

PRINCE WILLIAM SOUND
REGIONAL CITIZENS' ADVISORY COUNCIL
MINUTES
REGULAR BOARD MEETING
January 23-24, 2025
Anchorage, Alaska

Members Present

Robert Archibald	City of Homer
Amanda Bauer	City of Valdez
Robert Beedle	Cordova District Fishermen United
Mike Bender (via videoconference)	City of Whittier
Mike Brittain	City of Seward
Nick Crump	Prince William Sound Aquaculture Corporation
Ben Cutrell	Chugach Alaska Corporation
Wayne Donaldson	City of Kodiak
Mako Haggerty	Kenai Peninsula Borough
Luke Hasenbank	Alaska State Chamber of Commerce
Jim Herbert	Oil Spill Region Recreational Coalition
David Janka	City of Cordova
Melvin Malchoff	Port Graham Corporation
Dorothy Moore	City of Valdez
Bob Shavelson	Oil Spill Region Environmental Coalition
Angela Totemoff	Tatitlek Corporation & Tatitlek Village IRA Council
Michael Vigil (via videoconference)	Chenega Corporation & Chenega IRA Council
Aimee Williams	Kodiak Island Borough
Kirk Zinck	City of Seldovia

Members Absent

Elijah Jackson	Kodiak Village Mayors Association
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Committee Members Present

Matt Melton (via videoconference)	OSPR Committee
Wei Cheng	SA Committee
John Kennish (via videoconference)	SA Committee
Roger Green (via videoconference)	SA Committee
Steve Lewis (via videoconference)	POVTS Committee
Tom Kuckertz	TOEM Committee
Mikkel Foltmar	TOEM Committee
Ruthie Knight (via videoconference)	IE Committee
Savannah Lewis (via videoconference)	IE Committee
Cathy Hart (via videoconference)	IE Committee

Staff Members Present

Donna Schantz	Executive Director
Joe Lally	Director of Programs
Brooke Taylor	Director of Communications
Hans Odegard	Director of Administration

Ashlee Hamilton	Director of Finance
Jennifer Fleming	Executive Assistant
Danielle Verna	Project Manager
Roy Robertson	Project Manager
Linda Swiss	Project Manager
Jeremy Robida	Project Manager
John Guthrie	Project Manager
Amanda Johnson (via videoconference)	Project Manager
Sadie Blancaflor	Project Manager
Maia Draper-Reich	Outreach Coordinator
Nelli Vanderburg	Project Manager Assistant
Jaina Willahan	Project Manager Assistant
Suparat Prasannet	IT Coordinator

Ex Officio Members Present

Ytamar Rodriguez	Alaska Dept. of Environmental Conservation
Lisa Fox	U.S. Department of the Interior
Anthony Strupulis	Department of Natural Resources
Scott Pegau	Oil Spill Recovery Institute
Dave Reilly	Alaska Div. of Homeland Security & Emergency Management
Reid Olson (via videoconference)	Bureau of Land Management
Jonathan Kirsch (via videoconference)	Alaska Dept. Fish & Game
CDR Sarah Rousseau (via videoconference)	USCG MSU Valdez
Liza Sanden	NOAA

Others Present

Andres Morales	Alyeska Pipeline Service Company
Klint VanWingerden	Alyeska Pipeline Service Company
Alyssa Sweet	Alyeska Pipeline Service Company
Michelle Egan	Alyeska Pipeline Service Company
Kate Dugan (via videoconference)	Alyeska Pipeline Service Company
Diana Bouchard (via videoconference)	Alyeska Pipeline Service Company
Weston Branshaw (via videoconference)	Alyeska Pipeline Service Company
Graham Wood	Alaska Dept. of Environmental Conservation
Kathy Shea (via videoconference)	Alaska Dept. of Environmental Conservation
Anna Carey (via videoconference)	Alaska Dept. of Environmental Conservation
Kara Kusche (via videoconference)	Alaska Dept. of Environmental Conservation
Melissa Woodgate (via videoconference)	Alaska Dept. of Environmental Conservation
Teresa Melville	Alaska Dept. of Environmental Conservation
Mo Radotich (via videoconference)	Alaska Dept. of Environmental Conservation
Mollie Dunkin (via videoconference)	Alaska Dept. of Environmental Conservation
Erin Leaders (via videoconference)	Alaska Dept. of Environmental Conservation
Sarah Moore (via videoconference)	Alaska Dept. of Environmental Conservation
Paul Degner (via videoconference)	Bureau of Land Management
Andrea West	Polar Tankers
Rob Kinnear	Hilcorp
Ingo Rose	Crowley Alaska Tankers
Peter Laliberte	Santos

Capt. Ian Maury	Southwest Alaska Pilots Association (SWAPA)
LCDR Caroline Wilkinson	NOAA Office of Coast Survey
Nicholas Schneider	Teekay Tankers
Greg LeBeau	Witt O'Brien's
Billie Garde (via videoconference)	Clifford & Garde, LLP
Haley Michael	NORTECH Engineering
Breck Tostevin (via videoconference)	Nielsen, Koch & Grannis PLLC
C.J. Zane (via videoconference)	Blank Rome, PWSRCAC Legislative Monitor (Federal)
Genevieve Cowan (via videoconference)	Blank Rome, PWSRCAC Legislative Monitor (Federal)
Morgan Bender	Fjord & Fish Sciences
Bill Mott	Taku Engineering
Roy Totemoff	Tatitlek Corporation
Roy Jones	PWSRCAC Legislative Monitor (Federal)

Thursday, January 23, 2025

CALL TO ORDER, WELCOME, AND INTRODUCTION

A regular meeting of the Board of Directors of the Prince William Sound Regional Citizens' Advisory Council was held January 23 and 24, 2025, at the Embassy Suites, Anchorage, Alaska. President Robert Archibald called the meeting to order at 8:30 a.m. on January 23, 2025, and welcomed everyone to the meeting.

A roll call was taken. The following 19 Directors were present at the time of the roll call, representing a quorum for the conduct of business: Archibald, Bauer, Beedle, Bender (via videoconference), Brittain, Crump, Cutrell, Donaldson, Haggerty, Hasenbank, Herbert, Janka, Malchoff, Moore, Shavelson, Totemoff, Vigil (via videoconference), Williams, and Zinck.

Introductions and Directors' reports followed.

1-0 AGENDA

President Archibald presented the agenda (green-colored sheet) for approval, noting the following changes to the agenda's order on January 23: Item H (Alyeska Presentation on Risk and Safety Culture Assessment Management Report) moved up to immediately follow the mid-morning break; and Item F (External Opening Comments) moved down to immediately follow the lunch break).

Amanda Bauer **moved to approve the agenda** (green-colored sheet) with changes noted. Mako Haggerty **seconded. The motion passed** without objection and **the agenda was approved.**

1-1 MINUTES

Dave Janka **moved to approve the minutes of the Regular Meeting of the Board of Directors of September 19-20, 2024.** Jim Herbert **seconded,** and the **minutes were approved as presented.**

1-2 MINUTES

Mike Brittain **moved to approve the minutes of the Special Meeting of the Board of Directors of November 26, 2024.** Jim Herbert **seconded,** and the **minutes were approved as presented.**

PUBLIC COMMENTS

(None at this time.)

INTERNAL OPENING COMMENTS – PWSRCAC TECHNICAL COMMITTEE UPDATES**INFORMATION AND EDUCATION COMMITTEE (IEC)**

Aimee Williams reported on the Information and Education Committee's activities since the last Board meeting.

- IEC had three regular meetings, an annual workshop, and one project team meeting since the Board met in September.
- **Fishing Vessel Program Community Outreach.** The annual Fishing Vessel Program Community Outreach tour for fiscal year 2025 took place in Whittier on Monday, September 30, 2024. The tour went very well. There were 96 passengers on board, including 26 middle and high school students from Whittier, who participated in a scavenger hunt activity to help them engage, interact, and reflect while on the tour. This tour also received media coverage from Alaska's News Source, ABC/Fox, and KVAK.

IEC has formed a project team that will work on developing an alternative format in the coming months for an event or events to deliver this outreach to the Kodiak community during fiscal year 2026.

- **Community Outreach.** In November, Board member Jim Herbert and Outreach Coordinator Maia Draper-Reich co-hosted a booth with Cook Inlet Regional Citizens Advisory Council (CIRCAC) at the Pacific Marine Expo in Seattle, sharing about the Council's mission and work with over 300 people. This past December, as part of Science Night, the Council invited partners to host virtual watch parties in their communities. Successful watch parties were held in Valdez, Cordova, and Homer, expanding the audience of this event. We want to give a special thank you to IEC member Amanda Glazier for facilitating the watch party in Valdez. Staff have coordinated and participated in additional outreach presentations which will be covered during the Community Outreach Annual Report at the May Board meeting.

IEC is excited to continue supporting outreach efforts during a busy spring season, which will include upcoming events such as the Alaska Forum on the Environment, the Alaska Ocean Sciences Tsunami Bowl, and the Chugach Regional Resource Commission's "The Gathering" in March.

- **Youth Involvement.** IEC accepted five final reports from the following contractors as complete and meeting all deliverables: Alaska Geographic, Copper River Watershed Project, Kenai Mountains – Turnagain Arm National Heritage Area, and Wrangell Institute for Science and Environment.

There are currently contracts underway with the Alaska Marine Conservation Council, Center for Alaskan Coastal Studies, Kenai Mountains – Turnagain Arm National Heritage Area, and Alaska Maritime National Wildlife Refuge. All four contracts are on track to be completed by June 30.

The most recent Youth Involvement RFP received eight project proposals, with seven being selected by the project team for funding. This will result in the distribution of the remaining fiscal year 2025 Youth Involvement funds.

- **Illustrated Prevention and Response System Outreach.** The committee is continuing to work with artist and author Tom Crestodina to develop artwork for a book and other materials showcasing the oil spill prevention and response system in Prince William Sound. Additional editing of the text by staff continues, with Tom Crestodina scheduled to restart his work in the spring.
- **Internship.** A \$4,000 budget modification to fund the previously deferred fiscal year 2025 Internship project was approved by the Executive Committee in December. These funds will be used for a stipend, travel costs, and conference fee for an intern working with the Council's Long-Term Environmental Monitoring Program. A Prince William Sound College student has been selected and their work will be co-funded by Prince William Sound College. Supervision of the intern will be shared between Council staff members Danielle Verna and Maia Draper-Reich, and IEC member Amanda Glazier, who is with the college.

TERMINAL OPERATIONS & ENVIRONMENTAL MONITORING COMMITTEE (TOEM)

Vice Chair Amanda Bauer reported on the activities of the TOEM Committee since the September Board meeting:

- In July 2024, TOEM brought Dr. Joe Scalia to Valdez to observe the secondary containment liner pilot testing in the Valdez Marine Terminal (VMT) West Tank Farm. Dr. Scalia has given subsequent verbal updates to the TOEM Committee and has submitted a draft report which is currently undergoing review and revision by the committee, the Secondary Containment Liner Project Team, and staff. It is expected that a report on this effort will be provided at the May Board meeting.
- The committee reviewed, revised, and recommends Board acceptance of a Taku Engineering report titled "Tank Pressure/Vacuum Pallet Damage: Crude Oil Storage Tank Headspace Gas Assessment," which was drafted in response to Alyeska's October 12, 2023 letter requesting additional information on Taku Engineering's original report calculations and assumptions. This is on the agenda for Board acceptance at this meeting. If Alyeska provides additional information on the 2022 tank vent incident after this report is approved, TOEM will work with Taku Engineering to refine and update the report appropriately.
- A contractor was selected via the RFP process on January 16, 2025, to perform the work related to Project 5595: Review of VMT Cathodic Protection System Testing Protocols. It is anticipated that the committee will be requesting Executive Committee approval for an additional \$5,000 for this work.
- The committee continues to follow up to better understand the August 2023 tank bottom processing fire which occurred in an active dike cell. On September 25, 2024, the Council received a letter from the Joint Pipeline Office (JPO) stating that no single regulatory agency has oversight over the many components of this process, with BLM and ADNR noting that they have no regulatory authority at the VMT because it is on private land. The PWSRCAC is currently drafting a response to this letter.

- The committee is in the process of reviewing and providing feedback on Dr. Sahu's draft report titled "Report on the Volatile Organic Compound (VOC) Emissions from the Snow Removal Incident at the Alyeska Pipeline Service Company's Valdez Marine Terminal East Tank Farm in Early 2022" which reviewed available documentation to provide a conservative emissions estimate from the 2022 tank vent damage incident.
- The committee has continued to follow up on recommendations related to the Billie Garde report, including Alyeska's Management Action Plan close-out and the Government Accountability Office (GAO) review process. The committee is also gathering information related to the human factors committee recommendation in the report, prior to officially taking on that role.
- PWSRCAC would like to express its appreciation for Alyeska's work to improve the response time to the TOEM Committee's requests for additional information in support of their projects and work. However, the committee continues to have outstanding requests for information from Alyeska, the answers to which are needed for projects funded for FY2025. This includes information related, but not limited to, Storage Tank Maintenance Review of Tank 93, the Crude Oil Piping Maintenance Review, and Maintaining the Secondary Containment Liner. Bauer noted, however, that PWSRCAC had received a large transmittal of information from Alyeska the previous day which TOEM had not had a chance to review yet.

OIL SPILL PREVENTION & RESPONSE COMMITTEE (OSPR)

Chair Jim Herbert reported on the OSPR Committee activities since the last Board meeting in September:

- The committee has been updated on area and regional planning efforts for the Alaska Regional Contingency Plan, and the Prince William Sound, Arctic and Western Alaska, and Inland Alaska c-plans and area committees.
- ADEC's five-year renewal of the Valdez Marine Terminal (VMT) C-Plan was issued in November 2024 and expires in 2029. In November, the Council approved filing a Request for Informal Review on the Condition of Approval regarding the secondary containment liner evaluation at the VMT. The ADEC SPAR Director will issue a decision on the Request for Informal Review by February 24, 2025.
- The committee reviewed and accepted various drill/exercise reports. These reports will be conveyed to the Board for acceptance in the Annual Drill Monitoring Report.
- The committee has been kept updated on the USCG Work Instruction related to the Certificate of Inspection (COI) requirements that, if enforced, would prevent a significant number of the SERVS fishing vessel program fleet, or Vessels of Opportunity (VOO), from being able to participate in the program. The Council, along with other organizations, have been working to find a solution to exempt vessels from the inspection requirements while responding to an oil spill and/or during oil spill trainings and exercises. The OSPR Committee is concerned about this issue because if a solution cannot be found, it will directly impact SERVS' ability to respond to an oil spill to protect Prince William Sound and its downstream communities. PWSRCAC's Joe Lally will provide an update at this Board meeting on efforts to find a solution to this issue.

- The Committee has been kept updated on various weather-related projects, including repair and maintenance on the Port Valdez weather buoys and the Council's several Prince William Sound weather stations. The Port Valdez buoys will be serviced in spring of this year.
- Environment & Climate Change Canada expects to complete their analysis of the Alaska North Slope (ANS) crude oil properties analysis by the end of February. Merv Fingas will prepare a report on the analysis which should be ready for Board acceptance at the May or September Board meetings. The last time PWSRCAC undertook this analysis of ANS crude, the characteristics had changed.
- The committee has also been updated on the Seal Rocks and Cape Cleare buoys in the Gulf of Alaska. Both buoys were replaced in Spring 2024, after escaping their moorings, but have since suffered a myriad of problems with their wave sensors, communications, and batteries. These issues will require both buoys to be pulled by a buoy tender in order to be repaired. The Cape Suckling buoy is also inoperable. These weather buoys, especially Seal Rocks, are important to ensure the safety of the tankers, tugs, and their respective crews, and for reducing the risk of an oil spill. PWSRCAC's main concern is to ensure that laden tankers do not depart the VMT in conditions that preclude the tug crews from safely and effectively performing a rescue should the tanker experience a problem in adverse weather conditions.
- Tab 5 in this Board meeting's notebook contains the current status of all of OSPR's projects.

SCIENTIFIC ADVISORY COMMITTEE (SAC)

Wei Cheng reported on the activities of the SA Committee (SAC) since the last Board meeting in September:

- **Social Science Workshop.** A workshop to gather community member input on the social and economic changes since the Exxon Valdez oil spill (EVOS) and to share ideas on future social science research in the EVOS region will be held during the 23rd annual Subsistence Memorial Gathering, hosted by the Chugach Regional Resources Commission (CRRC). The workshop will be held on March 27, 2025, from 9 a.m. to 4 p.m. in Anchorage and will be facilitated by SAC member Davin Holen of Alaska Sea Grant and Danielle Verna of staff. The workshop aims to foster relationship building and collaborative research with Alaska Native Tribes and other partners in the EVOS region. Board members are invited to attend the workshop and should contact Danielle Verna if interested or with questions. There will be activities, a dance performance, and a traditional foods dinner for Gathering attendees in the evening.
- **Long-Term Environmental Monitoring Project (LTEMP).** Dr. Morgan Bender of Fjord and Fish Sciences presented her results and draft report from the 2024 LTEMP sampling to the committee for review in November. This year, Dr. Bender also shared results from a pilot study, evaluating metals in sediment at the Valdez Marine Terminal and Gold Creek, which was done in conjunction with the regular LTEMP sampling for hydrocarbons. The final reports will be presented to the Board at this meeting, and the committee recommends their acceptance. The committee looks forward to establishing an LTEMP internship for a college student in Valdez in collaboration with IEC.
- **Winter Marine Bird Surveys.** Staff from the Prince William Sound Science Center successfully completed their boat-based transect surveys of birds and marine mammals in

September and November. Dr. Mary Anne Bishop of the Prince William Sound Science Center presented her findings and recommendations to the committee in January for their review. The final report is expected to be presented to the Board in May.

- **Peer Listener Manual.** The committee voted to award a contract to Agnew::Beck Consulting to develop a distribution plan and outreach materials for the revised Peer Listener Manual. The project team met earlier this month to review the first draft of the distribution plan.
- **Marine Invasive Species.** Student interns in Valdez, Kodiak, and Cordova will be asked to give a presentation about their internship in their respective communities this spring. Data collected during intertidal monitoring for invasive green crab in these communities were submitted to the Alaska Department of Fish and Game and the Pacific States Marine Fisheries Commission.
- **Science Night.** A successful Science Night took place on December 5, with four engaging speakers sharing on the theme of “Staying alert and proactive in the Exxon Valdez oil spill region.” There were over 70 in-person attendees, 20 online individuals, and three watch parties across Valdez, Homer, and Cordova, which added about 30 more viewers. All recordings are now available on the Council’s website and YouTube page.
- **Transcriptomics.** The committee recommends the Board approve the budget modification and research contribution to the USGS to complete a transcriptomics analysis of blue mussels that have been collected at 10 LTEMP sites. Gene expression data from this sentinel species provides information about biological effects from environmental changes such as exposure to contamination. This request is a consent agenda item at this meeting.
- **Committee Membership.** The committee voted to recommend the nomination of Dr. Scott Pegau to the Scientific Advisory Committee. This recommendation was approved by the Executive Committee at its December meeting. Dr. Pegau is the Research Program Manager at the Oil Spill Recovery Institute (OSRI) and has been an ex officio member on the Board representing OSRI for many years. The committee looks forward to having Dr. Pegau’s expertise and experience on the team.

PORT OPERATIONS & VESSEL TRAFFIC SYSTEMS COMMITTEE (POVTS).

Chair Steve Lewis reported (via videoconference) on the efforts of the Port Operations & Vessel Traffic Systems (POVTS) Committee since the last Board meeting:

- **FY2026 Project Proposals.** The POVTS Committee developed and submitted three projects for consideration in the Long Range Plan process.
- **Maritime operations locally.** The committee continues to stay informed about the weather-based projects, including buoys. The committee is extremely concerned about the Seal Rocks buoy outage and the impact of the outage on the ability of the USCG Vessel Traffic Service to make Hinchinbrook Entrance open/closure decisions.
- **Vessel-Whale Strike Mitigation.** The committee continues to monitor developments in whale strike mitigation locally and nationally. Due to the change in the federal administration, the proposed NOAA Marine Fisheries Service rule expanding the vessels covered by the Right Whale Speed Reduction Rule has been withdrawn.

- **Miscommunication in Maritime Contexts (8520).** The report and executive summary from Phase 1 and 2 of this project were reviewed and accepted by the POVTS Committee, then forwarded to the Executive Committee and accepted at their meeting on January 15.
- The contract for Phase 3 is being finalized and work should commence in late winter or early spring.
- **Assessing Non-Indigenous Species Biofouling on Vessel Arrivals (8250).** The committee has been working jointly with the Scientific Advisory Committee (SAC) to start a project examining biofouling on vessel arrivals in the EVOS region. The principal researcher, Natalie Kiley-Bergen, presented her preliminary findings at the Alaska Invasive Species Partnership workshop in November 2024. The POVTS Committee expects to have a presentation at its next committee meeting on February 4, and the final report will be presented to the Board at its May meeting.
- **Shipping Decarbonization.** Following industry news, the committee sees worldwide there has been progress towards meeting the International Maritime Organization (IMO) greenhouse gas (GHG) reduction targets of 20% by 2030, and 50% by 2050.

There are also signs that this may not be obtained. Efforts to date have largely been to convert from traditional marine fuels to LNG and methane combined with carbon capture. Efforts to develop truly zero emission fuels like hydrogen and ammonia are experiencing problems becoming technically viable and commercially scalable.

In Prince William Sound, POVTS has had little information come to it on the TAPS fleet actions to date and their plans to meet the IMO targets.

POVTS would welcome hearing from the shippers and their customers who are actually the companies of their efforts to date and their plan to meet the IMO guidelines.

Lewis noted that POVTS meetings are open to the public and the committee would welcome more members than the five currently serving (Lewis, Archibald, Bauer, Mitchell, and Terpening).

INTERNAL OPENING COMMENTS – BOARD SUBCOMMITTEES

BOARD GOVERNANCE COMMITTEE (BGC)

Chair Luke Hasenbank reported for the Board Governance Committee (BGC) on its activities since last Board meeting in September:

- The committee met once since the last Board meeting.
- During this meeting, BGC approved the following three Board policy updates:
 - Travel Policy 710.06, which increased the reimbursement threshold for trips without receipts from \$25 to \$75 in cases where a receipt cannot be obtained or has been lost. This update aligned the amount with IRS standards.
 - Fiscal Policy 310, which increased the asset stabilization target for the Council's net

assets from “no less than \$350,000” to “no less than \$400,000.” This update aligned the policy with the amount the Council currently has in its reserve.

- Fiscal Policy 304, which increased the threshold for Board of Director signature requirement on checks from \$15,000 to \$20,000. This update was made to reflect inflation.
- The committee also voted to create a new fiscal policy to require that all Automated Clearing House (ACH) electronic payments and other electronic payments be approved by two authorized individuals designated by the Board of Directors, with the exception of transfers related to payroll and rent. Furthermore, ACH payments exceeding \$20,000 must be approved by at least one designated member of the Board of Directors.
- These updates were on the consent agenda and approved by the Board at the Special Board meeting on November 26, 2024.
- Committee members reviewed the BGC Charter and the Board’s Bylaws and ultimately decided that no updates were needed at this time. They plan to review the Bylaws again at the end of 2025 to determine if updates need to be made.

Hasenbank noted that the committee could use more members than the four currently serving (Hasenbank, Moore, Beedle, and Bender).

LEGISLATIVE AFFAIRS COMMITTEE (LAC)

Chair Dorothy Moore reported on activities of the Legislative Affairs Committee (LAC) since the last Board meeting:

- **LAC Activities Since the Last Board Meeting.** The Alaska legislative session began on January 21, 2025. As in previous years, LAC or the LAC Project Team will be meeting bi-weekly for the duration of the legislative session that is scheduled to end on May 21, 2025.
- **Government Accountability Office Review.** The Government Accountability Office (GAO) is performing their review of regulatory oversight at the Valdez Marine Terminal (VMT). Originally, they planned to release their report on this matter in early 2025; however, based on a recent update from the GAO it is anticipated that the report will now be released in spring 2025.
- **Gulf of Alaska Weather Buoys.** The Council’s Legislative Monitors in Washington, D.C., and PWSRCAC staff continue to conduct outreach with Alaska Delegation’s staff, the National Oceanic and Atmospheric Administration (NOAA), and the National Data Buoy Center (NDBC) regarding the Gulf of Alaska weather buoys, all of which continue to experience issues, such as inoperable wind and wave sensors, even after being replaced in spring 2024.
- **Coast Guard’s Application of Vessel Inspection Regulations to the SERVS Response Fleet.** The Council has been concerned with the potential serious impacts to the Alyeska/SERVS uninspected response vessel fleet since 2020, when the issue first arose of the Coast Guard potentially applying vessel inspection regulations to the more than 350 contracted, uninspected vessels (vessels of opportunity, or VOOs) that form the backbone of the SERVS oil spill response system. The Council continues to work with its Washington, D.C., legislative monitors and as part of an industry/stakeholder workgroup that was formed to develop

legislative language to resolve this issue permanently with the Coast Guard. PWSRCAC's Joe Lally will provide a comprehensive briefing on this issue later in the Board meeting.

- **State Legislative Issues - ADEC/SPAR Budget:**

The Governor is proposing status quo funding for ADEC Spill Prevention & Response (SPAR). LAC will again be advocating for legislation that advocates for continued adequate funding for SPAR and the establishment of an Alaska Invasive Species Council.

FINANCE COMMITTEE (FC)

Treasurer and Chair Mako Haggerty reviewed the Finance Committee's activities since the last Board meeting:

- **Fiscal Year 2024 Audit.** Auditor Nicholas Stoudt of Porter & Allison presented the completed audit report at the committee's November meeting. The audit thoroughly examined the organization's financial statements and internal controls. Stoudt noted that it was a very successful year with no significant difficulties in completing the audit and indicated a clean bill of financial health. The Board approved the audit report at its Special Board Meeting in November.
- **IRS Form 990.** The committee reviewed the draft IRS Form 990 in detail earlier this month. This was the first time compiling the Form 990 with the new auditors, who helped the process go very smoothly. The committee noted some minor edits that Director of Finance Ashlee Hamilton shared with Porter & Allison. The committee voted to recommend the corrected Form 990 for Board approval at this meeting.
- **Copier Lease.** Staff reviewed the new lease with representatives from Konica Minolta and it was discovered that PWSRCAC's monthly payments will be slightly less than originally planned. The briefing sheet in the Board packet reflects the higher amount but no changes need to be made to the action requested.
- **Automated Clearing House (ACH) Payment Updates.** At the November Special Board Meeting, the Board approved a policy for Automated Clearing House (ACH) electronic transfers, wire transfers, and other electronic payments. Director of Finance Hamilton has begun implementing these sorts of payments for staff, Board, and volunteers who opted to be paid via ACH for things such as travel reimbursements. Those who signed up can now expect to receive an email notifying them when the payment gets issued. Those who have not already opted into this method of receiving payment, but would like to do so, were encouraged to contact the Director of Finance.
- **Budget Modifications.** The Finance Committee voted to recommend two budget modifications to the Board in November, which were approved at the Special Board Meeting. The committee also discussed the list of proposed budget modifications that are on the consent agenda at this meeting and voted to recommend Board acceptance of these modifications.
- **Anchorage Office Lease.** Staff worked with a broker and found an office space that meets the needs for a new office, with significant improvements from the current space. Upon the committee's request, staff submitted an "Intent-to-Occupy" Agreement, which is a non-binding agreement that expressed interest in the space and allowed the Council to receive a

lease for review. The lease was reviewed in detail by the Council's legal counsel Joe Levesque, staff, and the committee who voted to recommend the new office lease for Board approval. This item will be discussed in detail during executive session.

- **Compensation Study RFP.** With committee support, staff will soon be putting out a request for proposals to potentially complete a new compensation study in FY2026.
- **IRS Update.** The organization encountered an issue with its payroll tax reporting due to an incorrect return filed by Paychex with the IRS. This issue is nearing a complete resolution. All 941 filings have been corrected and the funds have been properly recorded. The final step, submitting the 943X filing, has been completed, and PWSRCAC is now awaiting confirmation from the IRS that this issue is resolved.

Break: 9:45 a.m. – 10:00 a.m.

ALYESKA PRESENTATION ON CLOSEOUT OF RISK AND SAFETY CULTURE ASSESSMENT MANAGEMENT ACTION PLAN

Alyeska's Director of Operations, Klint VanWingerden, presented the company's closeout report on Alyeska's Management Action Plan (MAP) that addressed the issues in the Risk and Safety Culture Assessment Report by Billie Garde. Following the presentation, VanWingerden addressed questions from the Board. Garde was on videoconference for this presentation and participated in the discussion that followed.

Jim Herbert asked if snow removal staffing levels are reduced when it is a winter of little snow when a large snow removal crew is not needed, such as this season. VanWingerden explained that the supervisors are always cognizant of adequate staffing, and there are always other maintenance tasks that the snow removal crews can do when there is little snow. He stated they do ramp up for the historically peak seasons so they are in a good position to respond to the big snow events. He said he personally checks in with individuals on the crews from time to time to see how they are doing.

Steve Lewis pointed out the importance of Alyeska passing down its Process Safety Management (PSM) and Management of Change (MOC) plans to its contractors and their crews as it is critical for the entire effort and the MAP to be successful. He thanked Alyeska for their efforts to date.

Wayne Donaldson asked for more detail on the human factors program. VanWingerden stated that they were in the early stages of doing the assessment and developing that program. They need to understand the gaps so they can respond appropriately to what the need is.

Amanda Bauer asked about Alyeska's terms "closed" and "completed" with regard to audits in the MAP/PSM status. VanWingerden responded that when they perform those audits it is an audit of the current state of the system and incorporates the findings and the actions from all the previous audits so that is built into their system. When Alyeska does an audit, it is a look at the current system today, so any gaps or deficiencies that are identified in either the previous audit or new ones those are all captured and incorporated into the most current audit. VanWingerden clarified that by looking at the last audit and then the most current audit, it is a comprehensive view of where we are today.

Bauer asked generally about the status of cybersecurity protections to Alyeska's operations (in light of a cyberattack that hit Alaska Tanker Company in August 2024) and who audits and regulates those protections. VanWingerden responded that there are countermeasures in place to address whatever the threats of the day are, and Alyeska has a robust process in place to identify potential scenarios that could result in a bad day, similar to Alyeska's Process Hazard Analysis. They follow the same approach from a cyber risk standpoint (i.e., identifying where Alyeska's vulnerabilities are and making sure that they have appropriate countermeasures in place). When a high risk or an unacceptable risk is identified, those resources are put into action, and they address the threats immediately.

Dave Reilly of the Alaska Department of Homeland Security & Emergency Management (ADHSEM) added to the cybersecurity discussion and reported a new state agency – the Cyber Infrastructure Security Agency (CISA) - deals with cybersecurity breaches, such as the one that impacted Alaska Tanker Company. It also deals with hacks to the State side. CISA is in the process of completely rewriting the state's Strategic Cybersecurity Plan, which will include a response plan, and an intelligence and information-sharing plan that will be mandatory for all state agencies. It will be written in a way that it can go back into the infrastructure and private partners to help facilitate that. He noted that the federal agencies want to make it more regulatory, but Alaska is really trying to protect that private side and keep the federal regulations out as best they can.

Angela Totemoff commended Alyeska and PWSRCAC for the spirit of partnership in the way it addressed the issues in the Garde Report. She emphasized that this was the purpose for which the Council was formed (to advise Alyeska), and she commended Executive Director Schantz and President Archibald for their hard work. She said she was looking forward to seeing more cooperation and transparency with Alyeska moving forward.

Bob Shavelson asked if Alyeska had done anything internally to upgrade its systems and make any staffing changes. VanWingerden stated that the cybersecurity team is very smart, well apprised of what the current threats are, and they know the vulnerabilities with Alyeska's systems very well because they have implemented those controls that are protecting the system today. He emphasized that the partnership with ADHS&EM, Cybersecurity, FBI, local and other government law enforcement is key to staying apprised of what is happening in the world so the information can be shared across the industry. Those relationships are very important to Alyeska. He also added that from a personnel standpoint some members of the team have come and gone but the team has only grown in number.

Billie Garde (via videoconference) asked VanWingerden questions related to his last statement regarding personnel changes. She pointed out that she is very familiar with the cybersecurity team and apparently in the recent reorganization it eliminated the director of that team who is the only one that had attended the FBI Homeland Security and CIA trainings over numerous years. That team has now been split up and both parts of the team answer to people who she has been told have no experience with Homeland Security, IT, or cybersecurity. She said this information was current as of the previous week. She asked VanWingerden to clarify or correct the information he previously reported.

VanWingerden clarified that the headcount of the expert personnel within the team who actually implement the controls has only grown. He stated that he was aware of the organizational change that was made recently but he was not thinking about that when he made that comment. He

emphasized that the team structure, the expertise that is within those teams, and the individuals who are implementing the controls, is only getting stronger.

Executive Director Schantz thanked Alyeska for approaching the issues in the report seriously and for the positive efforts they put into the MAP to address the concerns.

Billie Garde questioned the application of the PSM standards and status of Alyeska's actual Quality Program. She noted, based on the different communications between PWSRCAC staff and Alyeska, that PWSRCAC staff understood from Alyeska's original comment that it was applying PSM standards across the whole terminal, which was not accurate; rather, Alyeska is applying it to the regulated areas and in some other areas. It was not clear to her what those other areas are. But in the absence of an area covered by PSM standards and looking at both the reduction in people and the reduction in scope which translated to a reduction in the commitments Alyeska made 30 years ago after the whistleblower issues in the late 1990s and 2000s, PWSRCAC was told that QA 36 was still the standard Alyeska was following. She said she went back and looked at the old revision of QA 36 and she did not see how that is possible, given the information that PWSRCAC has received. She asked VanWingerden what revision of QA 36 Alyeska is currently on, who is actually is running the Quality Program, and the number of resources available. She pointed out that she found a consistent concern a few years ago about the lack of resources available to the Quality Program, and that was noted in her report. She asked VanWingerden what had changed in that program that was not addressed in his power point presentation. She said she still believes the program is under resourced for the commitments Alyeska has made, but she would like to hear Alyeska's answer in terms of the resources available within the Quality Department and what the program is.

Garde emphasized that PWSRCAC has brought up these questions before and would bring them up again because, in her estimation, that is the missing piece of the reliance everybody can have on Alyeska's programs. If Alyeska does not have PSM across the site, then it has to be some version of a quality oversight.

VanWingerden did not have the information on hand at that time as to the specific questions from Garde because it is held in other Alyeska departments. Andres Morales asked Ms. Garde to put her specific questions in writing.

Garde said she still had questions but she echoed the gratitude that had been expressed to the company on how they responded to her report and how they have worked through the many issues that were raised.

In response to a question from Archibald about hiring qualified employees, VanWingerden reported it was harder than it was before but Alyeska still gets a lot of applicants and they have not had to hire personnel who are unfit for positions.

ALYESKA/SERVS ACTIVITY REPORT

Andres Morales, Alyeska's Emergency Preparedness and Response Director gave the Alyeska/SERVS activity report for the 4th quarter 2024, and a year-end wrap-up.

VMT Operations:

- Operations: *(as of YE 2024)*

	<u>YE 2024</u>
○ Tankers Loaded	210
○ Tankers Escorted	215
○ Barrels Loaded	158,620,154

	<u>Since start up</u> (as of YE 2024)
○ Tankers Loaded	23,712
○ Tankers Escorted	15,039
○ Barrels Loaded	18,110,742,517

- Safety (TAPS): *(as of YE 2024)*

○ Days away from work cases	1
○ TAPS Combined Recordable Rate %	0.34

- Environment (Valdez): *(as of YE 2024)*

○ Spill Volume (Gallons)	0
○ Number of Spills	0

Fishing Vessel Availability by Port (4Q 2024):

<u>Port</u>	<u>Tier 1</u>	<u>Tier 2</u>
Valdez	27	31
Cordova	26 (+8 Rapid Resp.)	127
Whittier	7	17
Seward	0	27
Homer	0	43
Kodiak	<u>0</u>	<u>43</u>
Totals	68	272

2024 (4Q) Quarter Contingency Plan Activities:

- Completed PWS Tanker Exercise with Marathon on October 15-17, 2024.
- Received VMT PDPCP 5-year approval on November 6, 2024, and minor amendment approval on November 25, 2024; published on December 2, 2024.
- Received VMT ODPCP minor amendment approval for the Barge Allison Creek update on December 30, 2024; published January 7, 2025.

2024 (4Q) Training & Exercises:

- 10/1 Operational Readiness Exercise – Whittier.
- 10/12 Current Buster 8/Crucial Skimmer TF Training.
- 10/15 – 10/17 PSW Shippers Exercise.
- 10/21 Nearshore Training Exercise.
- 11/1 Escort Tug U and J Boom Exercise.
- 11/8 Escort Tug U and J Boom Exercise.
- 11/13 Rapid Response Exercise.

- 11/13 – 11/15 Wildlife Training – Homer.
- 11/17 Emergency Towing Exercise.
- 11/20 IMT Notification.
- 11/25 Unannounced QI Notification.
- 12/15 Current Buster 8/Crucial Skimmer TF Training.

2025 Major Maintenance.

- Tank 5 Internal API 653 Inspection.
- 48 inch ILI of Crude Oil Branch Lines to Tank 5.
- BWT Inspect West Manifold to B-header Termination Vault (879 ft.).
- Marine Structures Coating Repairs Berth 5.
- Reef Island Power Improvements.
- Berth 4 Foam System Transition.
- BWT DAF Cell 5 Inspection and Repair.
- External Coating of Tank 3 and 4 (VMT-Crude).
- 500-2 Refurbishment.
- Edison Chouest Contract Extension – extended to June 20, 2033.

In response to a request from Jim Herbert for more detail on the substitute fire suppression foam that Alyeska has selected, Morales did not have the details on hand at that time but committed to pass the request back to his team to provide it to the POVTS Committee subsequent to this meeting.

As to the 500-2 barge, Morales reported that the plan is to refurbish that vessel completely over the next couple of years and the work was currently out for bid.

Morales gave a brief overview of weather conditions, timing, and schedules that have to be met in order for the crews to be able to apply the external coatings to the crude Tanks 3 and 4.

EXTERNAL OPENING COMMENTS – TAPS SHIPPERS, OWNER COMPANIES, AND PILOTS

SOUTHWEST ALASKA PILOTS ASSOCIATION (SWAPA)

Capt. Ian Maury reported that SWAPA currently has 12 full pilots and they are the only pilots working the TAPS traffic in Prince William Sound. In addition, there are five deputy pilots, all of whom are working towards full pilot certification in the next three years, and seven trainees. This will put SWAPA up in personnel for the next three/four years. There were four retirements in 2024, so that puts their personnel numbers flat for 2025 but they are looking to increase those numbers as TAPS throughput is expected to increase and cruise ship traffic is expected to increase significantly in the Prince William Sound when the fully functioning dock opens in Whittier and Viking Cruises double its port calls into Seward.

He reported that a big concern for SWAPA is the non-functioning weather buoys and navigation lights. He reported that he had spoken to the Admiral of District 17 in December and it did get addressed in January. Her response was that USCG's focus was primarily on the new cutters that were coming into Alaska (i.e., not buoys and navigation aids). Maury urged everyone to exercise caution on the water and to stay on top of USCG as to the non-functioning weather buoy and navigation lights issues.

Dave Janka pointed out that if there is ever an incident and the SERVS fleet is called out, they are not as familiar operating in some of the areas where the navigation lights are not working, especially at night.

Jim Herbert asked if SWAPA would be willing to send a letter about the non-functioning navigation aids and the weather buoys to bolster the Council's ammunition about the importance of this equipment to navigation and safety. Maury stated that he would pass this request back to the current SWAPA administration.

He also added that the Marine Exchange has been tasked with taking over certain VHF stations and other things that USCG used to maintain that were falling into disrepair, and he has wondered if they might be brought in to help with the buoys.

A general discussion followed of SWAPA procedures when tankers are transiting or leaving the VMT dock in inclement weather.

Referring to the changing throughput projections and the changing ownerships in the industry and markets, Steve Lewis pointed out that Prince William Sound will see more foreign flagged vessels, and more vessels that have not been to Prince William Sound before and who have no local knowledge. That is of particular concern to the POVTS Committee.

Lewis added that SWAPA had provided input in the past on another POVTS project – Miscommunications in Maritime Contexts – and the committee appreciated the input SWAPA had given so far and welcomed the organization's continued contributions in the future.

Archibald expressed appreciation to Maury/SWAPA for the organization's insight and contributions to PWSRCAC's understanding of Prince William Sound's marine traffic operations.

[Remaining External Opening Comments of TAPS Shippers & Owner Companies would continue after External Opening Comments of Ex Officios]

Lunch Break: 12:05 p.m. – 1:00 p.m.

EXTERNAL OPENING COMMENTS – EX OFFICIOS

U.S. DEPT OF THE INTERIOR (DOI)

Lisa Fox from the Environmental Policy and Compliance Division of DOI, reported there were a few general items to report for DOI but no regional items of significance to Alaska to report.

A call for nominations for the four open seats (Commercial Fishing, Subsistence Use, Recreation and the At-Large seat) on the EVOS Public Advisory Committee was published in the Federal Register. She thanked Amanda Bauer for her past service as Chair of the EVOS Public Advisory Committee. She encouraged anyone interested in applying for one of the four open seats to contact Amanda Bauer or herself.

She announced that President Trump's nominee for Secretary of the Interior is the Governor of North Dakota, Doug Burgum. His confirmation hearing was held on January 16, and he was expected

to be confirmed. Walter Cruickshank is currently Acting Secretary of the Interior. He was formerly the Deputy Director of the Bureau of Ocean Energy Management (BOEM) nationally.

She briefly listed the various executive orders issued by the new Administration since January 20, which rolled back previous orders of the prior Biden Administration, none of which were specific to Prince William Sound or the TAPS operations.

She reported that to her knowledge there were no staffing changes planned for her office, which in general is tasked with providing guidance, oversight and support for all the NEPA environmental review processes in Alaska and oil spill response support. Those things do not change with the change in a federal administration. Her office's priorities are the same. She also estimated that staffing would probably remain the same under the new administration as well.

She thanked MSU Valdez and CDR Rousseau for being diligent in including resource concerns during the recent incident with the Cordova Provider. All of the federal and state stakeholder agencies were consulted, including U.S. Fish and Wildlife Service. She reported that the vessel was moved from the rocks, refloated at high tide that morning, and was now at the selected scuttle location.

UNITED STATES COAST GUARD (USCG)

CDR Rousseau began her report with an update on the scuttling of the barge Cordova Provider that occurred that morning in Prince William Sound. The barge broke away from its integrated tug on January 11, and it subsequently began to break up in the heavy weather and storm in Prince William Sound that came in not long after that. She expressed appreciation and kudos to the Alaska Dept. of Environmental Conservation (ADEC) and the Alaska Dept. of Natural Resources (ADNR) for their assistance in ensuring all the environmental considerations were in alignment with protocols, and she added that it was a good learning experience for all the responders. The final resting place of the vessel is approximately two nautical miles south of Axel Lind Island, which is not only the best and closest spot to ensure the safety of the crew but also the deepest spot within 100 nautical miles out in the Gulf of Alaska. Once MSU Valdez is given the exact coordinates, they will be passed up to District 17 in Juneau. The Coast Guard Waterways Office is responsible for communicating those coordinates and any other pertinent information to the Office of Coastal Surveys to update the charts. A Marine Safety Information Bulletin (MSIB) for mariners was issued. Unfortunately, the USCG's .gov delivery system which is the software that is normally used to send their MSIBs was not currently working, so the bulletin was sent to USCG's port partners in Prince William Sound. They are working to fix the .gov delivery system.

CDR Rousseau updated the Board on MSU Valdez's concern with the MSIB and the enforcement of a law that was published years ago for non-operating individuals, particularly on oil spill response vessels, like fishing vessels. This MSIB is of concern for MSU Valdez because it has the potential to impact mariners who would not otherwise need to be credentialed to do some oil spill response work on the waterways. MSU Valdez is working with District 17 to get guidance on that and to find out if there is something in the Valdez Captain of the Port "toolbox" to ensure that they are not holding the vessels of opportunity (VOOs) to an unreasonably strict standard that would then hamper MSU Valdez's efforts for oil spill cleanup in the event of some sort of catastrophe. Currently, there is not enough guidance on that yet, but CDR Rousseau was communicating the concerns of MSU Valdez and working with its other port partners to determine the extent of that impact so they, in turn, can communicate that to both District 17 and with USCG Headquarters.

CDR Rousseau also addressed some of the cybersecurity questions that were raised earlier in the meeting. She reported that Cybersecurity and Infrastructure Security Agency (CISA) is one of the main federal agencies that oversees cybersecurity. On January 17, 2025, USCG published a notice in the Federal Register inviting comments about new cybersecurity regulations USCG intends to publish by this summer. An MSIB has been issued about the new cybersecurity regulations, with links for the public to comment. These regulations provide a baseline of USCG requirements on domestic vessels and foreign flagged vessels and facilities currently regulated by USCG to protect the marine transportation system. The final rule is expected to be issued in July of this year. Some of the main highlights it includes are requirements for all cybersecurity incidents to be reported to the National Response Center, similar to an oil spill or a hazmat release; it will require additional cybersecurity training for personnel on ships and in facilities and for overseeing that training. It will stipulate the designation of a cybersecurity officer; it will also require a cybersecurity assessment within 24 months of the date of the final rule, as well as the development of a cybersecurity plan for USCG's approval in the future, with the inclusion of requirements for drills and exercises.

CDR Rousseau spoke of the specific cybersecurity incident that happened during the summer to Alaska Tanker Company and said that from a COTP perspective, she could not have asked for a better group of people to work with, pointing out that until this final rule comes out cybersecurity initiatives have been entirely voluntary across the United States (i.e., companies are not required currently to work with USCG or to do anything that requires USCG approval with many of those cybersecurity incidents). It has been one of USCG's concerns, but Alaska Tanker Company was forthright and proactive, and they even invited the USCG cyber protection teams from Headquarters to look at all their systems, and that was completely voluntary. It helped USCG learn things to bolster their cybersecurity protections in the future. She surmised that Alyeska and the Alaska Tanker Company are well ahead of their counterparts in other parts of the maritime industry in cybersecurity, and she praised others who have worked really hard on port cybersecurity since then, and she welcomed any other opportunities that PWSRCAC may see in the future to help raise awareness on cybersecurity and bring it to the forefront more than ever before.

In her final comments, CDR Rousseau emphasized the importance of the choice of words, both verbally and in reports, at the Council's meetings. She corrected a couple of statements she had heard in reports earlier that may have conveyed an inaccurate or an inadequate picture of what is going on, particularly with regard to USCG. One of those statements was in regard to the weather buoys and aids to navigation in general, to wit, that "USCG had decided to *extinguish* the aids to navigation in the darkest of times," or something along those lines. She pointed out that "extinguished" does not mean an intentional act by USCG. She stated emphatically that USCG does not turn out navigation lights. When a navigation aid is termed "extinguished," that is the result of some sort of failure on that aid to navigation. The same is true with NOAA; NOAA does not intentionally turn off the weather buoy sensor. She emphasized that word choice is important because it otherwise paints the picture that something was intentional and unduly puts the port at risk, and that is not the case.

The other comment she heard was that USCG was trying to enforce rules on vessels of opportunity (VOOs) that do not necessarily support oil spill response. She stated that is not an adequate picture either, as it looks like the USCG had some part in that decision. The VOO regulation is a requirement by law that Congress passed and USCG is required to enforce the laws they pass. Rousseau said MSU Valdez has full confidence that USCG Headquarters is working to rectify the interpretation of that law, and MSU Valdez has been working with Headquarters and with District 17 on how to

interpret that law and perhaps find a workaround so there is no diminishment of capability and capacity in the oil spill response regime in Prince William Sound. She emphasized that MSU Valdez had worked extensively with PWSRCAC and with Alyeska to determine those impacts and to communicate the needs of USCG and Prince William Sound. She did not want anyone to get the impression that anyone is okay with the diminishment of oil spill response capacity or capability in Prince William Sound. All of the port partners, including PWSRCAC, had done a lot of advocacy on the Hill and at District 17 to make this better for oil spill response in Prince William Sound. She pointed out that if MSU Valdez does have to implement the regulation, it will be out of their hands, but they will absolutely advocate for better representation and for a long implementation of the rule so that there is no diminishment of the oil spill response capability and capacity.

Following her report, CDR Rousseau fielded questions from the Board:

Jim Herbert asked whether the same rules that are coming out in this final rule are applicable to the foreign flagged vessels that are likely to be coming in and loading oil for shipment to Asia. CDR Rousseau stated that under the MSIB that was issued, the rules do not apply to foreign flagged vessels at the present time, and she explained the difference in treatment of domestic and foreign flagged vessels. Domestically, USCG can only control laws and regulations for U.S flagged vessels in the United States. That does not mean that there are no rules or regulations for foreign flagged vessels, but they are governed instead by international treaties that are worked on at the International Maritime Organization, which is a United Nations organization. Security would be discussed at these Conventions and then each one of those signatory countries, like the United States, goes back and says this is what we will enforce in the United States, but it is all done by group work with other countries. So, they will still be vetted like domestic vessels, but under different Conventions.

Herbert asked how the COTP is making decisions about closure conditions at Hinchinbrook Entrance without the Seal Rocks, Cape Cleare, and Cape Suckling buoys' information. CDR Rousseau explained that the buoy information is not the sole source on which they base the decision whether or not to close Hinchinbrook Entrance. The COTP can pull information from other sources to make those determinations, including other eyewitness information from other mariners, the National Weather Service, as well as applying "prudent seamanship" norms.

PWSRCAC's Joe Lally spoke of the increased risk of having the three buoys out of service at the same time, which sometimes requires the Port Etches tug to go out and do weather reports at Hinchinbrook Entrance. If the Entrance is closed with two tankers outbound, then the risk to those tugs and their crews that are escorting the outbound tankers goes up exponentially. He asked everyone who has an interest in resolving this situation at NOAA, NDBC, Alyeska/SERVS to request that the Alaska congressional delegation provide the resources and funding these entities need to get these buoys up and running again. He disagreed with the inference that the buoys were nice to have but not essential to safe operations. He emphasized that the escort system in Prince William Sound is reliant on the Seal Rocks buoy to determine Hinchinbrook Entrance open/closure conditions; if it is not working, with outbound laden oil tankers underway when Hinchinbrook Entrance is closed, then MSU Valdez has to search around for other sources which may also be down. If weather conditions preclude the Coast Guard from reopening the Entrance, the outbound tankers will be required to proceed to safe anchorage or conduct racetrack circles in Prince William Sound until the Entrance is re-opened. All of these operations increase the risk of an incident or accident.

ALASKA DEPT. OF ENVIRONMENTAL CONSERVATION (ADEC)

Ytamar Rodriguez, the Interagency Coordination Manager for the Spill Prevention & Response (SPAR), Prevention, Preparedness & Response (PPR) Division of the Alaska Department of Environmental Conservation reported on ADEC/SPAR activities since the September Board meeting.

- **Staffing.** The Central Region (Valdez office) is fully staffed, and employee retention has remained steady with 99% retention.
- **Spills responses.** There were no spills to report in the Central Region.
- **Prince William Sound Area Plan Updates.** In September 2024, ADEC joined with USCG and the U.S. Environmental Protection Agency (EPA) in a workshop aimed at moving the Prince William Sound C-Plan to the new Area Plan architecture. This will achieve uniformity with all areas within the country. The process is still ongoing. The anticipated completion will be sometime in March at which time the plan will go out for public comment along with a redline version of some of the changes that have been made.

The next Prince William Sound Area Committee meeting will be on April 9, 2025, in Valdez, and also virtually. Rodriguez expressed appreciation for the collaboration of PWSRCAC in the process, and specifically Jeremy Robida, on the Copper River Geographic Response Strategies (GRS) Project Subcommittee.

The Arctic and Western Alaska Area Plan is expected to go out for public comment early in February. New language regarding the Regional Stakeholder Committee (RSC) is expected to be included in the plan, and during the public comment period the new Liaison Officer and RSC member job aids will be highlighted. Rodriguez again acknowledged the involvement of PWSRCAC staff: Jeremy Robida, Linda Swiss, and Joe Lally.

- **Prince William Sound Tanker and Terminal Oversight.**
 - ADEC personnel have continued to complete tank vessel inspections for vessels that call at the VMT.
 - ADEC staff attended the Andeavor shipper exercise in October and is planning to attend the Polar Tankers Prince William Sound shipper's exercise in May.
 - Staff has been preparing for the anticipated upcoming submittals of new shippers' c-plans (i.e., Santos, TeeKay Shipping, and Repsol).
 - VMT Plan renewal was approved on November 6, 2024, and included the 2023 Article 4 regulatory updates as well as general updates. ADEC has received the informal review request from PWSRCAC. A decision is expected to be issued sometime in February.
 - The PPR Division initiated two regulatory updates to 18 AAC 75 Art. 1, and Art 4. Both are under legal review, then they will go out for public review.
 - The Prince William Sound Shippers' exercise will be held May 13-15, 2025, in Valdez.

Following Rodriguez' report, he answered questions and engaged in a general discussion with the Board on the following topics:

In response to a question about staffing in the Valdez office, Rodriguez reported there is a State On-Scene Coordinator who oversees all the activities of the four environmental protection specialists assigned to the office. There are also engineering staff (two in Wasilla, and one in Anchorage) who are assigned to the Valdez office, but they are not based in Valdez.

Regarding c-plans for the spot charters, Rodriguez stated that spot charters are required to have approved c-plans before they can enter Alaska waters, and in addition they have to have financial responsibility approvals.

Mako Haggerty inquired as to the status of the May 2022 Notice of Violations for the tank vent incident. Dylan Morrison of ADEC's Division of Air Quality stated that he could not discuss the status of an ongoing investigation, but he could state that ADEC is still working towards a resolution of those 22 violations that were identified.

NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION (NOAA)

Liza Sanden, Scientific Support Coordinator for Alaska, representing the Office of Response and Restoration gave some general comments for NOAA:

She announced that the Office of Response and Restoration has planned two upcoming trainings for spill responders: One is another training on shoreline cleanup and assessment techniques (SCAT courses), possibly in April. In 2024, there were responders from Alaska who participated, and they anticipate a similar number this year. In October 2025, NOAA will be hosting a Science of Oil Spills class in Alaska for Alaska responders. In addition, they have had ad hoc requests for trainings.

Sanden shared on behalf of LCDR Caroline Wilkinson from the Office of Coast Survey that both Valdez Harbor and possibly Valdez Glacier Lake were on the schedule for updated bathymetric surveys this upcoming summer. Areas of focus are landslide-generated tsunamis, which brings together multiple NOAA programs, whether its surveying Valdez Lake for a risk of a landslide-generated tsunami impacting that area or looking at what the response would actually involve for all the other programs.

Recapping services provided by NOAA's Office of Response and Restoration in 2024, and specifically the Emergency Response Division, Sanden reported there were 177 responses that the division supported across the country and 10 foreign countries; 27 of those were in Alaska, 27 also came from the state of Washington and then approximately 16 were from California, totaling over 40% in the Pacific states.

BUREAU OF LAND MANAGEMENT (BLM)

Reid Olson (via videoconference) reported that since the last Board meeting in the southern region of TAPS, BLM's activities have included:

- An evaluation of the October 3 Tiekel River combined resource exercises. Participants included Alyeska VMT and SERVS personnel.

- Also, on October 3, BLM conducted two containment site inspections south of Glennallen: containment site 11-6 (Little Tonsina River) and containment site 12-3C (Tiekel River). In December, BLM transmitted its VMT c-plan concurrence letter to Alyeska for the annual concurrence. BLM also attended the January 17 PWSRCAC Oil Spill Prevention and Response Committee meeting. BLM is also planning to attend the February 11 VMT Coordination Workgroup meeting.

Olson announced that Erica Reed is now the Acting BLM State Director.

With regard to the Alaskan Native utilization agreement, the third quarter of 2024 numbers reported for the established 20% Alaska Native employment goal included 25.4% for Alyeska; 24.6% for their designated and reporting contractors; and 25% for the combined TAPS workforce.

In response to a question from Jim Herbert about three contractors not in compliance with the Alaska Native hire requirements and how Alyeska deals with that non-compliance, Olson deferred to Alyeska for response because BLM can only report that which is officially released to them from Alyeska as overall compliance, and the fourth quarter data had not been released to date. However, Olson said it appeared Alyeska met its 20% overall compliance goal anyway and therefore was in compliance with BLM requirements under the terms of the TAPS grant and lease.

U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA)

No report.

ALASKA DEPT. OF FISH & GAME (ADF&G)

Jonathan Kirsch, ADF&G's ex officio representative on the Council, was present virtually but had no updates/comments at that time.

ALASKA DEPT. OF NATURAL RESOURCES (ADNR)

Tony Strupulis pointed out that ADNR's jurisdiction was mainly on the pipeline itself and not a lot of regulatory authority over the Valdez Marine Terminal (VMT). Its regulatory authority ends at the pig receiver, and so the downstream activities past that point are not part of ADNR's purview.

He reported that his office was fully staffed for its TAPS positions. In the winter months ADNR does not do a lot of field work, but they are using this time to train on drones in order to use them for some field work during the summer and increase some of their efficiencies.

U.S. FOREST SERVICE (USFS)

No report.

OIL SPILL RECOVERY INSTITUTE (OSRI)

Scott Pegau gave a brief update on some of OSRI's projects that are ongoing and some they are exploring that may be of interest to PWSRCAC.

Ongoing projects:

- OSRI has a focus on subsistence foods and trying to improve knowledge about the effects of oil spills and oil on subsistence foods. OSRI currently has a contract out for the state of knowledge of baseline conditions of hydrocarbons in subsistence foods.

- OSRI has a contract that is looking at photo-enhanced toxicity, going beyond just exposure to raw oil, but what happens when it is exposed to light.
- OSRI is currently working with USCG to support development of mosaic-ing software for UAV imagery when there is no land in sight (e.g., how to mimic images of open ocean).

Projects they are considering in the future include:

- Seabird surveys, particularly around the Kayak Island area, trying to expand knowledge of the status of the current seabird usage.
- Recovery of a waste management calculator which was once developed for the Emergency Preparedness, Prevention & Response (EPP&R) Arctic Council. It calculates how much waste is expected to be generated during a spill response. OSRI is looking to expand that EPP&R project, which did a circumpolar oil spill response viability analysis, and use that analysis around the Alaska coast. EPP&R covered the United States' definition of Arctic, and OSRI is looking to bring that down into the Gulf of Alaska and run it down the rest of the coast. Pegau pointed out it is a neat product that's still under development.
- Development of a remote learning Science of Oil Spills course. Work on this is somewhat dependent on Pegau's available time, given the other ongoing projects. He hoped to finish it sometime soon.
- Development of a "gavage dummy" of a Mallard duck to be used in Wildlife Training. OSRI financed the design and 3D construction of a silicone prototype which will allow students to practice properly delivering a prescribed amount of saline into a bird's stomach via a tube to stabilize the bird during wildlife recovery and rehabilitation efforts. PWSRCAC Board member Jim Herbert and Barbara Callahan (Senior Director of Response & Preparedness Services at the International Bird Rescue) assisted with this project.
- A photo time series of Mearns Rock (as well as other locations in western Prince William Sound that already have a photo time series). The OSRI website has links where one can submit photos so OSRI can maintain these time series, many of which go back to 1989. OSRI is currently using some of these time series to look at the variability of the intertidal system in Prince William Sound.

ALASKA DIV. OF HOMELAND SECURITY & EMERGENCY MANAGEMENT (ADHS&EM)

Dave Reilly explained that ADHS&EM is part of the U.S. Department of Military & Veterans Affairs and is in the same building on Joint Base Elmendorf Richardson (JBER) as the National Guard and USCG, and it works closely with ADEC. In the event of an oil spill, ADHS&EM will support ADEC in the Unified Command through Alaska's Emergency Operations Center, where ADEC and USCG all have a seat at the table.

He expressed appreciation to Amanda Bauer for her questions on cybersecurity. He noted that the entire program has grown tremendously and it is no longer just malware and ransomware that they are dealing with. There are foreign actors trying to get into U.S. systems to disrupt and takeover U.S. infrastructure operations, such as energy and water systems, etc.

He reported that ADHS&EM responded to 13 State of Alaska declared disasters in 2024, three of which were elevated to federal disasters which brought in federal funds. There were also a couple of additional state-declared disasters from 2024 that could be declared federal disasters in 2025. The division also sent personnel to North Carolina, Florida, and Georgia to assist with all the hurricanes and tropical storms throughout the southeastern United States.

Upcoming events in 2025 are the Emergency Management Preparedness Conference in Anchorage, April 15-17; a rehearsal exercise with the Alaska Partnership for Infrastructure Protection (APIP), March 25-27, the scenario for which will be a 1964-type earthquake in January, specifically looking at what the private partnership can do to help with recovery. The scenarios will be the Port of Anchorage, Valdez, and Prince William Sound.

Reilly reported that before the 2018 earthquake, there were only one or two declared disasters a year. Since 2018, the numbers have significantly ramped up, and the 13 disasters declared in 2024 was a record-breaking total. He also added that the ADHS&EM office is fairly small with only 64 personnel total. He, as the State Lead Planner, is in charge of the statewide emergency operations plans, but when the State Emergency Operations Center is activated during a declared emergency, he has to assist in the Emergency Operations Center and his other duties take a back seat, which is causing staffing issues and disrupting his regular duties.

EXTERNAL COMMENTS – TAPS SHIPPERS, OWNER COMPANIES, AND PILOTS (Cont.)

ALASKA TANKER COMPANY (ATC)

Chris Merten gave a 2024 year-end review of ATC's statistics and operations and a look at 2025 fleet operations:

- ATC had a busy year with 61 total voyages, transporting 60 million bbl. of crude oil, of which 50 voyages were from the VMT, amounting to approximately 48 million bbl. There were zero work injuries, no losses of containment, and no spills to sea.
- The Alaska Frontier was reactivated. She entered the shipyard in Singapore on June 5, 2024, and after a lot of work and manhours and an investment of over \$30 million by ATC/OSG, she sailed from Singapore and will go into service in the Gulf of Mexico [America] on February 4, 2025. They will complete a few more upgrades before she goes on hire.
- Last fall, ATC started a lifecycle upgrade on the Alaska Explorer. This was the first time upgrades of the engines were done while a tanker was in service. ATC had just that day received ABS approval for commissioning their first lifecycle engine and they will continue with the other three engines.
- Coming in 2025, the Alaskan Explorer will go into shipyard in France for all her engine retrofits, and the Alaska Frontier will take her place.

Other company news was that OSG and ATC were purchased by Saltchuk, a Seattle-based transportation family of companies.

Merten reported that while he could not talk much about the cybersecurity incident that occurred at ATC in August 2024, he was able to divulge that it was a shoreside business network intrusion. ATC went through all the reporting requirements and nothing affected the ships from an operational technology standpoint.

Steve Lewis applauded ATC on its lifecycle upgrades and dual fueling capabilities on its engines. He asked Merten if he would arrange a presentation on these upgrades to the POVTS Committee at one of its future meetings.

POLAR TANKERS

Andrea West reported Polar Tankers successfully completed 101 loads in 2024 and transported 78.3 million bbl. of ANS crude. Two ships will be going to shipyard in 2025 for their regularly scheduled maintenance: the Polar Endeavour in late April, followed by the Polar Discovery in late July. In the fall, Polar will hold its bridge resource management classes.

In response to a question from Jim Herbert about the new shippers who will be joining the TAPS trade, West confirmed that they will be invited into the Response Planning Group (RPG) but the schedule of exercises is still up for discussion. They will be part of the Prince William Sound Tanker C-Plan. The RPG will figure out the exercise schedule once the new shippers have received their approvals from ADEC.

Steve Lewis extended the same invitation to West, in her capacity both as the representative of the RPG and of Polar Tankers, to make a presentation to the POVTS Committee on their future plans for meeting the IMO greenhouse gas emission reductions (GHE). She did not have information at that time but they were having discussions internally. She committed to keeping POVTS updated as they move forward on those discussions.

CROWLEY ALASKA TANKERS (CAT)

Ingo Rose reported the CAT fleet moved approximately 5.5 million bbl. of oil from the VMT in the 4Q 2024, and 1.5 million bbl. to date in 1Q 2025.

The Washington underwent her second special survey in Singapore in June and July 2024. She reentered service on August 8 and the turnaround was about 32 days. The California went into dry dock in September of last year. Her turn around was 36 days and she returned to service on November 20, arriving at Cape Hinchinbrook after a rather delayed ballast transit to Valdez due to weather.

Rose gave a brief update on the joint venture known as Fairwater. Crowley Maritime entered into an agreement with a consortium known as Seabulk, headquartered in Florida, to start a joint venture called Fairwater. Fairwater began operation on August 1, 2024. Since then both companies have contributed personnel and marine assets to Fairwater. Currently, there are five marine assets that have yet to make the transition and that includes the Washington and the California. Those two vessels will be the last two assets transitioning, currently queued up for late February and the first half of March, along with three more shore personnel transitioning on March 1.

Steve Lewis extended the same invitation to Crowley Alaska Tankers to make a presentation to the POVTS Committee on Fairwater's plans to meet the IMO regulation for greenhouse gas emissions.

HILCORP

Rob Kinnear reported that Hilcorp closed out 2024 having done a total of 51 voyages and 49 million bbl. from the VMT, loading a total of 48 million bbl. with the ATC vessels it has under charter (the Alaska Navigator and the Alaskan Legend), and one additional foreign flagged voyage last year in February, adding another 1 million bbl. The total volume carried from Valdez was down approximately 7 million bbl. compared to 2023.

In November 2024, Hilcorp completed an acquisition of ENI's interest on the North Slope, which includes the Nikaitchuq and Oooguruk fields adding approximately 6.5-7 million bbl. of additional oil for Hilcorp to carry out of Valdez in 2025. That will bring Hilcorp back to its 2003 levels.

Hilcorp had no shipyards in 2024 on the ATC vessels. The outlook for 2025 is that with the additional oil from the ENI acquisition they will probably need several more foreign flagged spot charters to accommodate that volume. The first one, the Sonangol Huila is scheduled arrive in Valdez to load cargo on January 25, and ADEC will be there when she arrives.

Lewis reiterated the same invitation he made to the other shippers that POVTS would be interested in what Hilcorp and/or its foreign flagged vessels are doing to further decarbonization of its vessels.

Jim Herbert asked if any of the foreign flagged charters would be new to Alaska waters and where they would be heading. Kinnear reported that only one charter was scheduled so far, a Stena-managed ship. She has not been to Alaska before but other Stena charters have. It will depend on the timing of when Hilcorp needs to load cargo which ship is chartered, and he did not know when or which vessels Hilcorp will be chartering beyond this current one which is destined for China.

Kinnear explained the vetting process that foreign flagged vessels go through for Hilcorp.

MARATHON PETROLEUM

No report.

Break: 2:58 p.m. - 3:10 p.m.

For the Good of the Order

Following the break, President Archibald announced that Item 4-5 Report Acceptance: 2024 Long Term Environmental Monitoring on this day's agenda will move to the following day. The following day's agenda will start at 8:15 a.m.

4-1 UPDATE ON REQUEST FOR INFORMAL REVIEW OF THE VMT C-PLAN

PWSRCAC Project Manager Linda Swiss and contractor Brett Tostevin presented an update on the renewal of the Valdez Marine Terminal Oil Discharge Prevention Contingency Plan (VMT C-Plan) which was approved by ADEC in conjunction with its Basis of Decision document on November 6, 2024. The renewal is effective November 6, 2024 until November 5, 2029. This is the first renewal since the new c-plan regulations were passed in 2023. There were five Conditions of Approval (COA) and 19 issues in the Basis of Decision document.

Swiss outlined each COA and recapped the 19 issues in the Basis of Decision, noting that the recent approval includes as COA #1 a required evaluation of the East Tank Farm Secondary Containment Area.

PWSRCAC'S concerns with the renewal and the COAs resulted in PWSRCAC's filing a Request for Informal Review as to COA #1 – the Prevention Plan's Secondary Liner Integrity Evaluations. The Request for Informal Review was made and accepted by ADEC's SPAR Director Teresa Melville on December 3, 2024. Director Melville has determined that the Request for Informal Review has merit under 18 AAC 15.185(b) and a decision on the request was expected by February 14, 2025.

A briefing sheet was included in the meeting notebook as Item 4-1.

(This was information item. No action was requested of the Board.)

CONSENT AGENDA

3-1, 3-2, 3-3

There were three items on the consent agenda (3-1, 3-2, 3-3):

- **3-1 DELEGATION OF AUTHORITY OF MULTIFUNCTIONAL COPIER/PRINTER LEASE AGREEMENTS**
Authorization for a new five-year sole-source lease agreement and maintenance contract with Konica Minolta for multifunctional copier/printers to be located in the Valdez and Anchorage offices, in an approximate amount of \$49,315.
- **3-2 APPROVAL OF FY2025 BUDGET MODIFICATIONS**
Approval of the FY2025 budget modifications as listed on the sheet provided (under Item 3-2), with a total revised contingency in the amount of \$465,771.
- **3-3 APPROVAL OF TRANSCRIPTOMICS RESEARCH CONTRIBUTION TO THE USGS**
Approval of a transfer of \$109,703 from contingency to Project 9850 – Transcriptomic Monitoring – and provide the United States Geological Survey a research contribution of \$109,703 to genetically analyze blue mussel samples already obtained to monitor the environmental impacts of the Valdez Marine Terminal.

Bob Shavelson **moved to approve the consent agenda** as presented. Dave Janka **seconded** and the **motion passed without objection.**

4-3 REPORT ACCEPTANCE: ASSUMPTIONS & CALCULATIONS USED IN TANK VENT HEADSPACE REPORT

PWSRCAC Project Manager Sadie Blancaflor, along with contractor Bill Mott of Taku Engineering, presented an overview of the final report titled "2022 Tank Pressure/Vacuum Pallet Damage: Crude Oil Storage Tank Headspace Gas Assessment" which was drafted in response to Alyeska's October 2023 request for additional information related to Taku Engineering's calculations in the June 2023 "Crude Oil Storage Tank Vent Damage" report. The report outlines concerns related to worker safety in the aftermath of the 2022 tank vent damage incident, due to oxygen levels in the Valdez Marine Terminal (VMT) East Tank Farm crude oil storage tanks' headspaces calculated to be above the lower explosive limit.

A briefing sheet and a copy of the report were included in the meeting notebook under Item 4-3. Mott reviewed the report's analysis and conclusions with the Board. The Board was asked to accept the report as meeting the terms and conditions of the contract with Taku Engineering and for distribution to the public.

Amanda Bauer **moved to accept** the report titled “2022 Tank Pressure/Vacuum Pallet Damage: Crude Oil Storage Tank Headspace Gas Assessment” by Taku Engineering, LLC, dated December 2024, as meeting the terms and conditions of Contract number 5000 and for distribution to the public. Angela Totemoff **seconded and the motion passed** without objection.

EXECUTIVE SESSION

An executive session was scheduled on the agenda.

Ben Cutrell **moved to go into executive session** to discuss the following items:

- Approval of the Anchorage Office Lease and Relocation; and
- The Annual Review of the Executive Director’s job description and performance goals.

Angela Totemoff **seconded and the motion passed** without objection. Legal counsel Joe Levesque, Executive Director Donna Schantz, Director of Finance Ashee Hamilton, Director of Communications Brooke Taylor, Director of Programs Joe Lally, and Director of Administration Hans Odegard were asked to join the Board for the executive session.

RECESS

The open session recessed at 4:24 p.m. to reconvene the following day at 8:15 a.m.

Friday, January 24, 2025

CALL BACK TO ORDER

President Archibald called the meeting back to order at 8:15 a.m. on January 24, 2025. A roll call was taken. There were 14 Directors present at the time of the call back to order: Archibald, Bauer, Bender (via videoconference), Cutrell, Donaldson, Hasenbank, Herbert, Janka, Malchoff, Moore, Totemoff, Vigil (via videoconference), Williams, and Zinck. The following arrived shortly thereafter: Brittain and Crump (concurrently, 8:19 a.m.), Shavelson (8:20 a.m.), Haggerty (8:22 a.m.), and Beedle (8:42 a.m.).

REPORT ON EXECUTIVE SESSION

President Archibald reported that the Board had discussed the items as stated on the executive session agenda and was ready to take action:

- **4-4 APPROVAL OF ANCHORAGE OFFICE LEASE**

The Board was asked to authorize the Executive Director to sign a lease with Michael Investments, LLC, to relocate the Anchorage office location to the RAM Building at 2525 Gambell Street, Suite 305, Anchorage, AK 99503.

The current lease for the Anchorage Office at 3709 Spenard Road, Suite 100, Anchorage, is due to expire on June 30, 2025. Notice of lease termination or election to exercise the second one-year lease extension of the current lease has to be given by March 31, 2025, with the rate continuing at \$5,950.95 per month.

The proposed new lease has an initial term of 62 months, commencing May 1, 2025, and ending June 30, 2030. Rent commencement is set for July 1, 2025. The monthly base rent will

be \$2.00 per rentable square foot (approximately 4,037 rentable square feet) and will increase by 3% annually. Additional details of the lease terms and information were in the briefing sheet 4-4.

Michael Vigil **moved to authorize** the Executive Director to sign a lease with Michael Investments, LLC, for a new Anchorage office location at the RAM Building, 2525 Gambell Street, Suite 305, commencing May 1, 2025, in a not-to-exceed amount of \$533,989 over the five-year term plus any pass-through costs, and to terminate PWSRCAC's current lease at 3709 Spenard Road, Suite 100, by the March 31, 2025 deadline. Michael Brittain **seconded** and **the motion passed** without objection.

- **ANNUAL REVIEW OF THE EXECUTIVE DIRECTOR'S JOB DESCRIPTION AND PERFORMANCE GOALS**

President Archibald reported that the Board reviewed and discussed the Executive Director's job description and performance goals in executive session. He reported that the Board was very pleased with Donna Schantz's performance. The Board would like to add an additional goal to her job description/performance goals relating to public relations:

Angela Totemoff **moved** and Ben Cutrell **seconded** to add a bullet point to the Executive Director's job description and performance goals under Public Relations, to wit: "Ensure the execution of the Strategic Outreach and Communications Plan." The **motion passed** without objection.

OVERVIEW OF CERTIFICATE OF INSPECTION REQUIREMENTS FOR VESSELS OF OPPORTUNITY (VOOs)

PWSRCAC's Director of Programs, Joe Lally, updated the Board on the status of the USCG's potential implementation of vessel inspection requirements to the SERVS fleet of uninspected vessels (also known as vessels of opportunity) (350 total) that form the backbone of the oil spill response fleet in Prince William Sound that has been an ongoing critical concern of the Council for many years.

As explained by Lally, this regulatory issue last came to the forefront in 2019, when USCG was considering applying the Subchapter M, Towing Vessel inspection regulations to the SERVS uninspected response fleet because they tow boom and micro and mini barges during oil spill drills, exercises, and actual spills. These micro and mini barges play a major part in providing temporary storage during a response and they are specifically built with a capacity of less than 250 barrels based on USGS's regulatory definition of "oil in bulk."

PWSRCAC discussed this issue at length with USCG with a focus on the detrimental impacts the decision to apply USCG vessel inspection regulations to the SERVS uninspected fleet would have on the Prince William Sound oil spill prevention and response system.

Based on these discussions, USCG District 17 (D17) attended PWSRCAC's January 2020 Board meeting to announce and implement a D17 Marine Safety Information Bulletin (MSIB 01-20) that provided the exemptions needed to resolve this regulatory issue. At that time, PWSRCAC and all other involved parties believed that this issue was resolved permanently, but unfortunately it was not.

In 2022, legislative language that raised the issue of USCG applying vessel inspection regulations to the SERVS uninspected fleet was put into the 2023 National Defense Authorization Act and passed into law. The language stated “Not later than 180 days after the date of this Act, the Secretary shall review existing Coast Guard policies with respect to exceptions to the applicability of Subchapter M of Chapter I, of Title 46, Code of Federal Regulations for – (1) an oil spill response vessel, or a vessel of opportunity, while such a vessel is – (A) towing boom for oil spill response; or (B) participating in an oil spill response exercise; and (2) a fishing vessel while that vessel is operating as a vessel of opportunity.”

As a result of this language that passed as part of the 2023 NDAA, USCG Headquarters Office of Commercial Vessel Compliance (CG-CVC) drafted and implemented USCG-CVC Work Instruction (CVC-WI-032(I)) in June of 2023. This Work Instruction was deeply concerning to the Council as it appeared to walk back the exemptions that USCG D17’s MSIB 01-20 put in place in 2020.

This Work Instruction titled “U.S. Flagged Vessels Inspected Under Multiple Subchapters” (Multi-Service) now expanded the potential applicability of USCG inspection regulations for VOOs beyond just the Subchapter M towing vessel regulations. The Work Instruction now appeared to be applying other vessel inspection regulations like Subchapter I for cargo vessels, and Subchapter T for passenger vessels, and other regulations to the SERVS uninspected response vessel fleet. PWSRCAC continued to express its concerns with the potential adverse impacts the Work Instruction would have on the SERVS fleet.

In April 2024, a PWSRCAC Legislative Affairs Committee (LAC) team comprised of Board members and staff visited USCG D17 in Juneau where the implementation and potential impacts of USCG’s Work Instruction were discussed in depth. The 17th District Commander and her staff provided their perspective on the Work Instruction and said that the final decision would be made at the USCG Headquarters level, with regulatory authorities on the issue lying with CG-CVC (vessel inspections) and the Office of Marine Environmental Response (CG-MER) (oil spill response).

In early May 2024, the same PWSRCAC LAC team traveled to Washington, D.C., and met with the Alaska Delegation and their respective staffs. This VOO issue and the potential adverse impacts that USCG’s Work Instruction could have on the SERVS uninspected vessel response fleet was one of the main issues discussed. The main message from these meetings was that this issue could get fixed legislatively or USCG could fix it through revisions to the Work Instruction.

During the same visit, the PWSRCAC LAC team visited USCG Headquarters and met with multiple offices including CG-CVC and CG-MER, the offices that had primary oversight over the VOO issue. USCG’S Work Instruction was discussed at length and PWSRCAC raised several areas within the instruction that were unclear whether they applied to the SERVS uninspected fleet or not. The CG-CVC’s Office Chief asked PWSRCAC to send a letter requesting clarification on the issues raised during the meeting in an attempt to resolve this issue permanently.

PWSRCAC sent the letter requested by USCG-CVC on May 17, 2024.

The letter requested specific clarification to sections of the Work Instruction pertaining to the applicability of Subchapter M towing vessel inspection regulations to fishing vessels and VOOs towing oil spill response barges with a capacity of less than 250 barrels, the applicability of Subchapter I cargo vessel inspection regulations on fishing vessels and VOOs greater than 15 gross

tons, and requested a clear definition of “oil in bulk” as it would be applied to fishing vessels and VOOs towing oil spill response barges with a capacity of less than 250 barrels.

The primary request in the letter asked USCG whether this VOO issue could be administratively resolved by USCG to exempt the Alyeska/SERVS fishing vessel fleet or if a statutory change would be necessary to resolve it. A few days after the letter was sent, PWSRCAC received a response from USCG-CVC that they had received our letter and that they were working on it. Not long after PWSRCAC received that response from USCG, PWSRCAC received draft VOO legislation from Senator Sullivan’s staff requesting drafting assistance on the proposed language.

It was around this time that an industry/stakeholder workgroup formed, comprised of organizations with a vested interest in permanently resolving this VOO issue.

The workgroup was originally comprised of members from Alyeska/SERVS, PWSRCAC, the Response Planning Group, Alaska Chadux Network, and United Fishermen of Alaska, but over time grew to include members from Cook Inlet RCAC, Cook Inlet Spill Prevention and Response, Inc., Southeast Alaska Petroleum Response Organization, Washington State Maritime Cooperative, and American Waterway Operators. The members of this workgroup provided consensus-based input on the draft legislation, and it was sent in an October 4, 2024 letter to the Chairs and ranking members of the Senate Committee on Commerce, Science and Transportation and to the House Committee on Transportation and Infrastructure for their consideration.

USCG Headquarters also provided input on the draft legislation that the VOO Workgroup submitted which included requirements that would inevitably delay VOO’s supporting an oil spill response. After a period of back and forth, the version of the VOO legislation that came from the Senate included language that required the USCG Officer in Charge, Marine Inspection (OCMI) to approve VOOs prior to their use during an oil spill or during oil spill drills and exercises and other requirements that would delay their use during a response.

As a result, the VOO Workgroup requested that PWSRCAC’s Washington, D.C., legislative contingent advocate for not putting any VOO language into the USCGAA/NDAA, as they would rather have no VOO language included than have flawed language that would be more difficult to revise once passed into law. Around the same time (November 7, 2024), CG-CVC sent a response to PWSRCAC’s letter of May 17, 2024, that requested clarification on their Work Instruction. The CG-CVC letter was sent to the VOO Workgroup members, and it was determined that it did not clarify or address the issues in the Work Instruction that needed to be resolved in order to permanently address the VOO issue.

Since no VOO language was included in the NDAA bill that passed, the other option was for the VOO Workgroup to draft a letter to Senator Sullivan’s staff for the Senator to send the Commandant of the Coast Guard requesting USCG to delay implementation of their Work Instruction and engage with the oil spill response industry and stakeholders to develop a collaborative path forward. This letter was sent to Senator Sullivan’s staff on December 18, 2024.

The most recent update on this issue came from PWSRCAC’s Washington, D.C., legislative monitors who reported that it appears another USCG bill will be introduced in the near future which will fix this issue once and for all. A draft of that legislation is currently being circulated to the VOO Workgroup members for their input before moving it forward for consideration.

Lally emphasized that the bottom line regarding USCG's application of vessel inspection regulations to VOOs is that if this issue is not resolved correctly and permanently, it will require Alyeska/SERVS to build over 150 vessels that meet USCG inspection requirements. It will also require infrastructure to maintain and support those vessels and a new harbor in which to moor them all. There will also be significant administrative requirements with which to comply for the VOO crews, including mariner licensing and certification.

Lally added that to complicate things even further, USCG-CVC just implemented another MSIB (01-25), titled "Non-Operating Individual (NOI), Resumption of Enforcement of Merchant Mariner Credential (MMC) Requirements" that could potentially impact the SERVS oil spill prevention and response system and beyond, depending on how narrowly or broadly USCG applies those requirements. The MSIB states that "During the period of non-enforcement, USCG could not enforce the MMC requirement(s) on marine firefighters, spill response personnel, salvage personnel, and commercial divers and diving support personnel who are engaged or employed on board any vessel for the sole purpose of carrying out spill response activities, salvage, marine firefighting, or commercial diving business or functions."

Lally said PWSRCAC will continue to track MSIB (01-25) and work with CDR Rousseau as she works with her chain of command on policy guidance and will provide updates to the Board.

Lally thanked everyone who was involved in the discussions to date. He opened the floor to questions and was joined by the Council's consultants, C.J. Zane and Genevieve Cowan from Blank Rome, who were online to participate in the discussion.

In summarizing the current status, Lally pointed out there is currently no legislation to exempt the VOOs, and the guiding document is the Work Instruction that USCG issued. PWSRCAC and SERVS are trying to figure out whether that will be enforced or whether the previous "exemptions" will be put back in legislatively. Basically, without any further clarification, everyone finds themselves in regulatory limbo.

C.J. Zane (of Blank Rome) added that this boils down to is a two-prong approach, i.e., for PWSRCAC to work with Alaska's delegation, with Sen. Sullivan in the lead in the Senate as Chair of the Commerce, Science and Transportation Subcommittee, to get the exemption legislation over the finish line, while working simultaneously with Rep. Nick Begich in the House to slow down implementation of the Work Instruction, effectively keeping the current exemption in place until the Coast Guard bill legislation can pass.

Zane added that the MSIB (01-25) requiring MMCs for those non-operational back deck crew who are not engaged in the navigational operations of the vessel did not exist until January 2, 2025. The "exemption" or moratorium on enforcement of those requirements sunset at the end of 2024, and both pending Coast Guard bills in the House and Senate failed to get through and sunset before the legislation extending the moratorium could pass. Therefore, the extension of the moratorium failed too. Similar to the VOO issue, this leaves USCG saying, absent a moratorium on enforcement of the MMCs requirements in the law, USCG has to enforce the law. Zane believed there will be an effort to resolve it legislatively or see if USCG can resolve it administratively to operate in a way that does not cause thousands of mariners who were not required to have MMC documents to get them in a system that is already overburdened and slow in this regard.

President Archibald pointed out that this will potentially affect a huge number of people who are not on a marine crew but are doing a job on a vessel who will have to get MMC documents under MSIB 01-25 and this will be a huge issue for USCG. Lally agreed and it will all depend on how USCG decides to implement MSIB 01-25.

Mike Brittain pointed out that a towing endorsement credential is not the same as a master of towing credential which is a much more difficult process to complete and qualify for.

(This was an information item. No action was requested of the Board.)

4-5 REPORT ACCEPTANCE: 2024 LONG-TERM ENVIRONMENTAL MONITORING

PWSRCAC's Dr. Danielle Verna and contractor Dr. Morgan Bender from Fjord and Fish Sciences presented the 2024 Summary Report and the 2024 Technical Supplement for the Council's Long Term Environmental Monitoring Program (LTEMP). The annual report and technical supplement provide data and results from the 2024 sampling excursions in Port Valdez and the northern Gulf of Alaska coast for LTEMP.

The Board was also asked to accept a 2024 Sediment Metals Report, a pilot study of metals in sediments under LTEMP, by Dr. Bender of Fjord & Fish Sciences, dated 2024. The report provides a summary of 23 metals analyzed in sediments collected adjacent to the Valdez Marine Terminal and Gold Creek reference site.

The Board was asked to accept all three reports. A briefing sheet with the reports attached was included in the meeting notebook under Item 4-5.

Dr. Bender reviewed and summarized the analysis and results with the Board.

- The hydrocarbon fingerprints in the 2024 samples vary by site with those near the Alyeska Marine Terminal (VMT) revealing Alaska North Slope crude oil. Other sites reveal mixed sources.
- Low potential environmental and toxicological risk is posed by hydrocarbons contributed by the VMT and tankers in 2024.
- Analysis of historical trends in hydrocarbon concentrations reveals generally low concentrations that spike locally after spill events.
- A pilot study found metals accumulating in Port Valdez sediments.

Dr. Bender commented that she would like to explore the metals data further as they did not find a lot of historical metals data from the Port Valdez area and at this point they need to figure out what to do with the information they have collected.

Moving forward, Dr. Bender suggested the Council consider doing the following:

- Expanding sampling efforts.
- Increasing the project visibility.

- Expand dissemination.
- Archive data and make it available for use by those outside of the Council.
- Evaluate specific aspects of LTEMP.
 - Changes in intertidal community.
 - Metals accumulation in sediments.

Dorothy Moore **moved to accept** the reports titled “Long-Term Environmental Monitoring Program 2024 Summary Report,” “Long-Term Environmental Monitoring Program 2024 Technical Supplement,” and “Long-Term Environmental Monitoring Program 2024 Sediment Metals Report” by Dr. Morgan Bender of Fjord & Fish Sciences dated December 2024, as meeting the terms and conditions of Contract number 9510.25.06, and for distribution to the public. Michael Vigil **seconded** and the **motion passed** without objection.

Dr. Bender was commended for an excellent report.

4-6 PWSRCAC ANNUAL LONG RANGE PLAN AND REPORT ACCEPTANCE

Director of Administration Hans Odegard presented for Board approval an updated draft of PWSRCAC’s proposed Five-Year Long Range Plan for Fiscal Years 2026-2030 as discussed at a Long Range Planning workshop the previous day. The Board was also asked to accept the Five-Year Long Range Planning and Annual Budget Development Improvement Report, generated by Professional Growth Systems (PGS) as fulfilling the terms of PGS’ contract.

Odegard thanked everyone for their input. He emphasized the Board was only being asked to accept the PGS report as fulfilling the terms of PGS’ contract with the Council. Acceptance of the PGS report does not imply approval of all the recommendations in the report. The next steps the Council would like to take, as discussed at the workshop, will be to meet with the LRP Committee, go through the report and the recommendations, and figure out which ones the Council wants to implement and/or develop a list of potential recommendations to bring back to the Board for further consideration. He emphasized that the Board was not being asked to approve all the recommendations, but to allow the LRP Committee to assess and propose the most suitable actions from the report’s findings.

Odegard encouraged anyone who would like to be more involved in this process to contact him or Cathy Hart. He also added that there would be a Finance Committee meeting in early April, to review the proposed FY2026 budget which will be presented to the Board for adoption at its May meeting.

Aimee Williams **moved to:**

- A. **Approve** the Five-Year Long Range Plan for FY2026-2030, as developed and finalized for consideration at the January 22, 2025 Long Range Plan work session; and,
- B. **Accept** the “Five-Year Planning and Annual Budget Improvement” report, as presented by contractor Professional Growth Systems during the Long Range Plan work session prior to the January 2025 Board meeting.

Dorothy Moore **seconded** and the **motion passed** without objection.

Break: 9:50 a.m. – 10:00 a.m.

4-7 APPROVAL OF IRS FORM 990

Director of Finance Ashlee Hamilton presented PWSRCAC's IRS Form 990 for FY2024 for Board approval.

Hamilton pointed out some minor clerical changes that were made to the return after it was previously sent out to the Board for review. Those changes were as follows:

- Page 4, Schedule D, part 13. Changed "*thought*" to "*though*."
- Page 35, Changed the number of Board members on the Finance Committee from "4" to "5."
- Ashlee Hamilton's title to be updated prior to filing from Financial Manager to Director of Finance.
- Page 1 and Page 9, the amount of \$4,269 is moved to Page 29, line 2.d. on Schedule D, and the addition of "*prior year grant used to offset capital expenditures*" to provide further clarity on how the Form 990 reconciles with the audit.

Mako Haggerty **moved to authorize** the Executive Director to sign the IRS Form 990 on behalf of PWSRCAC and submit it to the IRS on or before May 15, 2025, with the corrections/additions/clarifications noted. Angela Totemoff **seconded** and **the motion passed** without objection.

DIRECTOR OF FINANCE'S REPORT TO THE BOARD

Director of Finance Ashlee Hamilton reported that the 2024 audit with Porter & Allison had been completed. The process went smoothly and the auditors expressed satisfaction with the Council's internal controls, reporting, and processes. As a result, PWSRCAC received a clean audit.

Following this Board meeting, Executive Director Schantz will sign the IRS Form 8879, allowing Porter & Allison to file the Council's 2024 Form 990 with the IRS electronically. A copy of the filing will be posted on PWSRCAC's website. Hamilton commented that Porter & Allison made the preparation of the Form 990 very easy as they obtained much of the information they needed from the Council's audited financial statements.

Hamilton reported that she is actively working to implement new budgeting software to streamline the Council's financial planning and reporting processes. The software will allow for better tracking of departmental budgets, provide more accurate forecasting, and enable easier comparison of actual expenditures against budgeted amounts. She expected this to be fully implemented by the end of 1Q 2025. Implementation of the new budgeting software had not met PWSRCAC's expectations to date, and the organization may be in the market for a different software solution. The situation is in limbo at this time.

Hamilton was pleased to report that the ACH payments implementation was successful. This initiative has improved efficiency in the handling of payments while reducing the need for paper checks and the associated manual efforts. She has seen a notable improvement in transaction speeds.

The lease for the new Anchorage office space was successfully negotiated and she thanked the Board for its support.

The copier contract was successfully negotiated with Konica Minolta, and the lease terms are favorable and align with PWSRCAC's goals of maintaining efficient and cost-effective office operations.

As reported earlier, Hamilton and the Finance Committee have been addressing some ongoing issues with the IRS regarding payroll taxes. She was happy to report that progress was being made with the IRS to clear up these issues and she hoped all issues would be resolved in the coming months.

In the coming months, her focus will be on full implementation of budgeting software and continuing to enhance PWSRCAC's financial reporting capabilities. In addition, she will work towards resolving the payroll tax issues with the IRS and ensure that the organization's systems and controls continue to support the organization's growth.

In response to a question from Mako Haggerty about the implementation of ACH payments, Hamilton said that it had been working well for those who opted in to the ACH payment system, even for vendors and contractors, as many have their banking information directly on their invoices.

EXECUTIVE DIRECTOR'S REPORT TO THE BOARD

A detailed written report from the Executive Director was previously circulated to the Board via email. Executive Director Schantz briefly updated that written report.

- **New Staff Hire.** Schantz announced that the organization is now fully staffed with the recent hiring of Suparat Prasannet to the position of IT/Administrative Assistant in the Anchorage office. Total staff now consists of 17: eight staff in Anchorage and nine in Valdez.
- **Compensation Survey.** Since the last staff compensation survey was done in 2018, a number of staff positions and job duties were shuffled around which has caused the organization to get out of alignment with the current salary schedule. Schantz hoped to conduct a new compensation survey next fiscal year to determine an accurate salary schedule for the job duties and job descriptions that the organization has in place right now. PWSRCAC staff will issue an RFP and Schantz hoped to bring something through the Finance Committee to the Board soon.
- **Social Science Workshop.** A Social Science Workshop will take place in Anchorage on March 27, from 9:00 a.m. to 4:00 p.m., during the annual Subsistence Memorial Gathering hosted by the Chugach Regional Resources Commission. A goal of the project is to engage community members and obtain input on the social and economic changes since the Exxon Valdez oil spill (EVOS) and to share ideas on future social science research needs in the EVOS region. The workshop aims to foster relationship-building and collaborative research with Alaska Native Tribes and other partners in the EVOS region. Project Manager Dr. Danielle Verna has reached out to the Council's Alaska Native representatives on the Board to ask for their assistance in spreading the word in their communities. She asked all PWSRCAC's Board members to do the same. All PWSRCAC's Board, and SAC and IEC members are invited to this event. PWSRCAC has a limited amount of funding available for travel to the workshop if a volunteer lives outside the Anchorage area. Those interested were encouraged to contact Donna Schantz or Danielle Verna.

- **Status of recommendations in the Billie Garde Report.** Included with her written Executive Director's Report to the Board, Schantz provided a separate timeline on the status of the seven recommendations in the Billie Garde report as a tool for staff to track their closeout progress. The timeline will be updated as progress is made towards each recommendation's conclusion. She recapped briefly the status of each recommendation to date.
 - Recommendation 1 of 7. That PWSRCAC request Congress initiate a Government Accountability Office (GAO), review of regulatory oversight of the Valdez Marine Terminal. That review is underway. Last summer, the GAO told PWSRCAC they expected their report to be released early this year. That timing has slipped. They now expect it in the spring of this year. It is expected the report will include a number of findings that will need to be followed up on.
 - Recommendation 2 of 7. That PWSRCAC request the federal Occupational Safety and Health Administration (OSHA) conduct an independent Process Safety Management (PSM) audit at the VMT and look into the adequacy of Alyeska's Quality Assurance and Quality Control programs. As a result, OSHA issued a CASPA (Complaint Against the State Program Administration) against Alaska's OSHA (AKOSH) that the issue was outside of their Anchorage office's enforcement jurisdiction and that the jurisdictional limitation would have to be addressed before any of those inspections could take place. Shortly thereafter, AKOSH updated their whistleblower investigations manual to have it more closely align with the federal requirements. Recently OSHA informed PWSRCAC that their determination letter on the CASPA has been drafted, and they expect their final determination will be issued once their review is complete.
 - Recommendations 3 through 5, Recommendations 3, 4, and 5 were directed at Alyeska and those were: a review of their safety management systems, the deferred maintenance, and their training and how they have closed out their Management Action Plan.

Schantz expressed appreciation to Alyeska for taking the concerns in the Garde report seriously and for all of the actions they have taken to address those concerns and the improvements that they have put in place.

- Recommendations 6 and 7. The last two recommendations were internal to PWSRCAC and those included the recommendation to stand up a Human Factors Advisory Committee. This was mentioned earlier in this Board meeting, but the TOEM Committee said they would like to have more information to really understand what that recommendation means before they decide whether to take on that role. Schantz reported that PWSRCAC has been trying to get Billie Garde together with the TOEM Committee to help understand that recommendation, and she was hopeful that would happen in the coming months.

The last recommendation (#7) was for PWSRCAC to develop a protocol for handling future concerns that may come to it from Alyeska personnel. Sadie Blancaflor has drafted a protocol and it is awaiting Billie Garde's input before moving forward.

Schantz stated that she intended to keep this timeline updated going forward.

Schantz remarked how busy the next few months would be until the May Board meeting with staff working on the following:

- Gearing up the Legislative Affairs Committee for the State legislative session and preparing for the committee's legislative visits to Juneau and Washington, D.C.
- Preparing for the Special Board Meeting in March to conduct the Executive Director's evaluation and contract renewal.
- Building a draft budget for FY2026 for Board consideration and following up on the recommendations that came out of the Long Range Plan assessment.
- Reviewing and commenting on several new tanker and the shipper c-plans, including the Teekay c-plan which may include as many as 42 vessels. She urged anyone not already on the C-plan Project Team who could help, to join the team. She emphasized the major importance of the c-plan and permit reviews to the Council's mission, as it is one of the ways PWSRCAC can try to influence positive change on both the prevention and response sides.
- The public reception that the Council hosts each year with Alaska Tanker Company (ATC) and Hilcorp.
- Moving the Anchorage office.
- Moving forward on all projects and programs.

Schantz thanked the Board for its support and for the hard work of all the volunteers and for the efforts of staff.

PRESIDENT'S REPORT TO THE BOARD

President Archibald reported that staff followed up on Jim Herbert's suggestion earlier in the meeting and had sent out the Community Outreach Sub-Plan 2021 and the Strategic Communications and Outreach Plan 2023. He suggested the Board take a look at all of its outreach plans and come to an understanding of all it is trying to accomplish.

Bob Shavelson commented that he had read all of the plans and thought they were very good, but like any plan they have to be implemented. He also pointed out that in many instances the Council goes through a lot of effort, creates plans, and then they sit on the shelf, and if they do not come out regularly for the Board to assess its progress against those plans, then they are somewhat worthless. He suggested the Board come up with a matrix that outlines the communities the Council/staff are going to visit and the events they will attend and also a template of how the Council tells its story to the public, not just its mission. To him, the story is – Prince William Sound had this amazing spill, these people came together, they recognized that these are public resources that were damaged, and they needed to protect them for current and future generations. That's what PWSRCAC is doing, and that needs to be infused in everything it does. He would like to see a calendar and an actionable task list every year, and that task list should be revisited every year to

determine whether the organization made progress on those tasks so the Board knows it is actually doing what it said it was going to do.

Donna Schantz pointed out that when staff developed those plans, with assistance from a contractor, and presented them to the Board for initial approval, the Board delegated the review of updates to the IEC. She clarified staff do in fact annually create a calendar and plans around outreach work, including a list of targeted communities, as well as responding to specific requests from Board members as they occur. She noted that all costs have gone up and it is costly to do outreach in many ways, and perhaps it was time for the Board to discuss with IEC how best to allocate the IEC budget for outreach.

Archibald continued his President's Report with an emphasis on the changing and aging landscape that is all around us and specifically with regard to the VMT and the associated tankers. He commented that it is very clear today that we are surrounded by change. Everyone associated with this organization is getting older. The organization is aging and the reason for the Council's existence--the VMT and associated tankers--are all aging. The infrastructure that guides marine traffic in and out of the Port of Valdez and into and out of the Gulf of Alaska is aging. Federal and state agencies of jurisdiction and oversight are changing, as is their funding. The producers of oil on the North Slope have changed. Ownership of the TAPS pipeline and Alyeska has changed, thus so has the SERVS escort and response vessel system. Production of crude oil has changed from a high in 1988 of just a little over 2,000,000 bbl./day at a price of \$4.75/bbl. to a low of 392,000 bbl./day at a price of approximately \$80/bbl. That is a lot of change. The highest price ever paid for a barrel of Alaska crude (from his internet research) was \$125/bbl. and to a low of almost zero. The day before this Board meeting, production was 484,137 bbl./day @ \$76/bbl. The cost of production has varied also and the decisions that are made at the highest levels as to those costs affects the change of corporate investments and how much they want to spend.

He emphasized that responsibility for actions on these changes comes in many forms. Every entity mentioned bears the responsibility to ensure safe operations of the VMT and associated tankers. This was a commitment made by industry and regulators to the citizens of Alaska. It is the responsibility of government to fulfill regulations established in the Oil Pollution Act of 1990, and to maintain oversight, so complacency on the part of regulators never creeps back to the point that the environment, workers, towns, and citizens are put in harm's way. Industry's responsibility is to ensure that the aging VMT and the aging tanker fleet meet all applicable regulations, statutes, and best industrial and marine practices. Responsibility for safe operations is derived by making financial decisions to upgrade and replace as necessary any component of the system. It is the responsibility of this Council to fulfill the mission that guides us, with no compromise. That means striving to have leaders in relevant fields using best available technology and maintaining and improving the Council's input to ensure the safe operations of the VMT and associated tankers as long as oil flows through the pipeline.

He challenged everyone to think about the future and why they sit on this Board, as it is very apparent to him that change is coming. Alyeska, regulators, and the PWSRCAC must work together to ensure complacency is a word of the past.

CONSIDERATION OF CONSENT AGENDA ITEMS

(None.)

CLOSING COMMENTS

Dave Janka asked formally for staff to arrange a tour for the Council of the USCG Vessel Traffic Service in Valdez sometime during the May Board meeting timeframe.

ADJOURNMENT

There being no further business to come before the Board, and hearing no objections, **the meeting was adjourned** at approximately 11:12 a.m. on **a motion made** by Robert Beedle and **seconded** by Angela Totemoff and **passed** by general consent.

Secretary