for heavy vehicle speed limiters. Lastly, the committee discussed international developments including regulatory requirements applicable to obtaining and using UKCA marks in lieu of CE marks for companies exporting to Great Britain post-Brexit.

Mr. O'Brien will appeal to the Principal Governors to encourage their employees on the SLP 27 Subcommittee to participate in the review process of the SLP 27 eLearn module. Ms. Caron will provide the principal governors and subcommittee members with an outline of review process. Review results (positive/negative/neutral) should be sent to Ms. Caron within two weeks.

#### **United Nations Committee Report**

Mr. Hoffman reported that IME's primary issue before the United Nations remains to exclude certain Ammonium Nitrate Emulsions from the 8(d) test. Since IME's Annual Meeting, the UN Team has continued to work on the issue. It submitted an informal paper during the winter session to clarify items in a paper submitted by RPMASA in the previous session, which could have been misunderstood and taken as evidence against IME's efforts. Its members have presented the issue at the CIE/IGUS and SAFEX meetings. IME submitted a working paper for the upcoming summer UN session. The event in Western Australia involving Ammonium Nitrate Emulsion has raised many questions, and we are awaiting an official report before deciding how to proceed. PHMSA's public pre-UN meeting will be on June 21, 2023, and IME will participate. In addition, AESIG has submitted three papers which IME's UN subcommittee will review to determine its stances.

#### **Government Affairs Committee (GAC)**

Mr. Young requested Board approval to replace Charlie Nelson as the GAC vice-chair, with Mitch Green (Maine Drilling & Blasting). A motion making Mitch Green the new GAC vice-chair was made and approved.

Mr. Young requested Board approval to replace Charlie Nelson as a member of the GAC with Clint Fritz (Nelson Brothers). A motion was made and approved replacing Charlie Nelson with Clint Fritz on the GAC.

Mr. Young discussed the reorganization of the GAC and briefly reviewed a handout previously distributed to the Board. The Board approved the motion to reorganize the GAC with an intent to amend the Bylaws by the end of the year.

Mr. Young reviewed the Proposal to Create an IMEPAC Board which was previously sent to the Board for review. The motion to create an IMEPAC Board was approved with an intent to amend the Bylaws by the end of the year.

Mr. Young reported on the activities and financial status of the Makers of Explosives Political Action Committee (IMEPAC). To date, the IMEPAC has received over \$5,000 in donations, and has processed \$2,000 in disbursements. Those submitting authorization forms were thanked. The IMEPAC will contact those who haven't responded.

Mr. Young briefly discussed the 2023 IME Public Policy Priorities which were previously sent to the Board for review. This document and subsequent press release were up for approval during the Board meeting. Mr. Young was asked to resend the document to the Board for review with responses due to Mr. Farnsworth within the week. The press release will be issued by the Friday of the following week.

## **REPORTS FROM LIAISON MEMBERS**

Clark Mica reported for the following Liaison members:

International Society of Explosives Engineers (ISEE) – ISEE and IME are working in concert to complement efforts by having reciprocal membership and ISEE's marketing of IME's eLearn modules to the ISEE membership.

Federation of European Explosives Manufacturers (FEEM) – Maurice Delaloye, FEEM's Secretary General, will be retiring within the next few months.

SAFEX International – The SAFEX Congress, held in late April was held in Salzburg, Austria and went well.

## **ADJOURNMENT**

The meeting was adjourned at 9:52am.