

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL
Anchorage, Alaska
December 1, 2016
Approved Minutes

Members Present: John Williams, Robert Peterkin, Carla Stanley, Paul Shadura, Walt Sonen, Rob Lindsey, Grace Merkes, Deric Marcorelle

Members Absent: Gary Fandrei (excused), Molly McCammon (excused), Bob Flint (excused), Michael Opheim (excused)

Members Present by Teleconference: Kyle Crow

Staff Present: Michael Munger, Vinnie Catalano, Susan Saupe, Jerry Rombach, Lynda Giguere, Vaito'a Heaven, Cindy Sanguinetti

Staff Present by Teleconference: Maritta Eledge

Others Present: Steve Ribuffo, Port of Anchorage

1. CALL TO ORDER/ APPROVAL

President John Williams called the meeting to order at 1:00 P.M. Roll was called, establishing quorum.

The minutes of the Special Meeting held on November 15 for the first consideration of the Amendments to the Articles of Incorporation, Council Bylaws and Policies serve as the agenda.

Paul Shadura moved to approve the November 15, 2016 Special Meeting Agenda. Deric Marcorelle seconded. The agenda was approved.

Robert Peterkin moved to approve the agenda. Grace Merkes seconded. The agenda was approved.

Paul Shadura moved to approve the minutes of September 9, 2016. Robert Peterkin seconded. The minutes were approved.

Robert Peterkin moved to approve the minutes of November 15, 2016. Deric Marcorelle seconded. The minutes were approved with Paul Shadura abstaining as he had not been present.

Mr. Munger extended a welcome to Kyle Crow, Interim Director representing the Kodiak Island Borough.

*******Presentations on Related Topics*******

Steve Ribuffo, Director – Port of Anchorage gave a presentation demonstrating the value of the Port of Anchorage to the State of Alaska as 3-4 million tons of cargo go through each year, including ½ of Alaska's inbound freight by water and 1/3 of inbound refined petroleum. A new structure has been built capable of storing 60,000 tons of cement. The dock serves 85% of the population of the state. Mr.

Ribuffo estimated that ½ the cargo stays in the Anchorage area, 10-15% to the Kenai Peninsula and 20% to the MatSu.

The port has 3 general cargo terminals, 2 petroleum terminals, a dry barge landing, 125 A. of cargo-handling area, 3.4 million barrels of fuel storage, plus the aforementioned cement storage. The port is owned by the Municipality of Anchorage and is required to generate sufficient revenue to pay expenses and to pay the city a fee in lieu of taxes. It is the only national strategic seaport in the state. The port opened in September '61, and suffered some damage during the '64 earthquake, but was able to accept SeaLand freight when Seward couldn't.

Now the port is 54 years old and all of the piling has corrosion with wall thickness loss measuring 59-71%. The port does not need to expand, it needs to be modernized. Annually \$3 million is spent to repair 100 piles. It is a patch job; Mr. Ribuffo said and does not improve seismic resilience. Silt buildup behind the front of the dock will snap the pilings if there is a large earthquake. The pilings are not sunk deep enough. The size is plenty big. The port is only busy 40% of the time.

Alaska needs the Port of Anchorage. Mr. Ribuffo outlined the 7 year modernization/ dock replacement plan with a 75 year design: 48" piles, 1" thick, 205' long driven 15-20' into the hard pack layer, with steel reinforced concrete in the zone of corrosion. Phase 1, the permitting and design, is underway and is funded. It includes the construction of a new cement petroleum terminal to be finished by December 2018, and removal of the sheet pile wall to the north. Phase II is a 5 year project replacing the main dock while staying open. It will cost \$547 million. Once that phase is completed, using outside funding, Mr. Ribuffo said the Port can pay for the remaining work.

Pile drive and environmental sound suppression tests have been done. The Port has an exemption from the Critical Habitat restrictions but is still bound by the Marine Mammal Protection Act.

Mr. Ribuffo shared funding ideas. He maintained the modernization project has to be done.

2. EXECUTIVE COMMITTEE REPORT

- **Seating of Interim Director**

Paul Shadura made a motion to seat as Interim Director for the Kodiak Island Borough Kyle Crow. Carla Stanley seconded.

Mr. Crow provided some background saying he has experience as an Environmental Protection Specialist, and in writing regulatory compliance documents for the Coast Guard. He worked on the pipeline and has worked in marine salvage. He is retired and will be finishing Scott Smiley's term.

The motion passed.

- **Proposed Amendments to Bylaws**

Council Bylaws require periodic review, and based on that 4 items are being amended: the Council's use of Alternate Directors; the limited Tourism Interest Group membership; the process for removal of a Director and the process for establishing Council meeting schedules. Amendments require a 1st and 2nd reading over 2 meetings, so a Special meeting was held on November 15, 2016 at which the Board approved the proposed amendments to the Council's Articles of Incorporation and relevant Council Policies and agreed to recommend adoption of the Bylaws amendments after the 2nd reading.

Robert Peterkin moved to introduce the proposed amendments. Rob Lindsey seconded.

Section 2. Membership

Ms. Stanley read from OPA90 the boundaries, which eliminates Anchorage and Kodiak. Mr. Munger noted that those cities are included in the area of concern. Activities within the area of responsibility impact the area of concern. The attorney explained that any change to one interest group would have to be made to all. The terminology “terminal facilities” exists in OPA90 but is comparable to “oil facilities”. As an alternative advisory group CIRCAC can open membership to an interest group, with the Coast Guard’s blessing, Mr. Munger stated. But to modify the area of responsibility as defined would require an amendment to OPA90 and would take years.

Mr. Shadura said he would like to have a discussion with reference to the Commercial Fishing Interest Group at a later time.

Section 3. Council

Ms. Stanley felt the residency requirement “shall reside in the vicinity of the Oil Facilities” could be questioned since OPA90 defines those boundaries. Legal counsel recommended it be amended later. Mr. Rombach noted the review is ongoing. Reference to alternates is struck throughout the Bylaws.

A process is defined for an Interest Group to petition the Council to remove the Director representing them, for cause. “Cause” is subjective. Removal would require 2/3rd vote of the entire board. This amendment provides stability for the board by allowing Directors to serve their term without arbitrary replacements.

Vacancies filled will serve for the remainder of the unexpired term of the predecessor.

Section 5. Council Meeting

The amendment provides the Council with flexibility in scheduling its meetings. Mr. Rombach noted the election process must begin 120 days prior to the Annual meeting.

Mr. Munger explained that the Tourism Group is expanding membership to include other organizations representing tourism interests. As OPA 90 was written the Alaska State Chamber of Commerce was named as the sole representing organization. In the 26 years since CIRCAC was formed the tourism industry has grown. The State Chamber can still participate in the election process as one of the members of the Tourism Group. This change is warranted, Mr. Shadura stated, and allows for more effective outreach.

Robert Peterkin made a friendly amendment to adopt the amendments to the Bylaws. Paul Shadura seconded. The friendly amendment passed. The amended motion passed unanimously by roll call vote with 9 of the 13 members present.

Mr. Williams said a discussion of Article 5.1.1(a)(i) would be put on the agenda for the December 2 meeting.

The meeting adjourned at 3:30 PM.