

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL
Kodiak, Alaska
September 7, 2018
Approved Minutes

Members Present: John Williams, Robert Peterkin II, Gary Fandrei, Molly McCammon, Carla Stanley, Paul Shadura, Walt Sonen, Rob Lindsey, Grace Merkes, Bob Flint, Deric Marcorelle, Kyle Crow

Members Present by Teleconference: Michael Opheim

Others Present: Dan Rohrer, Mayor, KIB; LTJC Andrew Ready, USCG; Capt. Patrick Hilbert, D17; Graham Wood, ADEC; Craig Hyder, Andeavor; Justin Jacobs, USCG; Capt. Sean MacKenzie, USCG; Jill Schaefer, Hillcorp; Matt Melton, Alaska Chadux; Brent Mellen, USCG; Sarah Phillips, Kodiak Chamber of Commerce; Frank Schiro, Kodiak Chamber of Commerce; Dan Urban, EMC; Todd Paxton, CISPRI; Bob Shavelson, Cook Inletkeeper; Trenten Dodson, KRAA; A. Gardiner, KDM; Sully Sullivan, Paradigm Marine

Others Present by Teleconference: Heather Crowley, BOEM; James Lima, BOEM; Chase Stoudt, BOEM; Laura Mansfield, BOEM; Megan Carr, BOEM; Cathy Coon, BOEM; Linda Liu, BOEM; Rick Raymond, BOEM; Mick Bradway, BOEM; Gwen Robinson, BOEM; Mike Unger, BOEM; Glen Faulkner, Harvest Alaska; Jonathon Schick, ADNR; David Fitz-Enz, Division of Forestry

Staff Present: Michael Munger, Susan Saupe, Vinnie Catalano, Jerry Rombach, Linda Giguere, Cindy Sanguinetti

Staff Present by Teleconference: Vaito'a Heaven, Madeline Jamora

1. CALL TO ORDER/ APPROVAL

President John Williams called the meeting to order at 9:00 am. Roll was called, establishing quorum.

Gary Fandrei moved to approve the agenda. Robert Peterkin seconded.

An Executive Session was added prior to adjournment.

The agenda was approved.

Robert Peterkin moved to approve the minutes of April 7, 2018. Gary Fandrei seconded.

Mr. Crow's name had been misspelled. **With that correction the minutes were approved.**

Molly McCammon moved to approve the minutes of the Annual Meeting on April 7, 2018. Robert Peterkin seconded. The Annual Meeting minutes were approved.

Guests introduced themselves.

- **Welcoming Remarks**

Dan Rohrer, Kodiak Island Borough, welcomed the RCAC and expressed appreciation for its beneficial work.

- **Ex Officio Directors' Remarks**

Graham Wood, ADEC, is temporarily replacing the previous Ex Officio who resigned. The Regional Area Plan has been signed; the 4 Area Plans will be soon and a joint Area Committee meeting will be held in Anchorage at the end of October. Commenters to the proposed changes will receive written response. The CIGGS major amendment is still in review. ADEC will likely impose some conditions on the Harvest amendment to address CIRCAC's concerns. ADEC is providing \$200,000 for Phase 3 of the Pipeline Assessment.

Lt. Mellen, USCG, reported inspections on Hilcorp platforms have been completed identifying nothing major. The Coast Guard conducted an unannounced Andeavor drill.

Jonathon Schick, ADNRR, noted the Cook Inlet preliminary finding for the Area Wide lease sales was released and responses to comments are being prepared. The Best Interest Finding should be out in 1 ½ months.

David Fitz-Enz, Division of Forestry, announced the draft Land Management Plan is available for public comment until November 1. Public meetings will be held in various locations; information is posted on the website.

Matt Melton, Alaska Chadux, shared that the OSRO has contracted the response vessel *Sea Strike*, staged in Kodiak; the *Ocean Liberty* is staged in Dutch Harbor. Chadux responds to non-tank vessel, tank barge and facilities spills in Western Alaska up to Barrow. The OSRO conducted the Shuyak response with no injuries or wildlife impacts. Chadux hosted a PROPS meeting and invited the Council to tour their facility in November.

Mr. Melton spoke about the challenges and lessons learned during the Shuyak response. Personnel had to be housed on a vessel, communication was conducted via thumb drives, and the weather was a significant factor. The response is the most expensive use of the Oil Pollution clean-up fund. The committee discussed the need for someone to inventory potential contaminated sites.

- **Public Comments**

Bob Shavelson, Cook Inletkeeper, said although he had a tense relationship with the RCAC; that is in the past. He came to say thanks. His opinion changed after the funding formula was changed, and he credited Mr. Munger for that. The RCAC model is unique and needs to be supported as its work is important. He acknowledged the value of the longevity of the staff and many board members.

Dan Urban welcomed the Council.

2. STAFF REPORTS

- **Administration**

Jerry Rombach reported the board election and appointment process will be initiated before the next meeting. The seats representing Recreation, Tourism, the Municipality of Anchorage and the City of

Seldovia will be expiring. CIRCAC has been recertified up to August 31, 2019. Two scholarships have been awarded. The NOAA grant encumbrance has been resolved. Efforts continue to utilize encumbered funds.

- **EMC**

With Mr. Tuttle's resignation, EMC voted to seat Robert Reges for the duration of his term.

Molly McCammon moved to seat Robert Reges for the duration of Mr. Tuttle's term. Carla Stanley seconded. The motion passed.

Susan Saupe reported on the successful field season in Kamishak Bay despite weather issues. A drifter boat was recovered and returned to the launching museum. The Alaska Peninsula report has been submitted to BOEM; the report on 4 years in Kamishak will be completed this winter. A Physical Oceanographic workshop was held in June. NOAA's hydrographic Cook Inlet model will be validated. The Cook Inlet General Permit, covering multiple facilities, will be released for a 90 day review in October. The Osprey Platform has requested a permit to discharge produced water. These permit reviews are a high priority to CIRCAC. Ms. McCammon added that the forecasting system does not incorporate ice, but it is needed. Ms. Saupe hopes there will be funding from OSRI and other sources to help with the validation.

- **PROPS**

Vinnie Catalano attended the ARRT meeting where the State of the Science for Dispersants in the Arctic and the Regional/Area Plan rewrite were presented. Mr. Catalano was appointed as Chair for the Harbor Safety Plan Workgroup, which will be discussing the recently submitted Self Arrest study. Staff continues to participate in drill planning for Hilcorp/Harvest, Andeavor/Tesoro and attended the Andeavor unannounced drill.

Mr. Catalano provided a Cook Inlet operational oil and gas activity update. Blue Crest is testing well H12 with positive results. Furie Operating is waiting to put a well online and expects to complete drilling on a gas well in October. Glacier/Cook Inlet Energy completed a multi-beam survey of their subsea lines and is working to stabilize 5 spans. The company has been conducting inspections, agency audits and drills and plans to drill an injector well and do a workover on a producing well, if the funds are available. The Hillcorp update is captured in the *Petroleum News*. CIRCAC commented on the Seaview Pad urging that lease requirements be met as the pad is located within the buffer zone.

- **Protocol**

The Protocol Committee provided comments on decommissioning the Unified Plan and Sub area plans, and submitted comments to Bureau of Safety Environmental Enforcement on the blowout preventer systems and well control operations. All comments are posted on line.

- **Public Outreach**

CIRCAC was represented at the Ninilchik Fair and will share a booth with Prince William Sound RCAC at the Pacific Marine Expo. John Williams noted that the berry picking barrels were popular at the Industry Days Picnic.

*****PRESENTATIONS*****

Captain Sean MacKenzie, USCG, noted the CG has 2 sub units and the largest US base in Kodiak. This base supplies helicopters and fixed wing aircraft and is called on by the Admiral to support search &

rescue, oil spill overflights and law enforcement. Coast Guard, industry and the State of Alaska worked as great partners in the Unified Command for the Port Williams spill.

The Captain memorialized CIRCAC's accomplishments in promoting preparedness for the region, including the Cook Inlet Risk Assessment, Waterway Safety Committee, and Harbor Safety Committee. He presented the USCG Meritorious Public Service Award for outstanding support to the USCG in safeguarding marine transportation and the environment to John Williams and Mike Munger on behalf of the Commandant commending the Council's vigilance, leadership, and professionalism as fundamental to safety and welfare in Cook Inlet. Mr. Munger stated it is an honor to work with the Coast Guard. Mr. Williams dedicated the award to Captain Glenzer, John Douglas, Jim Carter and Don Gilman who worked diligently to create the RCAC.

The CG was on site for the Shuyak spill. Captain MacKenzie agreed connectivity is a problem for all of western Alaska, but said a research and development project is underway to improve communications in remote areas. The response cost below \$9 million for 3,000 gallons spilled. An after action report will be written. Mr. Melton, Chadux, said a hot wash is planned for the Fall/Winter.

Ms. McCammon suggested the RCAC request the CG to develop a public document listing sites that pose a potential risk. Ms. Stanley recommended users be requested to provide the GPS coordinates and the data be included as a layer of the ShoreZone database. Ms. Saupe aired her frustration that during these responses she is commonly called by trustee agencies and responders, as CIRCAC is the repository for a great deal of data, but there isn't any formal mechanism to incorporate the RCAC so as to receive communication back. The topic will be considered on the December agenda.

Craig Hyder, Andeavor, informed the Council the merger with Marathon Petroleum Corp, a different company than Marathon Oil, will occur on October 1. There will be no change to response protocols, the incident management team or leadership at the plant. Marathon Petroleum has a similar culture to Andeavor; the company will continue to focus on improvement and collaboration with the RCAC. Mr. Hyder expressed appreciation for RCAC staff participation in drills.

Jill Schaeffer, Hilcorp, reported the company is actively drilling, investing and planning future projects. Onshore and offshore seismic surveys, exploration and other activities are being planned in lower Cook Inlet beginning in 2019, so the company recently petitioned for a 5 year Incidental Take Regulations (ITR) with NMFS and USFWS. The company is aware of the sensitivity in the region and will do all it can to minimize incidental takes. The Council will be provided with any further work timelines, permitting and other related details as plans take shape. Ms. Schaeffer requested that concerns be reported as soon as possible. Migration patterns are being considered. Ms. McCammon requested access to non-proprietary data to make it publically available through AOOS. Mr. Munger noted that a white paper is being developed to identify any spill response requirement differences between the state and federal leases.

Glen Faulkner, Hilcorp/Harvest, updated the Council on the status of the cross-Inlet pipeline which will transport oil from the west side of the Inlet. Along with economic advantages, the risks associated with Drift River, the Christy Lee and tanker traffic will be eliminated. A total of 18 miles of new sections of pipe have been laid to complete the system. The line from DR to Trading Bay will be decommissioned as the oil will flow north to Granite Point. The CIGGS A line is being converted from gas to oil. An 8 mile section of gas line has been upgraded in a residential area. A new tie in will carry gas from the Tyonek platform to the Beluga pipeline to provide equivalent gas capacity to the west side. The oil in the tanks

and pipeline at Drift River will be emptied by November/December. The DR decommissioning plan is to be worked out. Mr. Munger expressed appreciation for the field tour and the pipeline.

Sierra Fletcher, Nuka Research, gave an update on the Cook Inlet Pipeline Risk Assessment Study underway to identify potential problems with pipeline integrity as the infrastructure ages and to utilize experts, operators and the public to identify and recommend risk-reduction measures. The scope of the project includes land and sub-sea pipelines that carry oil, gas or unprocessed oil/gas/water in the central Cook Inlet region.

The task for Phase 1 of the project is to describe the regulatory framework and develop an inventory of the pipelines. Phase 2 involves validating and improving the inventory with the help of the pipeline operators. Phase 3 will convene an expert panel to review the information and make recommendations. Phases 1 and 2 are in flux. A summary of regulatory oversight will be written after the PHMSA Task Force public report is released. A database with information on each pipeline along with maps is being prepared with operator cooperation. Although there are ongoing changes being made to the pipelines, the expert panel will be asked to review the information gathered up until the end of the year.

Mr. Munger reiterated that ADEC is providing \$200,000 for this study and CIRCAC has applied for a Tactical Assistant grant through PHMSA for \$88,000. He acknowledged ADEC and industry cooperation.

Todd Paxton, CISPRI, shared that CISPRI is a worst case discharge certified tier 3 OSRO, while CISPRI SVC, LLC owns the assets and employs the mariners. CISPRI covers Cook Inlet proper and the EEZ where tanker traffic enters the inlet. Members include the major producers, refiners and some fuel shippers. They fund CISPRI based on their throughput and each member holds a seat on the board. In return, CISPRI supports drills and training and maintains a sizable inventory of response equipment designed to respond to a 50 million barrel RPS. OSROs have a Memorandum of Agreement so that equipment will be shared as needed, as long as members are kept in compliance.

To address the concerns regarding launching a response, CISPRI maintains fully manned offshore assets. The OSRO developed a tactic using a current buster, a crucial skimmer and a barge. Assets include the *Perseverance*, a testing facility, a sea otter rehabilitation center, 70 contract fishing vessels, and retained contractors, plus recently purchased 36' vessels, boom, barges and 27 connexes of equipment. Of the 34 employees, 12 are trained spill responders who can lead other personnel.

3. EXECUTIVE COMMITTEE REPORT

John Williams reported the Committee met on 7/10 and in a joint meeting with the Audit Committee on 7/26 to receive the financial audit and taxes. The committee regularly reviews bank records, the operating budget, and financial position reports. Updates on funding, recertification, CIRCAC election and personnel issues were presented to the committee.

4. EXECUTIVE DIRECTOR'S REPORT

Maritta Eledge resigned and Vaito'a Heaven assumed the accounting/grants manager position. Madeline Jamora is working temporarily as the admin assistant. CIRCAC was recertified with no issues. No corrective action is required following the clean audit. No draft budget was available for this meeting, it will be provided in December.

The Executive Director expressed appreciation to DEC for directly contracting with Nuka to complete the Pipeline Risk Assessment. Mr. Munger continues to seek collaborative opportunities with PWSRCAC and anticipates an invite for their Appreciation Party.

The strategic plan and the FY19 budget will be overviewed at the November meeting. Mr. Munger is tracking draft legislation regarding the Oil Liability Trust Fund; the RCAC's will likely provide joint supporting comments.

Ms. Heaven reported that the books are in amazing order. All accounts receivable are up to date and any necessary adjustments to the budget will be made with carryover.

Mr. Munger added that PROPS and EMC were allotted \$60,000 each in carryover funds, \$10,000 went to Public Outreach and \$14,285 was assigned to Administration.

Maritta will be recognized for her years of service.

The Council will meet on November 29 & 30 in Anchorage.

*****Closing Comments*****

Bob Flint appreciated the presentations. He thanked the staff.

Rob Lindsey agreed it was a good meeting.

Molly McCammon requested a letter be written to DEC urging the development of a database for potential spill sites, and requested staff to explore some mechanism for incorporating CIRCAC data and Ms. Saupe's knowledge for non-crude spills, perhaps through an MOU.

Susan Saupe noted that EMC is working to get CIRCAC data on the new AOOS server. Her frustration is there is no mechanism for her to receive information during these incidents when she is being contacted off record.

Mike Munger said they want her knowledge and participation, but they can't acknowledge her or communicate back to her. He will explore the issue.

Deric Marcorelle was disturbed by the DEC representative saying the agency did not have information on potential spill sites, because it has all been mapped out and is buried in ADEC archives.

Mr. Munger suggested it needs to be addressed at the Commissioner level.

Carla Stanley enjoyed having the meeting in Kodiak.

Robert Peterkin thinks the RCAC should come to Kodiak more often. He appreciated community members attended the meeting and thanked the staff for the good job.

Gary Fandrei agreed the potential spill sites need to be identified. The auditor is very good, and he appreciates Maritta's work.

Paul Shadura appreciated coming to Kodiak. He concurred the Kenai Watershed has been mapped for potential spill problems.

Kyle Crow thanked the Council for coming to Kodiak. A newspaper reporter attended and he expects a story on the Pipeline Risk Assessment. He spoke about jurisdictional and budget issues Kodiak faces regarding potential spill facilities and recommended the RCAC use its influence to get someone to take an interest in the issue.

Walt Sonen also appreciated coming to Kodiak. It's good the Council travels. He found Mr. Shavelson's comments healing. He expressed appreciation for the staff.

Susan Saupe urged the Board to read the EMC report because she was sidetracked from sharing some of it, such as the Kasitsna Bay lab tour.

Linda Giguere thanked staff for the help when her husband had a stroke. She appreciates how well everyone works together.

John Williams thanked Ms. Giguere for her work at the Ninilchik Fair and Industry Days.

Vinnie Catalano expressed appreciation for committee and board members.

Jerry Rombach offered to take people to see the bears.

Mike Munger said it's a close family. He noted there will be an increase for the FY 19 budget as Vaito'a goes full time. Insurance will increase. He expressed appreciation for the Council and staff.

Jay Stinson thanked the RCAC for coming to Kodiak.

Molly McCammon moved to go into Executive Session to discuss the general welfare of the organization. Gary Fandrei seconded.

The Council adjourned into Executive Session with staff attending.

Robert Peterkin moved to come out of Executive Session. Kyle Crow seconded.

Gary Fandrei reported the Council had discussed an issue related to the well-being of the organization. No action will be taken.

Kyle Crow moved to adjourn. Walt Sonen seconded.

The meeting adjourned at 3:30 pm.