**COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL**

**Videoconference**

**Friday, April 8, 2022**

**Approved Minutes**

**Members Present:** Gary Fandrei, John Williams, Molly McCammon, Walt Sonen, Carla Stanley, Deric Marcorelle, Bob Flint, Robert Peterkin II, Paul Shadura II, Grace Merkes, Michael Opheim, Scott Arndt

**Members Absent:** Rob Lindsey (unexcused)

**Staff Present:** Mike Munger, Madeline Jamora, Steve “Vinnie” Catalano, Susan Saupe, Shaylon Cochran, Candice Elias, Cassandra Johnson

**Others Present:** Eric Smith, Resolve Marine; Steven Gabelein, Alaska Chadux; A.W. McAfee, Resolve Marine; David Fitz-Enz, USFS; Jade Gamble, ADEC; Angela Fuschetto, Crowley Alaska Tankers; Bob Whittier, EPA; David Blossom, ADEC; Jonathan Schick, DNR; Graham Wood, ADEC; Hans Rodvik, MOA (will be new CIRCAC BOD after annual meeting); Heather Crowley, BOEM; Jaina Willahan, PWSRCAC; Lori Nelson, Hilcorp; Anthony Strupulis, DNR; Todd Duke, 1-Call AK/Resolve Marine; Jeremy Robida, PWSRCAC; Craig Hyder, Marathon; Tim Robertson, Nuka Research; Capt. Bob Pawlowski; Kristine Schmidt, Molloy Schmidt LLC

***1. CALL TO ORDER/ APPROVAL***

President Gary Fandrei called the meeting to order at 9:03 a.m. Roll was called, establishing quorum.

* **Approval of Agenda and Minutes**

Pres. Fandrei requested a change to the agenda to move the Hilcorp presentation to just after the approval of the minutes in order to accommodate a prior commitment of the presenter.

**Robert Peterkin moved to approve the agenda as amended, seconded by Deric Marcorelle. Hearing no objection, the agenda was approved as amended.**

**Robert Peterkin moved to approve the minutes of the December 3, 2021, meeting, seconded by Deric Marcorelle.**

Pres. Fandrei noted a minor correction to the minutes.

**Hearing no objections, the motion passed, and the minutes were approved as amended.**

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

Mr. Munger asked that questions be held off during the presentations today until the end of each presentation to help with the continuity of the presentations. The chat line on Zoom can also be used.

Mr. Munger introduced Lori Nelson who has been working with the Council for many years. Hilcorp first obtained the assets in Cook Inlet in 2011. She will provide an operational update of Hilcorp’s activities in Cook Inlet. He thanked Lori for making the relationship between Hilcorp and CIRCAC a model of industry interaction.

* **Hilcorp Alaska: Operational Update – Lori Nelson, Manager of Public Affairs**

Lori Nelson, manager of public affairs for Hilcorp, introduced herself and gave a brief background of her qualifications and experience. Hilcorp took over Cook Inlet operations from Chevron in 2012 and other assets each year from 2013 through 2016. 2020 saw the BP acquisition and takeover of operatorship of Greater Prudhoe Bay. In January 2022, Hilcorp also took over operatorship of the Point Thompson unit from Exxon on the North Slope.

Hilcorp is now the largest operator and gas supplier in Alaska, and the majority of workers are Alaska residents. In Cook Inlet, Alaska residents comprise over 90 percent of the workforce. It has over 1,200 producing wells and current gross production of about 350,000 barrels of oil per day.

Hilcorp’s environmental health and safety performance has been consistent with its increased activity while the total recordable incident rate has decreased.

The growth and structure has changed over the years. The Cook Inlet Basin, including offshore platforms and onshore oil and gas production facilities, fall under the Kenai team. Milne Point has its own asset team. The Alaska Islands team includes Endicott, Northstar, and Pt. Thompson. The Prudhoe Bay Unit includes both east and west units and Prudhoe Bay Power and Gas.

The Cook Inlet activity is continually focused on natural gas development and exploration, drilling full-time onshore with supplementation as needed with coil tubing, e-line, and workovers. Hilcorp has a robust program of infrastructure and integrity, and in 2022 it is estimated that approximately $15 million will be spent for integrity projects in the Cook Inlet area.

Harvest Midstream is the owner and operator of all of the shared service pipelines, including the Drift River terminal and the Christy Lee platform, which has been decommissioned. They are actively working through a plan to determine the next steps for the Christy Lee. Annual corrosion study data collection is taking place, and the data analysis and lab studies will be conducted in conjunction with the University of Alaska Anchorage. There are many options for removal of the platform, and they are studying the methods and will plan and engineer topside removal, which will probably involve dismantlement and removal in pieces rather than be floated off like a barge.

Hilcorp employees generated 1,942 grants totaling almost $1.8 million in donations to 501(c)(3) corporations. The company matches each employee’s contribution up to $2,000 annually to give to nonprofits in the United States. About 75 percent goes toward Alaska charities.

Hilcorp also deposited up to $25,000 into tenured employees giving accounts to give to nonprofit organizations of their choice. In the first two months of 2022, employees created 1,051 grants totaling $4.1 million.

Ms. Nelson thanked the Council for allowing her to make this presentation and opened the floor for questions.

Paul Shadura commented that the charitable donations were quite impressive and inspiring. He stated that dismantling and decommissioning is a hot issue, and he asked how many platforms Hilcorp is considering mothballing, other than the Christy Lee. Ms. Nelson responded that she could not say specifically which platforms are targeted. The Cook Inlet assets are some of the most aged in Alaska. There is a working group that continues to look very hard at taking a responsible global view at dismantlement, removal, and restoration and repurposing those assets. Hilcorp is going to continue to invest and eke out every bit of oil and gas possible before those tough decisions are made.

Mr. Shadura asked if CIRCAC would be invited to join the working group or sit in and receive information from time to time. Ms. Nelson stated they are in the information-gathering mode and Hilcorp would be happy to involve CIRCAC later.

Carla Stanley said she appreciated Ms. Nelson’s kindness and her ability to remain calm under tough questioning. As a community partner, one of the things important to Alaska is the protection of wildlife and wildlife habitat and understands that is dealt with by prevention of spills. But she wonders why there is no charitable giving to protect habitat or donations to something like the animal shelters. Ms. Nelson responded that those organizations do fall under that environmental slice of the pie, and it is interesting that Alaska’s environmental contributions are larger than those of the Lower 48. Each employee is free to give to organizations of their choice, and there are plenty of shelters and programs for habitat preservation that receive donations.

Robert Peterkin mentioned that his family is heavily involved in the industry, and they appreciate Hilcorp’s commitment to utilize the local resources instead of outside contractors.

John Williams complimented Lori and Hilcorp on their work with the university, and he pointed out that working with engineering groups and the university to bring data to the surface will generate a great deal more interest in their engineering programs. Ms. Nelson stated that Hilcorp has partnerships and research projects with UAA and especially UAF for fish monitoring and noise monitoring programs as well as tracking whales.

Vinnie Catalano asked Ms. Nelson to talk a little bit about Middle Ground Shoal’s operations. Ms. Nelson stated that Middle Ground Shoal is still shut in. Evaluation and planning are ongoing, and the potential line replacement will not take place this year. They are continuing to protect those assets.

* **Welcome & Introductions**

Mr. Munger welcomed guests and asked that they introduce themselves to the Council.

* **Agency Ex-Officio Directors’ Remarks**

*Bureau of Ocean Energy Management (BOEM) – Heather Crowley*

Currently, BOEM is working on setting up a couple of studies for Cook Inlet. USGS and BOEM will look at fish and invertebrate composition in Lower Cook Inlet, and they are also moving forward with the Cook Inlet physical oceanography project. They are also in the planning process to identify what studies to initiate next fiscal year.

*United States Forest Service (USFS) – David Fitz-Enz*

They are working on hazard response plans primarily for Prince William Sound. He asked how or what he can do to get involved with hazard response plans in areas that concern the national forest and wondered who to talk to for an idea of what they might contribute. Mr. Munger suggested that Mr. Fitz-Enz contact Steve Catalano, the director of operations.

*Department of Natural Resources (DNR) – Jonathon Schick*

On December 10th, they issued a preliminary written finding on two exploration licenses in the Susitna Valley. The comment period ended on March 14th, so the comments are being reviewed and the department is doing some additional research on that potential disposal. Also, in the coming weeks, a preliminary written finding will be issued on a disposal for geothermal exploration work on Augustine Island. Over a year ago, a couple of geothermal prospecting permits for exploration at Mount Spurr were issued, and so this is falling in behind that and hopefully generating a little more interest in the geothermal leasing program. Paul Shadura asked if the state works in conjunction with communities in the Susitna basin. Mr. Schick responded that they do reach out for information and comments and are always open to having conversations with organizations. Mr. Shadura asked what type of wells were in Susitna. Mr. Schick said the Susitna licenses are a little different from leases because production is not allowed with an exploration license. The two pending licenses are for gas only, and the target is for coal bed methane.

*Alaska Department of Environmental Conservation -- Graham Wood*

Mr. Wood congratulated Molly McCammon for her time on the board, and he mentioned that the state of Alaska and CIRCAC were beneficiaries of her knowledge during that time. The Prevention, Preparedness, and Response Program (PPR) is going through a realignment, and CIRCAC should be receiving a letter explaining this, but he explained that they are switching to a more regional base versus the units, so essentially a fourth region is being added. Currently, the Central Alaska region is Cook Inlet, Prince William Sound, Kodiak, Western Alaska, and Aleutians, a vast area of the state. The new unit is comprised of Western Alaska and the Aleutians, and it will have its own regional manager.

* **CIRCAC Member or Public Comments**

Craig Hyder from Marathon Petroleum appreciated the support Mike Munger and Vinnie Catalano provided on multiple issues, including issues with funding organizations and trying to figure out better approaches for the funding member agreement, which they hope to have done by the end of the year. He stated that CIRCAC staff have also been very supportive of the Alternative Planning Criteria (APC) Oil Spill Response Organization (OSRO) effort, and they have been very helpful in navigating through the political aspects. He remarked that Vinnie Catalano has been willing to help make drills as realistic as possible and include stakeholder concerns. They have a few drills planned this year, and they will also engage with Vinnie on other plan reviews as well. After a cancellation of the worst-case discharge drill in Prince William Sound due to COVID, CIRCAC and PWS RCAC supported Marathon’s solution to hold workshops and training events and videotape them. They will be doing a wildlife training video this June in Cook Inlet to highlight and identify specific target messages for wildlife involving oil spills. He also appreciated CIRCAC’s participation with the ICS-300 training events and the TRG software.

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

* **Resolve Marine – Eric Smith, Todd Duke, A.W. McAfee**

Eric Smith, director of shared resources, introduced Todd Duke, general manager of compliance services, and A.W. McAfee, Alaska general manager. Mr. Duke explained that Resolve Marine is an international maritime emergency response and wreck removal company that started in 1980. He summarized the services available in Alaska as follows:

* + Emergency response: utilizing their own assets and resource partners for towing, lightering, and refloat operations.
	+ Wreck removal: they have developed innovative plans for complicated projects protecting the clients and the maritime environment.
	+ Marine services: underwater surveying, damage stability, refloat, towing, and engineering solutions as well as marine construction.
	+ Regulatory compliance: provides OPA 90 salvage and marine firefighting response services and Alaska Alternative Planning Criteria (APC).
	+ Maritime fire safety training.

Resolve has principal locations throughout the world, and it has accomplished major salvage and wreck removal on every continent, including the Arctic and Antarctic. It also has response depots across the United States stocked with salvage, lightering, and firefighting equipment. In Alaska, depots are located in Anchorage, Dutch Harbor, and Juneau. The firm’s Alaska home base is in Anchorage, and they have airlift ready emergency response packages at the international airport. The Dutch Harbor office is a response base, and the ship repair facility is located there. The 210-foot emergency response vessel is located in Dutch Harbor and is manned 24/7 and can be underway in 90 minutes. Equipment bases are located in Nome, Homer, Dillingham, Seward, Kodiak, and Juneau.

In Dutch Harbor, Resolve Marine Services Alaska offers dry dock with machine shop services, multiple surface supplied diving spreads with hyperbaric decompression chambers, heavy lift capabilities, environmental services, and welding and fabrication. Resolve is a U.S. Coast Guard approved APC and Oil Spill Response Organization (OSRO).

There are two 24/7 manned response centers, one in Ft. Lauderdale, Florida, and the second in Anchorage. Florida has been evacuated more than once because of hurricanes, and Anchorage has been evacuated because of earthquakes, so having redundant systems is important.

They have the personnel and equipment in-house to start cleanup assessments as well as supplying cleanup kits in all the depots across Alaska. In the Solomon Islands, there were oil-soaked logs, which was a troublesome problem for disposal. They considered several options and decided to bring in a sawmill to turn the logs into lumber which was then sold.

The firm also owns a single-engine turboprop aircraft to transport equipment and personnel and makes regular flights between Anchorage and Dutch Harbor.

Resolve’s specialized salvage lift and evidence preservation services were used to retrieve two aircraft about a year apart in waters off Dutch Harbor. Their heavy lift operations include rescuing a submarine off of India and a tugboat off of British Columbia.

Resolve has developed a subsurface hot tapping package to salvage heavy oil, which has now been patented. It can be diver-directed or ROV-directed. Most recently it was used to retrieve oil from an old World War II wreck in the Florida Keys.

Large marine firefighting packages are available in Anchorage, Juneau, and Dutch Harbor. External marine firefighting systems include custom designed fire pumps, firefighting foam, master stream nozzles, fire team entry equipment, and inert gas delivery systems. They also use thermal imaging for fire assessment. Mr. Duke described the steps taken to extinguish fires in a fish processing vessel, an engine room fire in a container ship in California, and another fire aboard a container ship in British Columbia. All these vessels had been in Alaskan waters within 30 days prior to these fires, so the threat of marine fires in Alaska is real.

Mr. Duke described the agreement between Resolve and CISPRI in which Resolve’s equipment is made available to CISPRI for use in Cook Inlet, and CISPRI equipment made available to Resolve for use outside of Cook Inlet.

Vinnie Catalano asked Mr. Duke to describe the Tier 1 depot in Homer. Mr. Duke said that there are 30,000 feet of shore boom, 2,200 feet of ocean boom, and 20,000 barrels of skimming capacity as well as shoreline cleanup equipment such as rakes, shovels, and sorbent pads. There are about 30 Conex boxes and a small warehouse, and there are eight towable bladders as well as other equipment. All this is in addition to what CISPRI has stored in Homer.

Carla Stanley asked if Resolve taught marine firefighting or participated in any of the local training. Mr. Duke said that on April 14th there will be a Cook Inlet Harbor Safety Committee marine firefighting workgroup that’s going to be taking place at Nikiski Fire Station. Resolve does have a training academy, and in the first part of May, they will be doing some training with Anchorage Fire Department.

Ms. Stanley asked if Resolve had practices in Kachemak Bay with their teams. Mr. Duke said in 2021 they did a drill in Kachemak Bay, which is a challenge because of the large tide swings. He said the next spill response drill in the Cook Inlet area is scheduled for 2023.

Ms. Stanley also asked about the drill and tap project for the World War II ship, and she asked if there were giant magnets attached to the side of the vessel. Mr. Duke said there are four magnets used, about six inches in diameter and very powerful.

Paul Shadura asked for clarification on the relationship between CISPRI and Resolve. Since CISPRI is a Coast Guard certified OSRO and the primary response action contractor, he wondered if Resolve was considered a primary response action contractor (PRAC) and if CISPRI’s certifications would be primary. Mr. Duke said he would be willing to talk with him offline about this since it is very complicated with different sets of regulations. The PRAC is covered by state regulation and only applies within three nautical miles of the shoreline. The short answer is that both are capable of cleaning up oil in any environment. Also, Resolve is a state non-tank vessel cleanup contractor, but they are not a PRAC because there are no areas within the state of Alaska where these tank vessels come to shore that are not already covered by CISPRI or SERVS.

***2. Special Recognition Presentations***

* **2022 Scholarship Recipients**

Carla Stanley reported that two $2,500 scholarships were available. The James Carter scholarship is based on academics, and the Barry Eldridge scholarship is based more on the blue-collar type jobs. There were three applicants for the James Carter scholarship and five finalists for the Barry Eldridge scholarship.

Matfey Reutov from Vosnesenka School is the winner of the Barry Eldridge scholarship. He is bilingual (Russian and English) and was the captain of the hockey team as a senior in high school. He is a commercial fisher in the summer with his family. He would like to go to school for welding and would also like to continue fishing.

The James Carter scholarship winner is Dominic Austin. He grew up in a small rural community in Interior Alaska and spent 15 years in the Alaska wilderness garnering a lifetime of skills and knowledge. He would like to become a fisheries biologist.

* **Resolutions 2022-01 and 2022-02**

Resolution 2022-01, recognizing Molly McCammon, CIRCAC director representing the Municipality of Anchorage, for her long and dedicated service to the organization and commitment to the mission of the Cook Inlet Regional Citizens Advisory Council, was read by Pres. Fandrei. Ms. McCammon thanked the Council and gave a short presentation of her experience. Council members expressed their sincere gratitude for the efforts of Ms. McCammon and highlighted her contributions to the mission of CIRCAC.

Resolution 2022-02, recognizing Representative Don Young’s long service to the State of Alaska and support for the mission of the Cook Inlet Regional Citizens Advisory Council, was read by Pres. Fandrei.

Council members expressed their sincere gratitude for the efforts of Representative Young and highlighted his contributions not only to the mission of CIRCAC but also to the state of Alaska and especially the Kenai Peninsula and the fisheries industry.

**Paul Shadura moved to approve both resolutions as stated, seconded by Robert Peterkin II. Hearing no objection, the resolutions were approved.**

* **CIRCAC Years of Service**

Pres. Fandrei recognized Walt Sonen, a director representing the City of Seldovia, and Jan Hansen, a public member on the PROPS Committee, for their dedication to the mission of the Cook Inlet Regional Citizens Advisory Council for ten years of volunteer service to the organization. Pres. Fandrei also recognized Ted Moore, a public member on the PROPS Committee, and Bob Flint, a director representing recreation interests, for their dedication to the mission of CIRCAC for 15 years of service.

* **Volunteer of the Year**

Mr. Munger stated that each year a survey of the board of directors and staff are completed to select an individual who has performed exemplary work on behalf of CIRCAC. He announced that this year’s Volunteer of the Year is Gary Fandrei. Pres. Fandrei stated that that announcement was totally unexpected but very much appreciated.

***3. Executive Committee Report***

* **2022 Statement of Financial Position & Operating Budget – through March 31, 2022**

Pres. Fandrei reported that the Executive Committee met twice since the last report in December, and the key items discussed were as follows:

* + With the Audit Committee, they reviewed and accepted the FY 2020 financial audit report and findings.
	+ As the current three-year contract for audit services expired after the FY 20 audit was completed, they also reviewed proposals and selected a firm for financial audit and tax prep services through FY 21, 22, and 23.
	+ Reviewed and approved the FY 20 undesignated funds allocations following the conclusion of the FY 20 audit.
	+ Reviewed and discussed the 2022 election and appointment nominations.
	+ Reviewed and discussed this April meeting’s format.
	+ Reviewed updates from the staff on matters pertaining to industry, funding, personnel, CIRCAC elections, annual audits, scholarship programs, the BOEM grant, Alternative Planning Criteria, and appointments, projects, and regulations.

Pres. Fandrei thanked the other committee members for their diligence and hard work for this year. He also pointed out that one of the Executive Committee’s responsibilities is keeping track of some of the financial information. The Statement of Financial Position and Operating Budget through March 31, 2020, is in the packet starting on page 18. He stated that CIRCAC’s financial situation is stable.

***4. Executive Director***’***s Report***

* **Review of 2020 Undesignated Funds Allocation**

Michael Munger reported that each year after an audit, any undesignated funds not used in the previous year are allocated into the current year’s budget. This process involves staff review of the current administration, committee budgets, and then based on specific needs of those budgets, a recommendation of reallocation is made, which is then approved by the Executive Committee.

Cassandra Johnson, accounting and grants manager, referred the Council to page 27 of the packet and reported that the 2020 undesignated fund amount was $160,511, which was the 2020 carryover from the audit that was performed by Lambe, Tuter & Associates. Those funds were distributed as follows:

* + $50,000 - EMC
	+ $25,000 - PROPS
	+ $25,000 - Protocol
	+ $25,000 - Public Involvement
	+ $35,511 - Administration.
* **Review of FY 2020 Financial Audit Findings**

Mr. Munger reviewed the 2020 financial audit findings. An audit is performed each year, and it is presented to the Audit Committee and then approved by the Executive Committee. Some personnel changes delayed the completion of the audit. This year is on schedule and should be back to a more normal process, being completed by the September meeting. No financial discrepancies were found.

Paul Shadura said he knew they had issues with some of the funders not coming through and discussions back and forth with them and asked how that is represented in the audit. Mr. Munger said those funds are not pending. The only funding issue they’ve had is the lack of participation by Furie Alaska LLC after they came out of bankruptcy. In view of the audit, they just look at what funds are actually coming in, not potential funds. If a contracted funding company drops out because of bankruptcy or leaving the area, then the other contracted funding companies are required to fill in that portion, and because of the baseline funding through OPA 90 that is tied to the Anchorage CPI, CIRCAC is never underfunded.

The issue with Furie is still not resolved. They are carrying a Contingency Plan, but they have refused to fund CIRCAC. Mr. Munger has approached the congressional delegation about this situation and has received a notification of enforcement to Furie from the Coast Guard. It is time to now reengage the congressional delegation and see if this situation can be resolved. The Coast Guard has never had to deal with a company that refused to fund the organization, so there’s no process in place for how to do that, and it is not clear which agency will be enforcing this. Fortunately, Furie is a minor player in CIRCAC’s funding. Marathon is the largest funder, followed by Hilcorp and others.

* **Executive Director’s General Report**

Mr. Munger has been working on the APC issue for nearly two years now. He has had discussions with the congressional delegation in conjunction with Marathon, Hilcorp, and CISPRI. There is some pending federal legislation regarding the administration of the APC, which are alternate plans for vessel operators to respond to an oil discharge. APCs are only supposed to be approved by the Coast Guard in remote areas where there is limited port and maritime infrastructure, such as the Aleutian Chain, and in areas that do not have a U.S. Coast Guard certified OSRO that meets the requirements of the National Contingency Plan (NCP).

In 2019, the Coast Guard approved an Alternative Planning Criteria (APC) in Cook Inlet, and now there are two APCs in Cook Inlet even though there is a Coast Guard presence and an OSRO (CISPRI). To start allowing vessels to choose APC providers over a certified OSRO is contrary to Coast Guard regulations and may impact the NCP provider by drawing away membership which then cuts down their funding. If a vessel owner can be in compliance, they’re going to go with the cheapest option. CIRCAC has always supported the most robust, up-to-date, in-region response capabilities for crude oil cleanup and response. CISPRI is the response organization that has the most in-region capabilities to respond in the shortest time to a crude oil spill based on a worst-case scenario, which is CIRCAC’s response planning standard for the Cook Inlet area.

The pending legislation (HB 6865) was passed out of the House and is now in the Senate Committee of Commerce, Science, and Transportation, and Senator Sullivan is a member of that committee. No comments have been requested from CIRCAC so far. Mr. Munger became aware of of HB 6865 only recently, so time did not allow for the usual commenting process going through the Protocol Committee. Mr. Munger said if he feels it necessary for CIRCAC to comment on the Senate version or other legislation pertaining to APC he will be bring this issue to the Protocol Committee.

Some of the issues Mr. Munger identified that need improvement are as follows:

* + Develop process in-region to determine dedicated assets, spill response assets versus agreements to secure undedicated assets, which is what APCs are.
	+ The Coast Guard needs to improve the process of vetting and testing the agreements that secure assets, be they dedicated or nondedicated. There should be a better process to confirm that contracts measure up to real dedicated assets.
	+ There needs to be a better process to determine if each national planning criteria for vessel owner/operator is possible with any OSRO given their operator area and assets.

Mr. Munger expressed his gratitude and continued support of CIRCAC staff for their great work.

Paul Shadura recognized that the executive director must take some positions at times in an expedient fashion and do what’s best, and he commends Mr. Munger and stated he was 100 percent behind him. But he expressed concern that there had been no direction from the Council regarding APCs such as a policy, resolution, or motion. Mr. Shadura is uncomfortable supporting Mr. Munger but would like to hear discussion from someone with a counterview. He finds this issue confusing. He wants to make sure CIRCAC is following a position that the members all agree on. He would like to have some formal discussions and invite some other entities so the Council can have deeper discussions on how it affects Cook Inlet. He asked if CIRCAC had any policies regarding APCs that would support Mr. Munger’s action.

Mr. Munger stated that in the 20 years since he’d been at CIRCAC, we have supported CISPRI since they are the in-region OSRO that has the most robust crude oil response capabilities in Cook Inlet. CIRCAC does not have a policy or position regarding APCs. He has spoken countless times on behalf of the organization in the past, but if Mr. Shadura is uncomfortable with that, he, as a director, can direct him otherwise. It appears that most of the information that Mr. Shadura has gathered is from a representative of Alaska Chadux Network, which has not reached out to CIRCAC and has a vested interest in an APC in Cook Inlet. Any presentation to the Council at this meeting would have been too late since that legislation had already been introduced and had passed out of the House. Mr. Munger again reiterated CIRCAC longstanding support of CISPRI.

John Williams pointed out there are some things at stake here that need to be understood. Boards are set up in two separate ways. One, an executive-driven committee; and two, a committee-driven executive. He feels that CIRCAC is an executive-driven committee, to mean that the executive director has tremendous power to operate CIRCAC in the manner which he sees fit and brings reports back to the board that it can agree or disagree with. With CISPRI, they have an organization that has worked long and hard for many years to build a huge inventory of equipment, supplies, and materials to respond to oil spills. When a spill takes place, speed and efficiency is of the utmost importance, and Mr. Williams believes that’s what CISPRI does. The executive director does not operate in a vacuum, and it has been made very clear to the board that he has been approaching the congressional delegation about this matter. If Mr. Shadura thinks it necessary to have a motion of support for Mr. Munger to continue the work and continue in the direction he is going, Mr. Williams said he would make that motion.

**John Williams moved to give the executive director the support he needs to continue in the direction he**’**s going, for him to continue to work with our federal delegation, and to continue the job that he**’**s been doing to protect CIRCAC and the CISPRI organization, seconded by Grace Merkes.**

Paul Shadura pointed out that this is what he wanted since there was no policy, resolution, or motion in place. He also noted that there is other information out there, and the board is not involved with that discussion. He tried to focus on what the Coast Guard changes were going to be and has tried to talk about this issue with the president and Mr. Catalano as he wanted more information. Maybe Mr. Williams has confidence in the executive director, but Mr. Shadura does not. He has made several attempts to have a clear discussion and hear other concepts of what is going to happen here and how it would affect CIRCAC. He believes there are misconceptions on both sides, and his concern is to overview and manage the different companies to make sure they are responding to safe oil transportation and that they can clean up the situation in the most expedient fashion.

John Williams, as maker of the motion, called the question. Pres. Fandrei clarified the motion as having Mr. Munger proceed with the process that he has already outlined, and part of that process involves going back to the Protocol Committee and having further discussion on this issue. Mr. Munger responded that it is going to be a combination of his dealing with the congressional delegation, and if CIRCAC takes a position on further APC legislation, he will bring that to the Protocol Committee for discussion and approval.

A roll call vote was taken as follows:

 Gary Fandrei: Yes

 John Williams: Yes

 Deric Marcorelle: Yes

 Robert Peterkin II: Yes

 Molly McCammon: Absent

 Carla Stanley: Yes

 Paul Shadura: Yes

 Walt Sonen: No response (disconnected)

 Rob Lindsey: Absent

 Grace Merkes: Yes

 Bob Flint: Yes

 Michael Opheim: Absent

 Scott Arndt: Yes

**The motion passed, 9 to 0.**

Paul Shadura noted that he is not sure what Mr. Munger is going to do, but the board voted on it. Mr. Munger responded that he is always going to do what is best for CIRCAC. Pres. Fandrei thanked Mr. Munger and said he thought that Mr. Munger had always done a good job in watching out for CIRCAC.

***5. STAFF REPORTS – STATUS OF PROGRAMS & PROJECTS***

* **Environmental Monitoring**

Susan Saupe reported that the Environmental Monitoring Committee met last week and allocated the undesignated funds from FY 2020, and that will allow some projects to move forward.

There are plans to do a ShoreZone survey on the outer Kenai Peninsula coast during the lowest tide series in June, and she is working with Parks for permission to place fuel caches in the area. It would be ideal if the vessel shore station survey could take place at the same time, but it is a challenge to contract a suitable vessel for such a short time window when other fieldwork contracts run a month or more. Consequently, there is a chance that the shore station survey will not run concurrently with the imaging survey.

Last fall, they signed an agreement with BOEM, and they are moving forward with the contaminants’ historical compilation of data that will lead to some recommendations for future monitoring in Cook Inlet. They approved CIRCAC’s science plan, and an initial meeting was held with them, and they are just now trying to compile the report. They are going to identify as many reports containing contaminants data but with no judgment on the quality of it, just showing what kind of things were analyzed in the studies and when and where. Those reports will allow them to compile and provide access to data that meets certain quality standards. Evaluation of all that information will provide a baseline for some of the background sources in Cook Inlet and surrounding areas that can be used to help interpret and assess petrogenic inputs to the contaminants in Cook Inlet.

The final product will be online along with tools and data visualization tools so that the reports can be accessed, downloaded, and analyzed. Making recommendations for future monitoring programs in Cook Inlet is a three-year project, and they are several months into that project. The team working on this project has over 200 years of collective experience working in Cook Inlet.

A lot of effort has been put into trying to move forward once the NOAA circulation model for Cook Inlet was developed. The Cook Inlet Operational Forecast System became operational in 2019, so it’s not a model on the shelf. Every six hours it’s producing nowcasts and forecasts of conditions in Cook Inlet and not just currents but temperature, stratifications, salinity, winds, and so forth.

Sue worked with AOOS and NOAA and the university to try to get funding from IOOS for validation of the Cook Inlet Operational Forecast System and then use that to develop an oil spill trajectory model for Cook Inlet that would be available online. That proposal was not funded, but the interest in it is strong, and aspects of that proposal are moving forward, and she hopes to be working with BOEM as they move forward with their Cook Inlet oceanography project.

The Oil Spill Recovery Institute (OSRI) this year was approved to do one component of the Coastal and Ocean Modeling Testbed (COMT) proposal, which is a hindcast, so it’s taking the circulation model and comparing it to past observational data. Sue would like to do a 20-year hindcast, although OSRI specified a 10-year period based on a hindcast conducted from a different model. The important difference between these two models is that only one of them is operational, meaning that it’s ready to provide nowcasts and forecast predictions at any time for any spill that happens. She wanted to focus on the operational model but make model-to-model comparisons in this hindcast to identify areas where the BOEM planning model has different strengths and weaknesses. She is hoping that through a comparison of this model-to-model hindcast, they’ll be able to learn where the Cook Inlet Operational Forecast System (CIOFS) model needs improvements or where it might help improve the other model. The hindcast is going to do model-to-data comparisons, taking what the model says and comparing it to observed conditions.

There is a lot of data out there, but it’s very scattered and usually for short windows of time, but she is hoping that it will point out where Cook Inlet models need improvements or where weaknesses are in some aspects of that model. Every model considers different things. Some measure tidal currents, some build in every possible aspect, such as freshwater influx, ice, or the western boundary current. Different models will have different strengths and weaknesses, and she wants to have the best evaluation and learn how the operational model can be improved.

EMC and PROPS are still partners in that and are moving forward, and ultimately the goal is to have a trajectory model that is trusted to be accurate. The ultimate question is if these oil spill trajectories accurately reflect what the circulation is doing in Cook Inlet, and they know also that the model must work in three dimensions.

Some funding was secured for the deployment of a paired set of high-frequency radar instruments for year-round deployment. AOOS, CIRCAC, and UAF met to talk about the potential locations of these instruments because they want to bring in other partners to build a network of instruments in Cook Inlet. The biggest area of need is still just the area south of the Forelands, so that’s where the coverage is going to be for this paired set of instruments. EMC will be going to other partners including BOEM because of the active lease activity that’s happening in the Lower Cook Inlet, and they would like a high-frequency radar or array or network to include a larger portion of Cook Inlet.

John Morton, a public member on the EMC, will be heading up a committee to start looking at developing a soundscape for Cook Inlet, which also ties in with a lot of their efforts to help better understand the background to evaluate whether there are impacts from oil industry operations, which is one of their mandates under OPA 90. They are hopefully going to be working with NOAA and contractors that have been deploying acoustic equipment in Cook Inlet to try to have a better understanding of the soundscape or point out that they don’t have the data that’s necessary to develop a soundscape for Cook Inlet, and it might help identify where they need to collect additional information.

Pres. Fandrei stated that CIRCAC has a robust monitoring science program, and a lot of that is due to Sue’s efforts, and he appreciates the work that she does.

* **Prevention, Response, Operations and Safety (PROPS)**

Vinnie Catalano supplemented the PROPS staff report on pages 63 and 64 of the packet with the following information.

He has been working with Chief Bryan Crisp of Nikiski Fire Department on the firefighting symposium and trying to get it reestablished in the Inlet. He also contacted Prince William Sound RCAC, and they will help get the symposium back up and running.

Vinnie has also been working with ACS regarding the circuitry for the ice monitoring camera system. Business exchange circuits were used in the past, but they were expensive and provided a higher level of security than needed. Hopefully, new circuits will save money in recurring expenses while at the same time provide better refresh rates on the cameras.

The Arctic and Western Alaska Area subcommittee has been working on a plan review, and Vinnie will be attending an area meeting on the 19th to see if that plan will be opened for public review. Thus far he has submitted some informal suggestions for plan improvements. If the plan gets approved for public review, it will be referred to the Protocol Committee for formal comments.

Mr. Catalano has been working with Hilcorp on drill planning, and he will be attending their drill later this month.

Vinnie introduced Tim Robertson with Nuka Research to provide the board with a summary report on the completed vessel traffic study.

* + **Vessel Traffic Study Report by Tim Robertson, Nuka Research**

Mr. Robertson stated that Nuka Research has completed the Cook Inlet Vessel Traffic report covering the years 2011-2020. This ten-year report required reviewing several datasets to bring in the automated identification system (AIS), the vessel tracking data that was acquired by both satellite and shore-based collections to create this dataset that showed vessel movements in Cook Inlet over that ten-year period. This information will be used as a baseline, and they will continue this monitoring into the future and plan to update the report annually and to rewrite the report in its entirety every three years using the entire dataset.

The methods used to compile the data and report include the following:

1. Process AIS data. Each vessel is required to be equipped with AIS, which transmits its location every two seconds. Those data points are then connected to show the track of each individual vessel.
2. Identify ship details as needed. The AIS data gives limited information, but other databases can be accessed to determine the vessel’s size and type and approximately how much petroleum it has on board.
3. Implement passage lines or polygons around ports. Each time a vessel crosses one of the lines, it creates an event that is recorded. Two major passage lines were drawn at the entrance to Cook Inlet and Kachemak Bay, and polygons were placed around each port.
4. Calculate transits and operating days which show the number of trips.
5. Present results in the report.

The report details vessel types and subtypes as follows:

* + Cargo – Large cargo, oil field, small cargo
	+ Tanker – Oil cargo, LNG
	+ Passenger – AMHS Ferry, cruise ship, small passenger
	+ Tug – Articulated, conventional
	+ Fishing
	+ Other – Government, survey

The report also details the total number of unique vessels and operating days in Cook Inlet by vessel type as well as the tracks of each vessel type. Port calls by vessel type are also counted with Port of Alaska having the most, followed by Homer and OSK dock. Operating days in Cook Inlet have varied over the ten-year period, topping out at over 3,000 days in 2015 while there were only 1,800 in 2011, but the number of annual vessel entries over the ten years was fairly consistent. The larger vessels were also tracked with estimates of petroleum carried on board whether carried as fuel or as cargo thereby measuring oil exposure, both persistent and non-persistent, to Cook Inlet. Oil tanker destinations and crude oil exposure decreased by about 20 percent after Drift River closed in 2018.

Paul Shadura asked if the persistent product going to the Port of Alaska was heavy diesel for bunker fuels and wanted clarification that there was no facility in Anchorage to offload crude oil. Mr. Robertson confirmed there was no cargo transfer of persistent products in Anchorage; however, there are a number of vessels that carry heavy fuel oil that visit there. Paul stated that Anchorage was exempt from OPA 90 and wondered if a major spill was possible there from perhaps a regular vessel that’s not double-hulled. Mr. Robertson said there is heavy fuel oil going into the area, so that is a risk. However, all vessels built since 2010 must have a double bottom.

* **Protocol Committee**

Vinnie Catalano reported that the Protocol Committee reviewed the items listed in the packet on pages 65 and 66 as follows:

The Crowley Alaska Tanker Plan was a difficult review because it appears to cover multiple areas and waters and was confusing. Comments were submitted as noted in the packet.

The Hilcorp Alaska plan had only a few areas that needed clarification, and comments were submitted.

Recommended language for resolutions was submitted to municipalities regarding the update of 18 AAC Chapter 75, oil and other hazardous substances pollution control. All the municipalities listed in the packet except the City of Anchorage passed resolutions containing the language recommended by the committee. The committee submitted comments to the state as outlined in the packet regarding this update to regulations.

All comments have been posted on the committee’s website. Vinnie plans to call a committee meeting before the end of the month to address the allocation of the carryover funds and also to elect a chair and vice-chair for the new year.

Paul Shadura asked about the discharge permit for the Osprey platform. Mr. Catalano deferred that question to Sue Saupe, who responded that the status of those permit applications is in her staff report under the APDES permit program on packet page 55.

* **Public Outreach**

Shaylon Cochran referred to his report on page 67 of the packet. In addition, Mr. Cochran thanked everyone who participated in the legislative outreach program to get resolution language in front of the municipal governing bodies. That was a big team effort and was successful.

The website will be undergoing a revamp. The contract is still being negotiated with the web developer, but it is in the budget and will be coming soon.

They try to have the annual report ready for the annual meeting, and it is almost finished. As soon as it is ready, he will distribute it digitally and post it on the website as well.

For information, CIRCAC has given out $40,000 in scholarships over the years.

* **Administration**

Maddie Jamora highlighted the following items from the staff report on pages 68 and 69 of the packet:

* + Faster internet service has been installed.
	+ The recertification application for 2022/2023 is nearing completion and should be submitted to the Coast Guard by the end of this month.
	+ They will be contacting Lambe, Tuter & Associates at the end of this month and will hopefully have their fieldwork scheduled for this summer.
	+ The administrative assistant Candice Elias has transitioned to full-time instead of part-time.
	+ Some of the staff are enrolled in grant management training online.

***6. CALENDAR AND MISCELLANEOUS***

Pres. Fandrei made the following announcements:

* + A Clean Pacific meeting is scheduled for August 23-24.
	+ The next board meeting is on September 9, 2022, in Seldovia. He is hopeful that it will be an in-person meeting, and he is looking forward to that as he has only chaired the meetings in the Zoom format.

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*CLOSING COMMENTS\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\***

Deric Marcorelle thought it was a great meeting. He thanked Lori Nelson from Hilcorp for her good presentation. He also thanked Tim for the vessel study report, and he was impressed with Todd Duke’s presentation with the worldwide responses and all the equipment that they have.

Carla Stanley thanked Pres. Fandrei for a very good meeting and for all the programs that everyone arranged. She is looking forward to the meeting in Seldovia. She enjoyed the presentations very much.

Bob Flint said it was a good meeting with a lot of great information and good presentations and appreciates the staff’s work to put these meetings together. He also said that Pres. Fandrei was doing a great job.

Walt Sonen missed much of the meeting because his WiFi was dropped, and he had trouble connecting by telephone. He is looking forward to the Seldovia meeting. He enjoyed the presentations very much and is appreciative of the staff and board members for their knowledge and experience.

Paul Shadura acknowledged Pres. Fandrei’s fine work and appreciates him very much. He is hoping to have in-person meetings again so more debate will be possible. Perhaps the issue that was discussed earlier will be a topic and the board will be able to better understand it and take a firm position. He feels the board members should decide for themselves what is correct rather than blindly accept what anyone says is correct. He has a job, responsibility, and duty which he takes very strongly. He appreciates the fine work of the staff and appreciates everyone’s time and comments.

Grace Merkes said it had been a great meeting, very informational, and appreciates that very much. She thanked the staff for all their good work and, hopefully, she’ll see everyone in Seldovia.

Michael Opheim was sorry to have missed the majority of the meeting due to other commitments. He found the presentation on the hot tap to be very interesting. He appreciates all the work staff does in getting these presentations together.

Scott Arndt complimented Pres. Fandrei on running a great meeting. He is looking forward to the Seldovia meeting and thought they should just plan on that. He is tired of the telephonic meetings and said he had not been to an in-person meeting yet. He looks forward to meeting everyone.

Pres. Fandrei appreciates everyone’s comments and support in terms of running the meetings. It is always a challenge but fun at the same time. He asked Hans Rodvik if he had any comments he would like to make.

Mr. Rodvik appreciated all the presentations from everyone. He understands that he has ginormous shoes to fill with Molly departing. There is no way he can fill those right off the bat, but he is very excited to get involved with the organization. He was born and raised in Anchorage and attended school there, including getting a degree in political science at UAA and has been in the political world for a number of years. He has spent a lot of time in Cook Inlet and fishing on the Kenai, Parks Highway streams, Big Su, and Sheep Creek. He set-netted for three years with the Leman family, and he has had a drift permit in Bristol Bay for eleven years. He is excited to get involved and looks forward to the meetings.

**Paul Shadura moved to adjourn, seconded by Michael Opheim. Hearing no objection, the motion passed, and the meeting adjourned at 1:28 p.m.**