

**COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL**

**April 6, 2018**

**Kenai, Alaska**

**Approved Minutes**

**Members Present:** John Williams, Robert Peterkin, Gary Fandrei, Carla Stanley, Paul Shadura, Walt Sonen, Grace Merkes, Bob Flint, Michael Opheim, Kyle Crow

**Members Present by Teleconference:** Molly McCammon, Rob Lindsey, Deric Marcorelle

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

**Staff Present by Teleconference:** Maritta Eledge

**Others Present:** Craig Hyder, Andeavor; Lt. Brent Mellen, USCG; Jade Gamble, ADEC; Sharon Miller, ADEC; Paul Mehler, Andeavor; Wayne Stanley, citizen; Sean MacKenzie, USCG; Todd Paxton, CISPRI; Jim McHale, PROPS; Steve Russell, 150 degrees; Gary Folley

**Others Present by Teleconference:** Rich Novcaski, Harvest Alaska; Heather Crowley, BOEM; Jason Walsh, Pipeline Coordinator; David Fitz-enz, Chugach National Forest; Steve Lufkin, PROPS

**1. CALL TO ORDER/ APPROVAL**

President John Williams called the meeting to order at 9:04 AM. Roll was called, establishing quorum.

**Gary Fandrei moved to approve the agenda. Kyle Crow seconded.**

The President announced that neither Mayor Pierce nor Tim Robertson would be attending. Jade Gamble would provide the presentation for ADEC in place of Graham Wood. A presentation by Rich Novcaski, Harvest Alaska, was added to the agenda.

**The agenda was approved as amended.**

**Gary Fandrei moved to approve the minutes of November 30 and December 1, 2017. Carla Stanley seconded.**

Kyle Crow noted that he did attend the November 30 meeting by teleconference.

**The minutes were approved as amended.**

## **2. EX-OFFICIO DIRECTOR APPOINTMENTS/ COMMENTS**

New Ex-Officio Director Appointments were announced:

- Kevin Reeve - Alaska Department of Military & Veterans Affairs, Division of Homeland Security and Emergency Management
- Shannon Miller – Manager Interagency Coordination- Alaska Department of Environmental Conservation
- David Fitz-Enz, Forestry Planner-U.S. Forest Service

Ms. Miller reported that the ADEC will release its Exercise Guidance document; commenters will receive a copy.

There was no public comment.

## **3. PRESENTATION OF AWARDS**

- **2017 Captain Glen Glenzer Volunteer of the Year Award**

Robert Peterkin, II, was announced as the recipient of the Volunteer of the Year award.

- **Volunteer Service Awards**

Robert Reges, PROPS: 5 years service

Grace Merkes: 20 years of service representing Kenai Peninsula Borough on the Board of Directors

## **4. STAFF REPORTS – STATUS OF PROGRAMS & PROJECTS**

- **PROPS**

In addition to the report in the packet Mr. Catalano stated that BlueCrest is producing about 800 bbls/day. They plan to start drilling in mid-May, employing the fishbone bore technique, and hope to have the well on line by September.

Mr. Catalano reported on the Alaska Oil Spill Technology Symposium, designed to highlight new technology and industry's needs.

- **EMC**

Ms. Saupe attended the Cook Inlet Beluga Whale Management and Research Partnership Opportunities Workshop convened to allow researchers to share data. Funds are available for beluga recovery efforts. The population numbers about 312, and has not changed since 2016.

CIRCAC will provide logistic support for a study of Marine Oil Snow Sedimentation and Flocculent Accumulation at Kasitna Bay this summer. More updates are provided in the packet.

- **Public Outreach**

Ms. Giguere invited everyone to take an Annual Report. Radio ads will resume and several outreach events are scheduled for the summer.

- **Administration**

The report is in the packet.

- **Protocol Committee**

The report is in the packet.

\*\*\*\*\*PRESENTATIONS ON RELATED ACTIVITIES\*\*\*\*\*

**Jade Gamble, DEC, Deputy State On-Scene Coordinator**, provided historical perspective regarding the spill at Port William on Shuyuk Island. The facility served as an Alaska Steamship Port in the 20's, and as a cannery from '30-'76 when it became privately owned. An EVOS environmental site assessment in '01 estimated clean-up costs up to \$2 million, but the property owners did not agree to sell. In 2013 a tank was shot, releasing bunker C. The lessee lightered the fuel to a bladder, did remedial work and removed oiled debris.

**Captain Sean MacKenzie, Commander Sector Anchorage and Captain of the Port of Anchorage, USCG**, spoke about the logistical challenges faced for the spill response necessitated when a windstorm caused a collapse of the building holding the bladder resulting in a discharge of the 3000 gallons it held. Because it is undetermined who is the responsible party, the spill was federalized on February 29<sup>th</sup> using the Oil Spill Liability Trust Fund since there was significant and imminent threat to water. Chadux, though delayed by weather, boomed the area. A Pacific Strike Team was deployed and the ICS was set up.

All supplies had to be brought by sea or float plane. Work was stopped for various safety reasons. The collapsed building debris and oiled waste has been removed and efforts are underway to clean the beach, where possible. The response is estimated to cost \$8 million.

Steve Russell stated that the Wards Cove facility on Chisik Island also presents a potential significant and imminent threat for pollution to water; there are other sites around the state. The ownership issue is not uncommon.

**Rich Novcaski, Harvest Alaska**, provided an update on the construction of the cross-inlet pipeline. The section from Granite Point to Kaloa is 80% complete, ½ of the pipe is buried and the work should be completed in a couple of weeks. Fabrication at Ladd's Landing is 20% complete. The pipe will be welded in mile long sections and after guides are set the pull barge will begin on approximately June 1 pulling a 10" gas and an 8" future oil pipeline to be tied into the platform by mid-July. The East Forelands to Middle Ground Shoal section is 80% complete. The job is 20% complete where a 10" pipe is being laid to replace the section from KPL junction to Halibouty Hill. It should be complete by June 1.

Once the tie in is complete, the whole system will be cleaned and hydro-tested. First oil is planned for late September. Drift River will be pumped down, left idle over winter and cleaned and decommissioned starting next summer.

In Tim Robertson's absence **Mike Munger** provided a status report for the **Cook Inlet Pipeline Risk Assessment**. Phase 1 is completed. That entailed identifying 83 pipelines within the scope of the project, gathering geophysical data that is publically available on all pipelines built in Cook Inlet, creating a database, and summarizing applicable state and regulatory requirements.

Phase 2 is underway. Nuka Research will engage with operators to gather input and obtain data verification. The Executive Director expressed appreciation for the cooperation of the operators.

Additional funding will be need for Phase 3. A panel of experts will review the data, interview the operators, hold public meetings and develop recommendations for sustaining the life of the pipeline infrastructure. Mr. Munger is working to obtain the needed funding through the capital budget, a settlement agreement, a tactical assistance grant through PHMSA, and a community grants program. He is optimistic.

The Volunteer of the Year Award was presented to Robert Peterkin.

**5. EXECUTIVE COMMITTEE REPORT**

John Williams reviewed the Council’s financial report. Ms. Eledge said everything is looking good. All Charter Funding Company payments are paid to date; they are billed twice a year. The Executive Committee regularly reviews all financial documents. Mr. Munger noted that the audit field work will be done in May. Mr. Munger expressed appreciation for how the staff performs financial checks and balances. Mr. Williams added that the audit is clean every year.

**6. EXECUTIVE DIRECTOR’S REPORT**

Mr. Catalano testified on behalf of CIRCAC on HB 322, proposed to adjust penalties for spilling oil to water, but it doesn’t appear to be advancing.

The \$.09/bbl tax at the refineries that goes into the Federal Oil Spill Liability Trust Fund is due to sunset. Mr. Munger is exploring the issue with the intent to comment in favor of further extension. The State 470 fund collects \$.05/bbl.

**Paul Shadura moved to go into Executive Session to discuss matters sensitive to the organization. Robert Peterkin seconded.** Directors and staff attended.

**Paul Shadura moved to come out of Executive Session. Kyle Crow seconded.**

Gary Fandrei reported that the Council had a good discussion about matters sensitive to the organization. Kyle Crow added that the issues discussed were both financial and had the potential for attacking the character of an individual. No action was taken.

**7. CALENDARS/ MISCELLANEOUS**

Cook Inlet RCAC will meet on September 7 in Kodiak.

\*\*\*\*\*Closing Comments\*\*\*\*\*

**Michael Opheim** was glad to attend and catch up.

**Grace Merkes** asked whether it was fair for smaller Special Interest Group organizations to have voting power equal to larger groups. She said it was an interesting meeting.

**Robert Peterkin** felt it was an interesting question.

**Walt Sonen** appreciates the professionalism of the staff and how the board is kept informed.

**Paul Shadura** recommended keeping the election simple, saying there is no cohesion among commercial fishing groups.

**John Williams** agreed there is much diversity of thought among the constituents.

**Carla Stanley** appreciates everyone. She recommended a CIRCAC pin be gifted to the Volunteer of the Year, rather than a certificate.

**Bob Flint** stated it was a good discussion, he also appreciates the staff.

**Kyle Crow** was glad to make the meeting, as weather kept him from traveling to the last meeting. He acknowledged he is not participating at his usual level and is grateful for no guilt trips.

**Robert Peterkin** said when reducing his involvement on many boards he chose to participate in CIRCAC because it makes a difference. He is honored by the Volunteer of the Year award. It means a lot, given his memories of Captain Glenzer and Jim Carter. Staff does a great job.

**Gary Fandrei** appreciated the presentation on the bunker C spill on Kodiak. The Kodiak Aquaculture was grateful for the updates he forwarded.

**Rob Lindsey** expressed hats off to staff for putting their heart into their work. He recommended that any nominated but not elected to the board be urged to volunteer to serve on the committees.

**Deric Marcorelle** enjoyed the update about the Kodiak spill and is glad the arm wrestling is over and the organization is back on course.

**Steve Lufkin** was attending to hear the discussion regarding reseating of the public members.

**Susan Saupe** added it was a good meeting. She thanked the Council for its support and expects a good field season.

**Linda Giguere** thanked the staff for support for the Annual report.

**Jerry Rombach** announced that 16 scholarship candidates will be interviewed. The Recertification application was delivered today.

**Mike Munger** thanked the staff. He agreed to take a look at the election process.

The meeting adjourned at 2:29 PM.