

COOK INLET

REGIONAL CITIZENS ADVISORY COUNCIL



**ANNUAL
REPORT**



1998

Mission Statement

The Cook Inlet RCAC is guided by its mission, “to ensure the safe operation of the oil terminals, tankers, and facilities in Cook Inlet so that environmental impacts associated with the oil industry are minimized.”



Cook Inlet, Alaska

- **length:** approximately 220 miles
- **width:** up to 50 miles at widest point
- **depth:** 200 feet average, maximum more than 330 feet
- **mean tidal range:** 10 feet at mouth, up to 30 feet at Anchorage
- **extreme tidal range:** approaching 40 feet
- **currents:** average 1 to 2 knots, maximum 4 to 8 knots
- **general circulation:** flows up east side and down west side, net outflow to Gulf of Alaska
- **general description:** Located near Alaska’s population center, Cook Inlet is a rich and productive habitat for a variety of marine species and associated wildlife. The ecosystem supports jobs while providing incomparable beauty and recreational opportunities.

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Cook Inlet RCAC Annual Report 1998

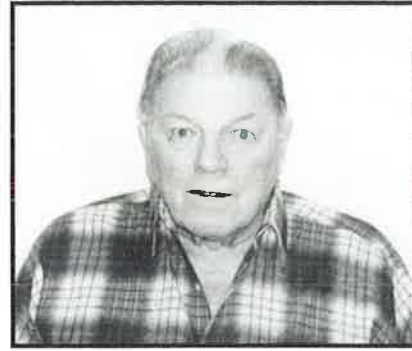
- Photos courtesy of Unocal, United Cook Inlet Drift Association, Cook Inlet Spill Prevention and Response Inc., and Cook Inlet Aquaculture Association

Message from the President

It will be ten years in March of 1999 since the disastrous oil spill occurred in Prince William Sound. There will, undoubtedly, be some type of an event or forum to discuss what has happened in the decade since the spill, including how the various sources of funding have been used in the recovery effort.

We are all aware that complacency was a contributing factor to the Exxon Valdez disaster. The passage of the Oil Pollution Act of 1990 (OPA 90) was a congressional action taken to insure that the mistakes of 1989 will not be repeated. The legislation created an avenue for citizen involvement by setting up two regional citizens advisory councils, one in Prince William Sound and one in Cook Inlet. The councils promote public participation and work to make sure complacency is forever put aside.

Our council will continue to be vigilant in accomplishing the mandates of OPA 90. While we have made progress in many areas, there is still much that needs to be done. Prevention of oil spills in Cook Inlet is an absolute major objective of this



council. We must never let prevention be placed on the back burner.

Government agencies, industry, regulators, and others owe it to the citizens of Cook Inlet to put in safeguards that will help prevent an oil spill. To do otherwise will result in the expenditure of large sums of money to respond to a disaster that may have been preventable.

What happened in Prince William Sound is a good example of prevention failures. *Cook Inlet inter-connects with over half the population of Alaska.* We simply cannot afford an oil spill from any source in the waters of Cook Inlet.

In conclusion, I'd like to commend the Executive Director and staff for their accomplishments during the year. They have excelled in carrying out the congressional mandates that govern our activities.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. Glenzer". The signature is written in a cursive, somewhat stylized script.

H. "Glen" Glenzer

Message from the Executive Director

I appreciate being on board as your Executive Director. Having served as the first president of CIRCAC, it is great to renew past acquaintances as well as meet new members of the council and committees. I look forward to a most productive relationship.

Henry Ford made a statement that:

“Coming together is a beginning,
Keeping together is progress,
Working together is success.”

As I review the minutes of past meetings, one cannot help but be reminded of that statement. It may take some time, but once members become familiar with each other's concerns and interests consensus is reached and decisions are made. That's the CIRCAC way, past and present. It's about building results and respect and everyone associated with the council should be happy with what they are able to accomplish.

Governor Knowles may have said it best in his letter to the Coast Guard Commandant on CIRCAC's recertification when he wrote, “The Cook Inlet RCAC, as an alternative volunteer organization to that of a Council by my office, has worked very satisfactorily over the past seven years.” The comments of the Governor were both timely and encouraging.

While it is always enlightening to be recognized for the volunteer work that we do, it might also be an appropriate time to step back and review where we've been and where we might be headed. What does the future hold for CIRCAC and how will we travel those waters?

As an example, some business circles, such as those on Wall Street, are talking about the new Millennium and the computer problems the year 2000 may bring. Along with addressing the immediate problem, many companies are using this as an opportunity to evaluate their operations, develop innovative management

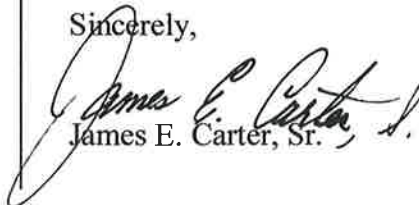


goals, and promote new technology to make their operations more efficient. While CIRCAC doesn't anticipate computer problems in the year 2000, our funding agreement does run out at that time.

With the action of the council at its December 18, 1998 meeting, providing direction for five-year long range planning, we should be better positioned in the year 2000 to seek funds not only from our funding companies, but also from federal and state governments and through grants. This will help CIRCAC accomplish the mandates placed on us by congressional action. I anticipate a great number of projects and staff and I will work diligently on this process.

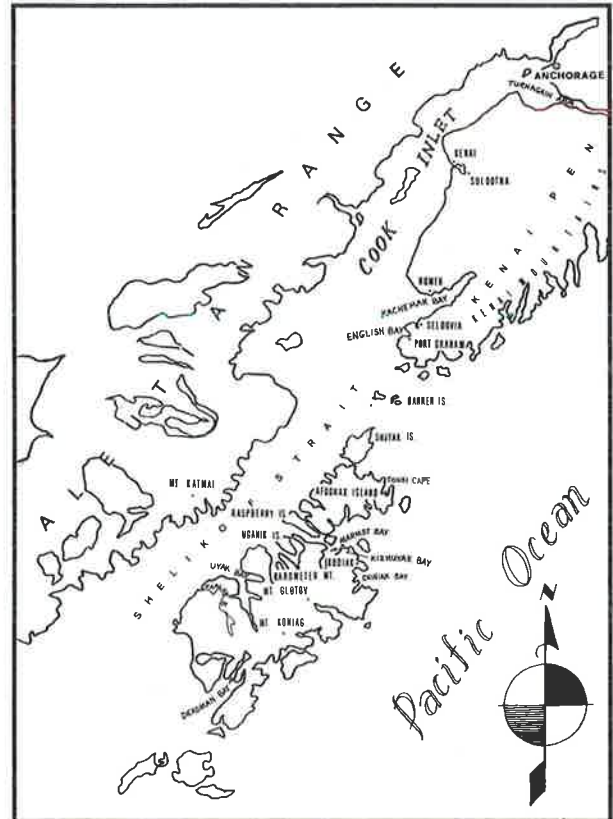
Finally, I would be remiss if I didn't make a comment or two about our staff. CIRCAC wisely selected, and is blessed to have, very capable people on staff. As I observe their work ethic, their dedication to council and the committees, and their ability to work with a number of agencies and individuals, it is easy to understand why many favorable comments about them come our way. With the guidance of the council and committees, the staff is anxious to achieve even greater accomplishments in the year to come. It just doesn't get any better.

Sincerely,


James E. Carter, Sr.

Cook Inlet RCAC Member Organizations

Alaska Native organizations
Alaska State Chamber of Commerce
Aquaculture associations
City of Homer
City of Kenai
City of Kodiak
City of Seldovia
Commercial fishing interest groups
Environmental interest groups
Kenai Peninsula Borough
Kodiak Island Borough
Municipality of Anchorage
Recreational interest groups



Ex-Officio Members (Non-voting)

Captain William J. Hutmacher
U.S. Coast Guard

Gary Lehnhausen
U.S. Forest Service

Joe Dygas
Bureau of Land Management

John Whitney, Ph.D.
National Oceanic &
Atmospheric Administration

Matt Carr
Environmental Protection Agency

Richard Prentki, Ph.D.
Minerals Management Service

Joe Sautner
Department of Environmental
Conservation

Mike Munger
Department of Environmental
Conservation

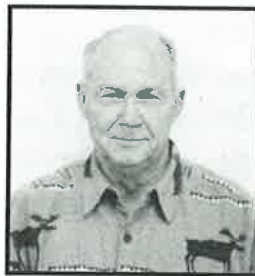
Kris O'Connor
Department of Natural Resources

Mike Byington
Alaska Division of Emergency Services

Board of Directors 1998



Glen Glenzer
Municipality of Anchorage
President



Ron Rainey
State Chamber of Commerce
Vice-President



John Douglas
City of Kenai
Treasurer



Phil Squires
Commercial fishing interest groups



John Lewis
Recreational interest groups



Dexter Ogle
Alaska Native organizations



Grace Merkes
Kenai Peninsula Borough



Sam Christian
City of Kodiak



Jack Cushing
City of Homer



Paul Shadura
Aquaculture associations



Mary Jacobs
Kodiak Island Borough



June Reuling
City of Seldovia



Jim Hornaday
Environmental interest
groups

Committees

Much of the council's work is done through two volunteer committees, the Environmental Monitoring Committee (EMC) and the Prevention, Response, Operations, and Safety Committee (PROPS). Committee members include council directors and members of the public with interest, experience, and background in a given area. The public members of the committees are selected through a formal application process.

The committees work for the council with assistance provided by staff. Committee recommendations are submitted to the council for approval and further action.

Environmental Monitoring Committee

Council Members:

Phil Squires (chair)
James Hornaday
Dexter Ogle

Staff Liaison: **Susan Saupe**

Public Members:

Dennis Randa **Sanne Berrig**
Dora Dushkin **Steve Okkonen**
Merritt Mitchell **Vince O'Reilly**
Noel S. Lamothe

Prevention, Response, Operations, and Safety Committee

Council Members:

John Lewis (chair)
Glen Glenzer
June Reuling
Mary Jacobs
Ron Rainey

Staff Liaison: **Rory Dabney**

Public Members:

Ken Castner **Carol Kvasnikoff**
Noel S. Lamothe **Douglas Jones**
Edmond Thompson **Barry Eldridge**

Year in Review – 1998 Projects

Environmental Monitoring Committee

The major accomplishment of the Environmental Monitoring Committee (EMC) in 1998 was to re-evaluate the focus of our monitoring studies in light of the results we and other groups have obtained for the Cook Inlet environment. A team of scientists provided the EMC with an overview of the work done up to now and some recommendations for future monitoring projects. The analysis is a valuable planning tool that will be used by the EMC in its continuing effort to assess the impact of oil industry operations in Cook Inlet.



One strategy used during the environmental monitoring program was the Sediment Quality Triad approach. Scientists measured for sediment hydrocarbon contamination, sediment toxicity, and signs of pollutant-related ecological stress.

Project History

In 1991, the Environmental Monitoring Committee of the Cook Inlet RCAC responded to the Oil Pollution Act of 1990 and initiated steps to develop a comprehensive environmental monitoring program for Cook Inlet. The goal of the program was to determine if oil industry operations in Cook Inlet are having adverse effects on the surrounding ecosystem and, if so, to document their sources, magnitude, and spatial and temporal trends. A pilot study was launched in 1993 to provide data against which to evaluate a longer-term environmental monitoring program. Additional studies were conducted in 1994, 1995, 1996, and 1997. During this period, the Minerals Management Service and the Environmental Protection Agency were also carrying out studies in Cook Inlet.

“I was exceedingly impressed with the depth of insight this team has brought to these data, as well as with their thoughtful recommendations, which they presented concisely and understandably to the informed and concerned public.”

-Dr. Jeff Short, NMFS, Auke Bay Lab, in his review of EMC technical report

Now that the EMC has five years of data collection and results “under our belt”, we felt it was time to have our work independently evaluated. Through a competitive bidding process, the EMC signed a contract with Littoral Ecological and Environmental Services. Dr. Dennis Lees, with assistance from Dr. Jim Payne, a hydrocarbon chemist, and Mr. Bill Driskell, a biologist and database specialist, provided the EMC with a thorough evaluation of our project and recommendations for future work.

The scientists agreed that contaminants associated with the day-to-day operations and discharges by the oil industry have not accumulated in the “nearfield” areas adjacent to the platforms, nor in the “farfield” areas downstream of oil industry operations.

Their recommendation, in light of the problems that the lack of pre-spill data created for scientists doing damage assessment work following the Exxon Valdez oil spill, is to focus our efforts on collecting baseline data for intertidal areas. The sites studied would be the

ones most likely to be affected by a catastrophic event or an acute impact by oil industry.

A summary of the Littoral analysis of the EMC studies from 1993 through 1997 and their recommendations for future projects is available at the Cook Inlet RCAC office.

The report is titled, *Technical Evaluation of the Environmental Monitoring Program for Cook Inlet Regional Citizens Advisory Council*.

The EMC used the report as the basis for a workshop on October 16, 1998, which examined past projects and looked towards the future. The workshop was well attended by the public, media representatives, non-profit groups, industry, and government agencies. The workshop panelists included:

- Dr. Dennis Lees, Littoral Ecological and Environmental Services
 - Dr. Jim Payne, Payne Consulting
 - Mr. Bill Driskell, Driskell and Associates
 - Dr. Alan Mearns, NOAA Hazmat
 - Dr. Jeff Short, National Marine Fisheries Service, Auke Bay Lab
 - Dr. Richard Prentki, Minerals Management Service
-

Prevention, Response, Operations, and Safety Committee

The basic responsibility of the Prevention, Response, Operations, and Safety Committee (PROPS) is to minimize the risk of an oil spill in Cook Inlet. The committee works through a number of different avenues to accomplish its goal. On-going reviews of contingency plans, monitoring drills, working to develop standards and regulations, and helping identify new technology are a few of the projects the PROPS committee has taken on over the last several years. In 1998, committee members continued to focus on issues that relate to the safe production and transportation of oil in Cook Inlet.

The Coast Guard plays a key role in oil spill prevention and response. Vessels such as the Homer-based "Sedge" routinely participate in exercises that test equipment and personnel that would be used in the event of an actual oil spill.



Contingency Planning

One of the mandates of the Oil Pollution Act of 1990 is that the Cook Inlet RCAC review oil spill contingency plans for companies working in Cook Inlet. The council carries out that mandate through the work of the PROPS committee. The contingency plans contain information about emergency actions that must be taken in the event of an oil spill. The plans must also verify that the owner or operator has the manpower and equipment to meet applicable Response Planning Standards. Contingency plans contain detailed information about the facility or vessel and require that industry use the best available technology in their preparations for oil spill response. A tank vessel or oil facility cannot operate without an approved contingency plan.

During 1998, comments were submitted in the review of contingency plans for:

- | | |
|--|---|
| <ul style="list-style-type: none">• Forcenergy Exploration• Tesoro facilities and Tesoro vessel• Tesoro Kenai Pipeline Co.• Unocal facilities and Unocal vessel | <ul style="list-style-type: none">• Phillips Exploration• Anadarko• Cook Inlet Pipeline company• Shell/Cross Timbers |
|--|---|

Geographic Response Plans

The Cook Inlet RCAC, through its PROPS committee, is working cooperatively with several local, state, and federal agencies to develop Geographic Response Plans (GRPs) for areas within Cook Inlet. GRPs provide a guide to quickly protect nearshore areas when a spill occurs. They are used to minimize confusion during the critical 24 to 48 hour time frame following a spill. The GRPs provide strategies for equipment deployment and resource protection for predesignated, environmentally sensitive areas.

“The process of preparing geographic response strategies goes beyond the end product. The process brings people together and gives them the opportunity to build working relationships, so that during that chaotic first response, people have a trust level that otherwise would not be present.”

-Tim Robertson (Alaska Regional Response Team meeting, Nov.17,1998)



Workers with Cook Inlet Spill Prevention and Response Inc. (left) deploy boom off the Homer Spit during an oil spill response exercise in 1998.

Conferences and Seminars

Committee members have attended several conferences and seminars in an effort to broaden their knowledge and better understand how new technologies apply to improving Cook Inlet oil spill prevention, response, operations, and safety.

- A Symposium on Practical Ice Observations in Cook Inlet and Prince William Sound (Anchorage)
 - Dispersant Application in Alaska: A Technical Update (Anchorage)
 - Geographic Response Plans - Alaska Workshop (Anchorage)
-

Public Outreach

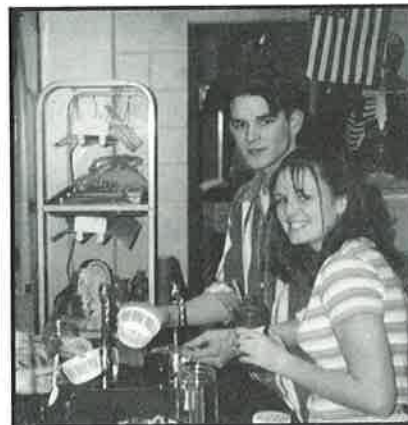
“ Looking ahead: CIRCAC makes changes for the better”

-Peninsula Clarion headline

The Oil Pollution Act of 1990 gives clear direction to the regional citizens advisory councils that education and community outreach should be a priority. The Cook Inlet RCAC recognizes that an informed public is the foundation for an effective oversight program. In 1998, the council, with the assistance of CIRCAC’s funding companies, decided to aggressively pursue its public outreach mandate by creating a new staff position. In December, Joe Gallagher was hired as CIRCAC’s Public Outreach Coordinator. Gallagher has nearly 20 years experience as a journalist in Alaska and has won numerous awards for his work. He has spent the last 15 years in Homer where he was news director at public radio station, KBBI. His knowledge of the area and familiarity with CIRCAC issues will serve him well in the new position.



CIRCAC science coordinator Susan Saupe works with high school students on projects related to the marine environment. Her time with students is spent out in the field and in the classroom.



Goals

The public outreach coordinator will be a liaison between CIRCAC and the citizens in the Cook Inlet region. The coordinator will set up a schedule of visits to communities to outline the role of CIRCAC and listen to local concerns. The community visits will provide an opportunity to speak to the local media, visit schools, and address local government, civic, and native organizations.

Cook Inlet RCAC Staff

Executive Director
Program Coordinator
Science Research Coordinator
Public Outreach Coordinator
Office Manager
Secretary
Transcriber

James E. Carter, Sr.
Rory Dabney
Susan Saupe
Joe Gallagher
Karen Williams
Kelly Rose
Cindy Sanguinetti

Charter Funding Companies

Oil companies provide monies to fund the operations of the Cook Inlet RCAC. The companies that have agreed to participate, listed below, are required to file an oil spill contingency plan for the Cook Inlet region under the Oil Pollution Act of 1990.

Payments are made by the oil companies directly to Cook Inlet RCAC in accordance with a formula provided by the oil companies.

Tesoro Alaska Petroleum Company • UNOCAL • Kenai Pipeline Company • Cook Inlet Pipeline Company • Marathon Oil Company • Cross Timbers • Phillips Petroleum

Financial Statement

Balance Sheet and Statement of Receipts and Expenditures for the year ending December 31, 1998

ASSETS

Cash	\$238,056.62
Accounts Receivable	1,255.00
Prepaid Travel	1,038.00
Equipment	125,499.77
Accumulated Depreciation	<u>(89,125.00)</u>

Total Assets \$276,724.39

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 7,185.58
Accrued Leave	<u>25,442.41</u>

Total Liabilities \$ 32,627.99

FUND BALANCES

97 Encumbered	\$ 10,858.50
98 Encumbered	125,280.46
Plant Fund	36,374.77
Unrestricted Funds	(19,662.95)
Current Year Excess (Deficit)	<u>91,245.62</u>

Total Liabilities and Funds \$244,096.40
\$276,724.39

RECEIPTS

Charter Funding Companies	\$622,500.00
PWS RCAC Contribution	3,800.00
Encumbered Receipts	99,407.58
Interest Revenue	9,683.30
Other Revenue	<u>404.03</u>

Total Receipts \$735,794.91

EXPENDITURES

Personal Services	\$285,325.11
Admin Travel/Meals/Lodging	16,960.01
Council Travel/Meals/Lodging	23,309.20
Misc. Travel/Meals/Lodging	25,629.54
Facilities	27,810.71
Telephone	15,463.46
Office Equipment & Supplies	8,879.68
Public Relations	9,469.13
Education Outreach	6,238.44
Legal	1,429.69
Accountant	12,269.75
Professional Services	128,712.59
Dues & Subscriptions	4,588.29
Delivery Charges	6,405.81
Misc.	<u>9,327.00</u>

Total Expenditures (581,818.41)

1998 Annual Report & Financial Audit	\$ 10,500.00
98 Encumbered Funds	25,697.84
98 Encumbered Funds-Summary & Web Page	<u>26,533.04</u>

Net Excess Receipts \$91,245.62



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