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Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

December 23, 1997 @ 10 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

● Jim Wolfe, USFS
Deborah Williams, USDO
* Steve Pennoyer, NMFS

● Rob Bosworth, ADF&G
Michele Brown, ADEC
● Craig Tillery, ADOL

* Chair

In Anchorage: Deborah Williams and Craig Tillery

In Juneau: Jim Wolfe, Steve Pennoyer, Rob Bosworth, and Michele Brown.

● Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Rob Bosworth served as an alternate for Frank Rue for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

Barry Roth served as an alternate for Deborah Williams from 12:16 p.m. on.

1. Executive Session

APPROVED MOTION: Adjourn into Executive Session for the purpose of discussing the Tatitlek land purchase. Motion by Wolfe, second by Williams.

(Off Record 10:31 a.m.)

(On Record 12:16 p.m.)

2. Tatitlek

APPROVED MOTION: Approved a resolution amending the August 29, and December 6, 1996 Tatitlek resolutions to include funds to purchase 794 acres at Irish Cove. This resolution also provides for conservation easements on 88 lots currently owned by Tatitlek Corporation to limit commercial development of those sites in the Two Moon Bay and Snug Corner Cove subdivision. The total purchase price is \$34,805,000 (Ten million of the first payment would be from the Federal criminal settlement.) Motion by Wolfe, second by Roth.

Meeting adjourned at 12:24 p.m.

raw

Federal Trustees

U.S. Department of the Interior
U.S. Department of Agriculture
National Oceanic and Atmospheric Administration

State Trustees

Alaska Department of Fish and Game
Alaska Department of Environmental Conservation
Alaska Department of Law

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

December 18, 1997 @ 8:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

• Jim Wolfe, USFS
Deborah Williams, USDOJ
* Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
• Craig Tillery, ADOL

* Chair

• Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Williams, second by Tillery.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved October 3 and 28, 1997, Trustee Council meeting notes.
Motion by Williams, second by Tillery.

Public comments received from 23 individuals from Valdez, Kodiak, Homer, Juneau, Seldovia, Kenai, and Anchorage.

3. Deferred Projects

APPROVED MOTION: Accepted the Executive Director's recommendation on approving the deferred projects for the 1998 Work Plan, totaling \$1,019.0, see attachment. Motion by Williams, second by Brown.

4. Executive Session

APPROVED MOTION: Adjourn into executive session for the purpose of discussing habitat protection issues. Motion by Tillery, second by Brown.

(Off Record 12:28 p.m.)

Federal Trustees

U.S. Department of the Interior
U.S. Department of Agriculture
National Oceanic and Atmospheric Administration

State Trustees

Alaska Department of Fish and Game
Alaska Department of Environmental Conservation
Alaska Department of Law

(On Record 2:50 p.m.)

5. Archaeological Restoration

APPROVED MOTION: To adopt a resolution conditionally allocating, not to exceed, one million dollars for a single regional repository within one of the eight communities and, not to exceed, the amount of \$1.6 million total for the remaining seven communities, and \$200,000 to set up the traveling exhibit. Motion by Tillery, second by Rue.

5. Budget Amendment on Project 98126

APPROVED MOTION: Approved an additional \$70,000 for Project 98126 for support on habitat acquisitions. Motion by Williams, second by Tillery.

6. Small Parcels

APPROVED MOTION: Designate the Blondeau parcel (PWS-1056) as a parcel meriting special consideration and to proceed with an appraisal. Motion by Rue, second by Brown.

APPROVED MOTION: Approved a resolution authorizing: \$495,000 for the Baycrest parcel, KEN-12 (90 acres) outside of Homer. Authorized \$183,000 for KEN-1051 (10.77 acres) and KEN-1052 (10.35 acres) known as Salamatof parcels. Authorized \$240,000 for KAP- 220 (16.34 acres) on the Karluk River Lagoon. Motion by Williams, second by Rue.

Meeting recessed at 3:55 p.m.

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

October 28, 1997 @ 1:30 p.m.

By Molly McCammon
Executive Director

Trustee Council Members Present (all telephonically):

- Jim Wolfe, USFS
- Deborah Williams, USDOJ
- Steve Pennoyer, NMFS

- Frank Rue, ADF&G
- Michele Brown, ADEC
- *● Craig Tillery, ADOL

* Chair

In Anchorage: Deborah Williams

In Juneau: Michele Brown, Rob Bosworth and Frank Rue

In California: Craig Tillery

In Vancouver: Steve Pennoyer

In West Virginia: Jim Wolfe

● Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Rob Bosworth served as an alternate for Frank Rue for the first 30 minutes.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Reinvestment of Maturing Securities

APPROVED MOTION: Reinvest the maturing securities, principal plus interest, into a Zero Coupon U.S. Treasury Security, maturing on or about November 15, 2004. Motion by Williams, second by Pennoyer.

2. Executive Session

APPROVED MOTION: Adjourn into executive session for the purpose of discussing habitat acquisition. Motion by Pennoyer, second by Brown.

Off Record at 1:38 p.m.

On Record at 2:43 p.m.

No public comments were received during this meeting.

Meeting adjourned at 2:44 p.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

October 3, 1997 @ 10:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

● Jim Wolfe, USFS
Deborah Williams, USDOJ
● Steve Pennoyer, NMFS

● Frank Rue, ADF&G
● Ginny Fay, ADEC
* ● Craig Tillery, ADOL

* Chair
In Anchorage:
In Juneau:

● Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.
Bill Hines served as an alternate for Steven Pennoyer from 2:16 p.m. to adjournment.
Claudia Slater served as an alternate for Frank Rue from 11:30 a.m. to 1 p.m.
Ginny Fay served as an alternate for Michele Brown for the entire meeting.
Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Pennoyer, second by Rue.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved August 6, 1997 Trustee Council meeting notes. Motion by Rue, second by Pennoyer.

3. Homer Spit Small Parcels

APPROVED MOTION: Authorized funding of \$422,100 to purchase a total of approximately 68.7 acres on the Homer Spit (KEN 1060A, B, C, & D). Also authorized \$574,000 for approximately 38 acres at Beluga Slough (KEN 1061). Motion by Rue, second by Fay.

Public comments received from 10 individuals from Juneau, Valdez, Fairbanks,

Federal Trustees

U.S. Department of the Interior
U.S. Department of Agriculture
National Oceanic and Atmospheric Administration

State Trustees

Alaska Department of Fish and Game
Alaska Department of Environmental Conservation
Alaska Department of Law

Chenega, Homer, Anchorage, and Cordova.

4. Technical Budget Amendment

APPROVED MOTION: The funding approved for Project 97180, Kenai Habitat Restoration and Recreation Enhancement, is capital and does not lapse September 30, 1997. Motion by Rue, second by Wolfe.

Meeting recessed at 3:25 p.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

August 6, 1997 @ 10:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:
(Meeting in Anchorage and Juneau)

● Jim Wolfe, USFS
* Deborah Williams, USDO
Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
● Craig Tillery, ADOL

* Chair

In Anchorage: Jim Wolfe, Deborah Williams, Craig Tillery

In Juneau: Frank Rue, Michele Brown, Steve Pennoyer

● Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the agenda with three changes: Molly McCammon will give the Public Advisory Group report; the discussion on investments will be postponed until September; and the discussion on archaeology will include a presentation on a proposal by Chugach Alaska Corporation. Motion by Tillery, second by Pennoyer.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved July 2, 1997, Trustee Council meeting notes. Motion by Wolfe, second by Brown.

Public comment given by three individuals from Anchorage and Cooper Landing.

3. Executive Session

APPROVED MOTION: Approved going into executive session for the purpose of discussing habitat acquisition issues. Motion by Tillery, second by Brown.

Off record at 11:57 a.m. Executive session
On record at 1:20 p.m.

Off record at 3:40 p.m. Break
On record at 3:50 p.m.

4. FY98 Annual Work Plan

APPROVED MOTION: Approved the recommendations for FY 98 projects as outlined in Spreadsheet A dated August 5, 1997 and Spreadsheet B dated July 28, 1997, along with changes made on August 6, 1997, with the following conditions: (1) If a Principal Investigator has an overdue report from a previous year, no funds may be expended on a project involving the PI unless the report is submitted or a schedule for submission is approved by the Executive Director, and (2) a project's lead agency must demonstrate to the Executive Director that requirements of NEPA are met before any project funds may be expended (with the exception of funds spent to prepare NEPA documentation). The funds approved for Project 98180, Kenai Habitat Restoration and Recreation Enhancement, are for capital projects and do not lapse on September 30, 1998. Motion by Pennoyer, second by Brown.

5. Transfer of OSPIC to ARLIS

APPROVED MOTION: Approved designating the U.S. Department of the Interior, Bureau of Land Management, as lead agency for purposes of the administration, management and contracting for the Oil Spill Public Information Center, effective September 1, 1997, in order to effectuate the consolidation of the Oil Spill Public Information Center into the Alaska Research Library and Information Services Center. Also approved authorizing that, in accordance with the annual budget, the sum of \$51,400 be withdrawn from the Registry of the District Court and transferred to the U.S. Department of the Interior Bureau of Land Management to be used for this purpose. This motion does not affect the lead agency for purposes of employment of staff for the Oil Spill Public Information Center. Motion by Pennoyer, second by Wolfe.

6. FY98 Restoration Reserve Transfer

APPROVED MOTION: Approved the transfer of \$12,000,000 from the CRIS - Liquidity Account to the Exxon Valdez Oil Spill Settlement Account, CRIS-Reserve Fund. In the event the transfer is not completed

by September 15, 1997, interest against these funds shall also be transferred. Interest shall be accrued from September 15, 1997, until the time of transfer from the CRIS-Liquidity Account. Interest shall be calculated at a rate of 5%. These funds shall be invested pursuant to the investment policy for the Reserve Fund. The Executive Director shall certify when funds are available for transfer and the applicable investment policy approved by the Trustee Council. Motion by Tillery, second by Brown.

7. Project 98100 budget

APPROVED MOTION: Approved the sum of \$2,796,300 for Project 98100, the administration, science management and public information budget. Motion by Wolfe, second by Pennoyer.

8. Project 98126 budget

APPROVED MOTION: Approved the sum of \$781,400 for Project 98126 for habitat protection and acquisition support costs. Motion by Pennoyer, second by Wolfe.

Meeting adjourned at 4:47 p.m.

MM/ty

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

July 2, 1997 @ 10:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

Phil Janik, USFS
Deborah Williams, USDOJ
Steve Pennoyer, NMFS

Frank Rue, ADF&G
• Ginny Fay, ADEC
• Craig Tillery, ADOL

* Chair

• Alternates:

Ginny Fay served as an alternate for Michele Brown for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Janik, second by Pennoyer.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved May 23 and June 23, 1997 Trustee Council meeting notes. Motion by Williams, second by Pennoyer.

Public comment given by nine individuals from Anchorage, Cordova, Kenai, and Juneau.

3. Eyak

APPROVED MOTION: Authorized funding of \$45 million to purchase a total of approximately 75,000 acres of surface estate, fee simple and conservation easement interests from the Eyak Corporation. Motion by Janik, second by Williams.

Off Record at 12:12 p.m. Break
On Record at 12:37 p.m.

4. Small Parcel KAP 91

APPROVED MOTION: Authorized U.S. Department of the Interior, Fish and Wildlife Service to purchase the small parcel KAP 91, consisting of 137.97 acres along the Sitkalidak Strait within the Kodiak National Wildlife Refuge for \$137,000. Motion by Williams, second by Pennoyer.

5. Alaska SeaLife Center

APPROVED MOTION: Authorized the use of the remaining interest earnings from the \$24.9 million, not to exceed \$724,000, for the purchase of equipment and other durable goods at the facility necessary to support research and dry exhibitry pertaining to the restoration program at the facility. This authorization is subject to the Executive Director's approval, in consultation with agency staff scientists, of: (1) a revised list of items to be purchased that excludes any operational expenses such as training and insurance, excludes or prorates equipment to be used in the public display/educational portion of the facility, and includes equipment and goods needed for restoration research projects anticipated to proceed in FY 98; and (2) the design and budget for dry exhibitry at the Center that will interpret the Trustee Council's restoration program. Motion by Pennoyer, second by Rue.

Meeting adjourned at 1:03 p.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

June 23, 1997 @ 3:30 p.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

• Jim Wolfe, USFS
Deborah Williams, USDOl
Steve Pennoyer, NMFS

Frank Rue, ADF&G
*Michele Brown, ADEC
• Craig Tillery, ADOL

* Chair

• Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda.

2. Executive Session

APPROVED MOTION: Adjourn into executive session for the purpose of discussing habitat protection. Motion by Pennoyer, second by Williams.

Off Record at 3:43 p.m.

On Record at 4:05 p.m.

Meeting recessed at 4:07 p.m.

raw

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING
Thursday, May 29, 1997
5:15 o'clock p.m.

Rae Building
123 3rd Avenue
Seward, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

STATE OF ALASKA - DEPARTMENT
OF FISH AND GAME:

MR. FRANK RUE (Chairman)
Commissioner

STATE OF ALASKA -
DEPARTMENT OF LAW:

MR. CRAIG TILLERY
Trustee Representative
for the Attorney General

STATE OF ALASKA - DEPARTMENT
OF ENVIRONMENTAL CONSERVATION:

MS. MICHELE BROWN
Commissioner

U.S. DEPARTMENT OF INTERIOR:

MR. DAN SAKURA for
MS. DEBORAH WILLIAMS
Special Assistant to the
Assistant Secretary

U.S. DEPARTMENT OF AGRICULTURE -
U.S. FOREST SERVICE

MR. DAVE GIBBONS for
MR. PHIL JANIK
Regional Forester

U.S. DEPARTMENT OF COMMERCE - NMFS:

MR. BILL HINES for
MR. STEVE PENNOYER
Director, Alaska Region

Proceedings electronically recorded then transcribed by:
Computer Matrix, 3520 Knik Ave., Anchorage, AK - 243-0668

1	TRUSTEE COUNCIL STAFF PRESENT:	
2	MS. MOLLY McCAMMON	Executive Director EVOS Trustee Council
3		
4	MR. ERIC MYERS	Director of Operations EVOS Trustee Council
5	MS. TAMI YOCKEY	EVOS Staff
6	DR. BOB SPIES	Chief Scientist
7	MR. STAN SENNER	Science Coordinator
8	MR. BUD RICE	National Park Service
9	MR. JOE HUNT	Communications Coordinator
10	MS. CLAUDIA SLATER	Alaska Department of Fish and Game
11		
12	MR. BILL HAUSER	Alaska Department of Fish and Game
13	MS. GINA BELT	Department of Justice
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1 members would like to make, and I'll let each of you introduce
2 yourselves here in a second. And then the public, we would
3 invite the public to come up and tell us what you're thinking,
4 what you'd like to see the Trustee Council consider or
5 whatever.

6 And, actually, if you all want to move forward it might
7 be a good idea, too. It sort of, boy, you look just way back
8 there, it's really hard to imagine talking to an audience that
9 far away.

10 MS. McCAMMON: It's just typical classroom
11 behavior, to take that last row.

12 CHAIRMAN RUE: I thought it was movie theater
13 behavior.

14 MS. McCAMMON: Movie theater behavior.

15 CHAIRMAN RUE: And finally, I guess, Molly,
16 we'll be seeing the film "Alutiiq Pride".

17 MS. McCAMMON: Right.

18 CHAIRMAN RUE: Is that right?

19 MS. McCAMMON: Yes.

20 CHAIRMAN RUE: Okay. So with that, Molly, why
21 don't I turn it over to you to introduce yourself and then
22 perhaps other Council members introduce themselves.

23 MS. McCAMMON: You want us all to do
24 introductions now?

25 CHAIRMAN RUE: Yeah.

1 MS. McCAMMON: Okay. I'm Molly McCammon,
2 Executive Director of the Trustee Council. I've been director
3 now for more than two years.

4 MR. SAKURA: I'm Dan Sakura, I'm with the
5 Department of Interior serving as the Interior alternate today.

6 CHAIRMAN RUE: I've already introduced myself.

7 MR. GIBBONS: I'm Dave Gibbons representing
8 Phil Janik from the Forest Service, Department of Agriculture.

9 MS. BROWN: Michele Brown, Department of
10 Environmental Conservation.

11 MR. HINES: My name is Bill Hines representing
12 Steve Pennoyer, National Marine Fishery Service.

13 MR. TILLERY: Craig Tillery with the Department
14 of Law for the State.

15 DR. SPIES: And I'm Bob Spies, Chief of Science
16 for the Trustee Council since 1990.

17 MS. McCAMMON: Thanks, Bob. The reason for
18 this meeting is actually two-fold. The first is to basically
19 report to the community of Seward the actions that the Trustee
20 Council has taken in the past couple of years. And then the
21 second purpose, which I think is actually the most important
22 purpose, is to give you the opportunity to talk directly to the
23 Trustees. To express whatever is on your mind in terms of the
24 Restoration Program, in terms of whatever issues are important
25 to the community. So I really hope that you take advantage of

1 this. You have three of the Trustees here and three of the
2 alternates here. You have a direct line to the Council at this
3 point.

4 It's the Council's goal to get out every year, at least
5 once, to one of the communities in the spill area. So far the
6 Council's been to Cordova, to Kodiak, this year we're going to
7 Seward today, with the idea of making sure that spill area
8 residents have an opportunity to speak directly to the Council
9 members.

10 Just to put this all in a little perspective, I mean
11 everybody's familiar with the 1989 oil spill. In 1991 the
12 governments settle their claims against Exxon for a total of
13 \$900,000,000.00 in civil fines. Those monies go to a joint
14 Federal/State Trustee Council made up of three State and three
15 Federal Trustees. All decisions that the Council takes to
16 spend that money has to be unanimous. So all these guys here,
17 it takes 6-0 votes not, 5-1 or 4-2, it's not majority. It
18 really requires everyone to work together cooperatively to
19 decide what is the best action for restoration in the spill
20 area.

21 A lot of the early years in the Restoration Program was
22 spent on trying to figure out how you actually restore an
23 injured ecosystem. There really had never been an event like
24 this of such magnitude covering 1,500 miles of shoreline, I
25 mean, just a huge expanse. And I think in the early years

1 figuring out what the actual injury was and how do you restore
2 it occupied a lot of time. But by 1994 the Council had
3 unanimously adopted a Restoration Plan and basically deciding
4 how they were going to spend the restoration funds.

5 And in the back of the room is our most recent Annual
6 Report. And on page 28 of that Annual Report is a table that I
7 use a lot and it's referred to as "The Past and Estimated
8 Future Uses of the Civil Settlement" and it's a real handy way
9 of looking at how the Council is spending its restoration
10 monies and what are the priorities for restoration activities.
11 And you can see by this that, first off, as part of the
12 agreement the Federal and State governments were reimbursed for
13 all of their activities that led to the actual settlement. S
14 some of the litigation costs, cleanup costs, restoration work,
15 response work, the damage assessment work, those things were
16 reimbursed back to the governments. That was about 213,000,000
17 that came off the top of the \$900,000,000.00 settlement.

18 After that the Council has earmarked about 390,000,000
19 for habitat protection and acquisition. In addition they've
20 set aside or earmarked approximately 180,000,000 for the second
21 major component of the program, which is research, monitoring,
22 general restoration. We kind of refer to that as our science
23 plan, but it also includes a lot of projects important to
24 communities for restoration of resources and services, such as
25 recreation, tourism, subsistence, commercial fishing, things

1 like that. So those are the kinds of monies that funded things
2 like the SeaLife Center, that funds all of the research
3 projects.

4 Just going back to kind of the first aspect of the
5 program real quickly, habitat protection. Up on the walls
6 there you can see all of the maps that show the various areas
7 of the spill area and the acquisitions that we've been working
8 on. The first map over there shows the general outline of the
9 spill affected area. And one of the things the Council made as
10 a major policy was that habitat protection in the spill area
11 would have geographic balance. That there would be protection
12 in Prince William Sound; on the Kenai Peninsula area and then
13 in the Kodiak/Afognak Archipelago. So a geographic balance.
14 In other words, we're not just going to do habitat protection
15 down in Kodiak, we're not just going to do it in Prince William
16 Sound but there was a real desire to see that it was balanced
17 throughout the spill area.

18 We were very pleased that last week the Department of
19 Interior signed a purchase agreement with English Bay
20 Corporation which will add about 30,000 acres to Kenai Fjords
21 National Park and another 2,000 acres to the Alaska Maritime
22 Refuge. This is the most recent agreement in terms of our
23 overall program and it's something that we're very proud of to
24 have worked with the corporation so successfully. I think it's
25 a perfect example of something that brings benefit to the

1 community of Seward, to the park itself and to the shareholders
2 of English Bay Corporation.

3 We've also been working a lot recently in Prince
4 William Sound and that's the second map there and on the left
5 side, the westward part of the sound, in February we signed an
6 agreement with Chenega Corporation to protect 60,000 acres
7 there. That some of the lands went to the State of Alaska,
8 hopefully at some point, for a marine park, State marine park.
9 And then the majority of the lands went to the Forest Service.
10 We have a conceptual agreement with Tatitlek Corporation which
11 is the red in the upper right-hand corner. And it's contingent
12 on a couple of things happening that are progressing very well
13 and we're hoping that that agreement can go to a shareholder
14 vote this summer and then hopefully get a purchase agreement
15 signed in late summer.

16 And then finally in Prince William Sound, that green
17 area down there, those are the lands owned by Eyak Corporation
18 and we're in active negotiation with Eyak Corporation now for
19 over 70,000 acres of land in that area. So you can see that if
20 all these agreements in Prince William Sound actually come to
21 fruition there will be a sizable acreage of protected area that
22 will also become -- under public ownership will become
23 accessible to the public for hunting, fishing, camping, those
24 kinds of activities.

25 Then if you go down to the next map which is the Kenai

1 Peninsula, as I mentioned, the recently concluded agreement
2 with English Bay Corporation. There's still inholdings within
3 the park that are owned by Port Graham Corporation, they've
4 indicated at this point that they're not interested at this
5 point, but we hope that in the future we'll still have some
6 discussions with them.

7 In addition the Council has taken a lot of action on
8 the Kenai River. This has been an important priority of both
9 Governor Knowles and the Federal Trustees. This included the
10 recent package that Department of Interior negotiated with the
11 Kenai Native Association. This was recently signed for over
12 3,000 acres of the Kenai River and the Moose River, which is a
13 drainage of the Kenai.

14 It also includes, oh, probably 2,000 other acres of
15 sites along the Kenai, the main stem Kenai, that have been
16 protected under our Small Parcel Program. Here in Seward, at
17 Lowell Point, there's 19 acres there that the Trustee Council
18 has authorized to be purchased that provides critical access to
19 the Cane's Head Recreational Site. And it's some of the only
20 beach front in intertidal area along that portion of the beach
21 there to be protected. Grouse Lake, which is close by to
22 Seward is a recent Forest Service acquisition under our program
23 and they haven't decided exactly how it will be managed. One
24 of the possibilities is a future campground and -- but
25 providing public access for recreation.

1 — So habitat protection -- well, let me just mention.
2 Then moving further down to the south we've got Northern
3 Afognak Island, Shuyak Island, and then Southern Kodiak. These
4 are acquisitions that -- a large number of these have already
5 been completed with Akhiok-Kaguyak, Koniag, Old Harbor
6 Corporation, a major purchase for the State from the Kodiak
7 Borough of Shuyak Island which was recently, just this past
8 session, made into a State park, Shuyak Island State Park.

9 And then the green portion on there are lands that are
10 owned by Afognak Joint Venture and we're active negotiations
11 with AJV at this point also for some package of acquisition in
12 those lands. So you can see Prince William Sound, Kenai
13 Peninsula, Kodiak/Afognak area, the three areas, geographic
14 balance.

15 The second major element of the program, as I
16 mentioned, is the research monitoring and general restoration
17 part of the program. And so far this has been primarily a
18 field-based program. We have three major ecosystem efforts
19 which kind of, I think, typifies the fact that a lot of the
20 Council work has changed from individual species specific type
21 work to looking at things on a more ecological basis. But with
22 Alaska SeaLife Center soon to open next year there will be the
23 addition of major laboratory capabilities that were not
24 available before. And we're very hopeful that in the next year
25 the Council will be funding work there on marine mammals, sea

1 birds, fish genetics, things like that.

2 So we toured that facility this afternoon and having
3 been here the last time in July when it was just a hole in the
4 ground with some rebar sticking up is truly impressive now to
5 look at that.

6 One of the things that we're facing now is that it's
7 been more than eight years since the 1989 oil spill, so we're
8 coming up basically on the 10th anniversary of the spill in
9 1999. And as we approach that anniversary the Council is
10 actually -- although in the past few years we've been working
11 mainly on implementing the Restoration Plan we're now at the
12 phase of the Council facing some major decisions. And the
13 basic major decision facing them is how to spend the rest of
14 the funds. Since 1994 as a result of public input and Council
15 decision, the Council agreed to set up this Restoration Reserve
16 Account, and basically take money off the table put it into an
17 account for long term restoration needs after the year 2001.
18 And there wasn't a decision made at that time on how those
19 funds would be earmarked; would they go to habitat protection;
20 to research? Would it all be spent in, you know, just the next
21 10 years after that or would there be some kind of a program
22 for making it a perpetual endowment? How would these funds be
23 used, managed? Those kinds of questions.

24 So that the Council has now decided that their ready to
25 soon make a decision on that and we've embarked upon a public

1 process and we'll be having public hearings next winter,
2 visiting all of the communities in spill area. At this point
3 we're trying to get ideas from various groups and various
4 individuals about the possible uses of the fund. There's
5 certainly a lot of options out there. There's always more
6 habitat to be protected, both large parcels and small parcels.
7 There's always an endless amount of good possibilities and good
8 options for research, monitoring, things like that. So we're
9 not starting that public debate.

10 And to help -- I think coming here to Seward is a very
11 appropriate place, actually, to start that debate. Because you
12 know as a community the benefits of habitat protection. The
13 economy of the community depends on having all these wild open
14 spaces around you and I think that's been exemplified by the
15 recent acquisition with English Bay Corporation.

16 But the other aspect of it is the research and
17 monitoring and what future that has and that also is an
18 important element to the future of the City of Seward. And so
19 to help start this discussion a little bit I asked Dr. Spies,
20 who is the chief scientist for the Council, to sit down with
21 our reviewer group, and these are five nationally known
22 scientists who come twice a year to Anchorage and sit down and
23 go through our whole research program and give it independent
24 peer review. And I asked Dr. Spies to sit down with those
25 folks and say, okay, what do you think is going to be needed

1 for the future of our science program? We've been spending
2 millions of dollars now and it all seems to be going somewhere
3 to start answering some questions and to have some future there
4 and to start putting down some initial thoughts for the Council
5 to consider. So Dr. Spies has prepared a memo and kind of a
6 draft proposal for consideration and he'd like to share some
7 elements of that with the Council and with the public today.

8 So Dr. Spies.

9 DR. SPIES: Thank you very much, Molly, I
10 appreciate the opportunity to do this and in the spirit of
11 trying to get the discussion kicked off as to what the most
12 appropriate uses of the Restoration Reserve I did prepare this
13 position paper, which is essentially to try and identify the
14 role that ongoing research could have in addressing the
15 restoration needs of the EVOS Trustee Council. I think when
16 the Council established the Restoration Reserve it recognizes
17 that its mission may indeed extend beyond the year 2001 when
18 the last payment from Exxon is made.

19 And now, through our studies, it's become clear that
20 not only the initial and lingering effects of the spill were
21 important but they've combined with natural variability in the
22 system in such a way to influence the abundance of the injured
23 species over time and it's going to take a long time for some
24 species to recover. Witness the kind of meager herring fishery
25 that just got off the ground for the first time in several

1 years in Prince William Sound.

2 Our Restoration Program has been balanced with habitat
3 protection, with research and monitoring component and also
4 with general restoration activities. And the scientific
5 research components have more or less supported the last two of
6 those items fairly well. And the Trustee Council, as you've
7 heard from Molly, has invested very heavily in protection of
8 terrestrial habitat and has purchased more than a half a
9 million acres throughout the spill area.

10 And we recognize the fact that the injured species do
11 depend on a healthy terrestrial environment for recovery and
12 for a balanced healthy ecosystem. However, the injured species
13 also depend on the marine habitat to a much larger extent. A
14 this habitat cannot be purchased but it can be protected and
15 managed as a public commons. A more complicated challenge to
16 be sure, but I think that the science plays a potentially
17 larger role in trying to reach that goal. We must know how
18 this watery world really works in order to protect and manage
19 its resources.

20 For example, certain bays in Prince William Sound
21 appear to be really critical rearing habitat for juvenile
22 herring, as we're finding out through some of our ecosystem
23 studies. And protection of those bays in regard to potential
24 future oil spills, to certain kinds of on-shore development, to
25 what we know about recreation and the increasing uses of Prince

1 William Sound are important things to know. So we even have to
2 identify in time and space those critical biological creatures
3 of the environment that need to be protected for a healthy
4 ecosystem.

5 It is also important to characterize the natural
6 variability in the ecosystem to better protect and manage its
7 resources. We know that there are great changes that have gone
8 on throughout the spill area ecosystem. Witness, for instance,
9 the 1978 shift in the northern Gulf of Alaska to an ecosystem
10 that was dominated by shrimp in many inshore areas to one
11 that's dominated by bottom feeding fish. And this was all
12 connected back to natural variability in a way that we don't
13 completely understand but it certainly has to do with the
14 atmosphere and interaction of the atmosphere with oceans and
15 currents. And these kinds of things can take place on scales
16 of decades and even in centuries, so some sort of long term
17 view of this I think would be great kind of legacy to leave
18 behind.

19 I think some of the practical management implications
20 of the kind of information that's building in momentum from
21 Council research as well as research sponsored by other
22 agencies would include, for instance, the prohibition of new
23 fisheries on forage fish to protect the apex predators, the
24 birds and mammals that feed on them. This is an action taken
25 by the North Pacific Fisheries Management Council recently.

1 I think the Trustee Council through its actions in
2 scientific research has recognized the importance of a multi-
3 institutional ecosystem based restoration program. This
4 approach is yielding dividends in research that will spill over
5 into management as important insights about the spill area
6 ecosystem are beginning to emerge from our studies. I think
7 it's important to maintain this momentum and I think that the
8 Trustee Council really leaves two kinds of legacies. First of
9 all, the scientific legacy which I just spoke of and secondly a
10 institutional legacy. I think the Trustee Council is a unique
11 organization in that all the major resource agencies are now
12 sitting around the table talking to one another, acting jointly
13 and sponsoring research that's addressing overarching questions
14 about the ecosystem.

15 So what is the proposal? The proposal for involvement
16 of science in the Restoration Reserve is that the Trustee
17 Council should consider supporting a permanent, adaptive,
18 multi-institutional and multi-disciplinary monitoring research
19 program. We would propose that the core or backbone of the
20 program would be taking the pulse of the northern Gulf of
21 Alaska ecosystem. It would involve such things as
22 understanding the seasonal and natural annual variability of
23 Alaska coastal current. The timing, strength and composition
24 of the yearly plankton bloom. Distribution of abundance,
25 composition of forage fish populations and the productivity of

1 major apex predators, such as sea birds and marine mammals.

2 Just to mention a couple of guiding principles that
3 might earmark a successful program of this type. Some sort of
4 inflation proof endowment with a conservative annual
5 expenditure so that we can in fact attack some of these long
6 term problems and cycles in the natural environment. We think
7 that something like four to \$5,000,000.00 a year might be an
8 effective level of funding for such a program.

9 That the geographic scope be the northern Gulf of
10 Alaska in order to encompass the important oceanographic and
11 biological features that affect our near-shore systems and
12 affect the resources that we value so dearly in that system.

13 We think it should be administered by a core of
14 professional staff not affiliated with a particular agency.
15 And I think the evolution of the EVOS process has shown the
16 value of such a development in providing a neutral and a very
17 professional sort of approach to the problems.

18 This program, I think, should also actively engage the
19 public, stakeholders and managers, as we are striving to do
20 currently. Also it could be mostly institutional, involve most
21 of the major resource agencies, University of Alaska, the
22 Alaska SeaLife Center, the Prince William Sound Science Center,
23 the Auke Bay Laboratory and so forth.

24 It, I think, would be important also to leverage with
25 other research and monitoring efforts in the northern Gulf of

1 Alaska, such as the GLOBEC program, the joint NSF NOAA program
2 that's starting shortly in the Gulf of Alaska. The NOAA FOCI
3 Program, the Fisheries Oceanography Cooperative Investigations
4 that have told us so much about the pollock populations in the
5 Shelikof Straits.

6 I think this program could also provide a forum in
7 terms of an institutional legacy for coordination and
8 cooperation in addressing some of the overarching questions
9 about the ecosystem in the northern Gulf of Alaska.

10 And then lastly I think that active participation of
11 students, particularly graduate students, who bring fresh ideas
12 and energy and a source of cheap labor would be also a good
13 part of this.

14 So that concludes my comments.

15 MS. McCAMMON: No offense to any graduate
16 students in the audience.

17 DR. SPIES: Well, I think they probably know as
18 well as anybody.

19 MS. McCAMMON: Thanks, Bob. As you can tell
20 these are -- this is really a major decision facing the Council
21 in the next year to two years and these are some of the ideas
22 that everybody is going to be thinking about as they go forward
23 together with input from the public on what to do with the rest
24 of the money basically.

25 So, Frank, turn it back to you.

1 CHAIRMAN RUE: What would you like me to say?

2 MS. McCAMMON: No.

3 CHAIRMAN RUE: Oh, turn it back to me, okay.

4 MS. McCAMMON: Yes, I'm turning it back to you.

5 CHAIRMAN RUE: Well, we are going to have
6 formal process though.....

7 MS. McCAMMON: Yes.

8 CHAIRMAN RUE:and this is just kicking
9 the ideas off.

10 MS. McCAMMON: Yes.

11 CHAIRMAN RUE: So it's good to have people
12 thinking about it. Basically the next item on the agenda was
13 for individual Trustee Council members to say whatever they'd
14 like, comment on the day here in Seward or thoughts they might
15 have about the future of the Restoration Program. Are there
16 Council members who would like to speak to any of the issues?

17 MS. BROWN: I'd just like to congratulate the
18 community. I think what we've seen today is very impressive.
19 It makes me feel real good about the actions we've taken. But
20 we're mostly here to listen, so I'm eager to move on to the
21 public comment portion.

22 CHAIRMAN RUE: Okay. Dave Gibbons.

23 MR. GIBBONS: Yeah, I'm representing Phil Janik
24 and he's really sorry not to be here. He just signed the
25 Tongass Land Management Plan last Friday and he's a little and

1 he's a little busy with the correspondence.

2 MS. BROWN: Being hung in effigy?

3 MR. GIBBONS: Yeah, being hung in effigy. But
4 Phil being a biologist, like I am, I'm sure he would have been
5 impressed with the Center. We had that tour this afternoon and
6 it was very impressive. I'm a biologist, like I said, that he
7 was too, and I was extremely impressed and I'll carry that back
8 to Phil. It was kind of interesting, when the idea was first
9 spawned by the Trustee Council I was administrative director
10 and it had gone through a bunch of name changes but it's
11 interesting to watch it from its conception to what it is and
12 I'm really thankful I've seen that part of it and was on the
13 review team, science review team.

14 But other than that I'm just happy to be here and the
15 last time I was here was the ground breaking and I plan to come
16 back with it's completed.

17 MS. McCAMMON: The ribbon cutting.

18 MR. GIBBONS: Yeah, the ribbon cutting.

19 CHAIRMAN RUE: Any other Council members like
20 to say anything?

21 (No audible responses)

22 CHAIRMAN RUE: Okay, great. Are there members
23 of the public who would like to tell us what they're thinking
24 or any ideas they might have? Just come up, we have a
25 microphone there, but I don't know that you need it.

1 MS. McCAMMON: Well, we're recording the
2 meeting just so that goes into the record.

3 CHAIRMAN RUE: Oh, that might be helpful, yeah.
4 There must be something on your mind. Yeah.

5 MS. McCAMMON: Molly.

6 MS. BURTON: Should I come up there?

7 MS. McCAMMON: Yeah.

8 CHAIRMAN RUE: Sure, please do.

9 MS. BURTON: My name is Molly Burton, I'm the
10 community facilitator, I'm the little guy on the end of the
11 EVOS Trustee Council Programs. And so I'd like to extend my
12 welcome to you. I kind of almost wouldn't know that you were
13 going to be here because I happened to John Hendricks last week
14 and he said -- he mentioned that there -- he thought you guys
15 were coming. But I'm a little disappointed because I was not
16 notified and called about five minutes to five and found out
17 about this meeting. So I didn't have all my notes or anything
18 to be prepared for this.

19 But in view of that fact I want to speak to the
20 community coordinator and the recent resignation that happened.
21 And note that that position is important because if that
22 position was filled I'm sure I would have been notified of this
23 meeting. So it's, you know, just to make the point that I hope
24 that you still support the community facilitator and
25 coordinator program because it's real important to have good

1 communications. And if it means to have someone sit at your
2 office and, you know, be in that place then that's -- I want to
3 emphasize that it's important. Seward's a little different
4 kind of community because it's not all just a small Native
5 village where everybody knows what everybody is doing. So my
6 role here is a little different than it would be out at Chenega
7 Bay or something.

8 But just so you know, I do send in reports and I do
9 listen to what is happening with EVOS and try to communicate
10 that to the Qutekcak Native Tribe and feel that it's an
11 important position, whether I'm in it or someone else, you
12 know, it depends on who's in the position how much input or
13 output goes into that. But it's still an important position,
14 so I would like to just say I hope you support that program
15 whether it's in Seward or other places.

16 A couple of other things. I'd like to just say that
17 I'll hope that you'll consider the proposal on the exhibit.
18 The proposal that was put forth by the Alaska Native Harbor
19 Seal Commission and to work with the SeaLife Center to make
20 sure the exhibit, whatever it is, the videos, the Alutiiq Story
21 of Subsistence is a good example of that. That everything is
22 accurate to the public for what the Native subsistence ideals
23 and culture has to do with it, the sea mammals.

24 The other thing is the museum repository project.
25 Maybe it can't be in the viewpoint of everyone but it still, I

1 think, would be something that would be good for the tribe to
2 work with you on that if you decide to fund that. I don't --
3 I'm not sure what the viewpoints are as far as how much it
4 would be involved with it, but still I think it would be good
5 to have the artifacts go back to the different communities that
6 they want, you know, just so that they would have something
7 there.

8 And it doesn't -- you know, just because I work for the
9 tribe and for you doesn't mean that I am not concerned as a
10 regular citizen either. I kind of walk in two worlds as far as
11 the Native viewpoints and the non-Native viewpoints because the
12 nature of the community -- you know, today life, you know.
13 We're all concerned with conserving the lands and that kind of
14 thing.

15 Some people are real strong in their viewpoints that
16 they don't like the habitat acquisition that much. I'm not one
17 of those. I think that it's good as long as the promises are
18 kept that the Natives that are able to do their subsistence on
19 the land if they want to. You know, keeping in mind the game
20 and that kind of thing is still available for that.

21 But anyway, I'm glad that you came to Seward and thank
22 you.

23 CHAIRMAN RUE: Thank you. Molly, did you.....

24 MS. McCAMMON: Yeah, Mr. Chairman. Molly, I
25 guess I want to extend, first of all, my deep apologies for not

1 -- for you not being notified. I thought you were going to be
2 and I think that there is a problem right now because we do
3 have a vacancy with the community involvement coordinator and I
4 think the exemplifies -- this just shows exactly why we need
5 that position and why it's so important to make sure that we
6 have that communication between the communities at our office.
7 But I'm really sorry because I thought you were being notified
8 anyway and I apologize for the lack of communication there.

9 Molly has been a very effective community facilitator,
10 she has done an excellent job of reporting to our office
11 what's happening in the community of Seward. She notifies us
12 about what's happening with the City Council, what's happening
13 with the tribe. And you may not know it out there but she
14 keeps very close tabs on what's going on in the community and
15 does a really good job of getting that information back to us.
16 So she is, I think, one of the best examples of what this
17 program can provide to the Council.

18 CHAIRMAN RUE: Great. Thank you, Molly.

19 MS. BURTON: Thanks.

20 CHAIRMAN RUE: Yeah. Actually people should
21 tell us who they are as they come up, it's helpful. Thank you.

22 MR. LODGE: Good evening, my name is Dennis
23 Lodge and I welcome you all to Seward on behalf of the Prince
24 William Sound Regional Citizens Advisory Council. I'm the
25 local representative on the board of directors for the RCAC, as

1 well as being an educator in marine subjects at the Alaska
2 Vocational Technical Center which is just about one mile down
3 the road from us.

4 I'll give you a little bit of background to let you
5 know where I'm coming from. I've spent 45 years connected with
6 the maritime industry throughout the world. About 20 years
7 here in the states, most of it in Alaska. Seven of those years
8 were spent sailing on oil tankers, so I can see the other side
9 of the coin when we're looking at oil spills. And a lot of the
10 time has been spent as an educator educating ships' officers
11 and commercial fishermen in a variety of marine science
12 techniques.

13 One thing we haven't addressed and I believe not enough
14 money is being spent on is prevention. We all see prevention
15 as a way to alleviate all the problems of the amelioration.
16 We're spending a lot of time here tonight talking about how to
17 prevent future problems and to enhance the environment,
18 cleanups and so on. There would be no need for any of that if
19 the spill hadn't occurred. And we're probably still not
20 further forward today than we were eight years ago with regard
21 to prevention. I'm familiar with all the work that's being
22 done by the RCAC and I believe we are safer now than we were
23 the night that the Exxon Valdez sailed into trouble. We now
24 have better escort systems in the Sound but we're still working
25 with old technology. We haven't got the best tug boats yet,

1 although they are planned, we will have them shortly.

2 But tonight there could be a disaster just as serious
3 as the Exxon Valdez disaster. The tug boats are the same, the
4 weather conditions are the same, most of the vessels are still
5 sailing there. We have vessel traffic system in the Sound
6 which tracks the vessels and warns them if they're getting into
7 trouble if the master or the mates don't watch where they're
8 going. There's a Coast Guard operator watching them on a radar
9 screen and he can give them a shout on the radio and warn them
10 they're getting into trouble. But if it's a mechanical failure
11 there's nothing the Coast Guard can do about it. It depends
12 upon the ship's crew who are there to solve the problem out.
13 If it's a major engine breakdown and they can't solve the
14 problem and they're just outside Hinchinbrook Entrance, the way
15 the currents flow and the major winds flow would likely carry
16 that vessel onto Seal Rocks and instead of just spilling just
17 20 percent of the cargo, like the Exxon Valdez did, we could
18 spill 100 percent.

19 We think that the Exxon Valdez was a bad spill, it was
20 the major spill in this nation but you got to remember she only
21 spilled one-fifth of her cargo. The spill could have been five
22 times greater and the oil on the beaches could have been five
23 times thicker.

24 The reason I'm making this presentation is to bounce a
25 few ideas off of you in the areas of prevention. My school,

1 just down the road, dreamed up two years before the spill the
2 idea that there could be a major spill in the Sound. We
3 applied to the Department of Education for software to enhance
4 a radar simulator that we have at the AVTEC and the amazing
5 thing is that just six months before the spill we did get this
6 complex software which has Prince William Sound database with
7 all the water depths, the mountain heights, the topography and
8 the coastline of Prince William Sound, all of it digitized to
9 an accuracy of plus or minus eight yards. And that allows us
10 to training tanker captains to drive up and down on the radar
11 scope and have emergency scenarios, loss of power, loss of
12 steering, bad weather conditions, icebergs, can all be featured
13 into the simulator which is now 12 years old. It's kind of bit
14 long in the tooth. But the interesting thing is we had that
15 facility six months before the oil spill. Joe Hazelwood never
16 came along and none of the Exxon captains came along.

17 We've been using that simulator since the spill for
18 training operators of the rescue tugs, the service vessels, as
19 we call them, the ship escort vessels, for training commercial
20 fishermen in tanker avoidance, for training the tug boat
21 operators in iceberg avoidance techniques. And just this
22 weekend, for example, we had some top naval architects from
23 Massachusetts across in Seward doing some simulations for
24 proposed placing of sentinel tug boats at predetermined spots
25 in Prince William Sound that would be available to rush out to

1 the aid of a tanker in distress from a prepositioned point
2 rather than with a continuous escort.

3 There's an argument going on at the moment as to which
4 is best; continuous escort of the tanker with all the extra
5 risks it brings in -- we just spent over a million dollars, the
6 RCAC, together with industry, doing a risk survey. And the
7 risk survey said, actually, tug boats in constant attendance to
8 a tanker actually increase the risk. If you can put the tug
9 boat in a prepositioned placement, maybe halfway down the
10 Sound, they're about Naked Island, Bligh Reef and Port Etches
11 being the three positions in the Sound where tug boats will be
12 prepositioned ready to rush out to a Mayday call. This
13 weekend, the holiday weekend, we spent three days with these
14 naval architects from Massachusetts running the old simulator
15 with these different scenarios. The simulator is very good at
16 time/speed/distance measurements and the way that a tanker
17 slows down when it loses engine power. So they're able to
18 simulate fairly exactly what would happened in different places
19 in the sound with an engine failure or a steering failure. How
20 quickly a vessel would run onto Green Island or onto Naked
21 Island or over onto Goose Island, for example, if the rudder
22 was the other way around. If the rudder failure failed the
23 other way. We found some interesting facts which will be
24 published shortly in RCAC documentation.

25 But let me get back to why I'm here. The simulation

1 has improved a great deal over the last 12 years since we had
2 our simulator. Computers have got faster. The ability to put
3 land masses on bridge windows, wheelhouse windows, with
4 computer projection systems can make very realistic visual
5 displays of docks, land, mountains, buoys, so that you can
6 drive a simulated ship, almost like the real thing. The same
7 thing that you've noticed on television documentaries about
8 Army/Air Force training for Dessert Storm in this virtual
9 reality kind of displays they have. Very realistic. The
10 military couldn't work today without simulation.

11 Another way in which simulation is being used locally
12 is in Anchorage at Merrill Field, the University of Alaska-
13 Anchorage has just spent \$11,000,000.00 on an air traffic
14 simulator. Senator Ted Stevens pushed very hard to get the
15 funding for that, together with the university, and now they
16 have a superb aircraft simulator at Merrill Field which is
17 training air traffic controllers and pilots in accident
18 prevention. There are big simulators for marine work around
19 the nation. I've attended one of the best ones down in Dania,
20 Florida, which is near Fort Lauderdale. And that was a
21 \$13,000,000.00 installation. Probably the best in the world
22 when it comes to computer simulation. There's one big drawback
23 with those simulators, the instructor are all non-Alaskans.
24 They have no interest whatsoever in the Alaskan environment,
25 most of them have never set foot in Alaska, so they have no

1 knowledge of local weather conditions. And if you're in Fort
2 Lauderdale you don't see many icebergs, you don't see many
3 fogs. So we think that upgrading the simulator here in Seward
4 with the local knowledge from local pilots, local fishermen,
5 local people like yourselves who live in Alaska, with -- all
6 with input could produce simulation that would be far better
7 than anywhere else in the nation because of the local knowledge
8 involved.

9 So we're hoping to bend your ear to maybe produce some
10 funds to prevent spills in the first place. We have a saying
11 in the RCAC "Once the oil is in the water the battle is lost."
12 If we can keep the oil out of the water that's a major
13 achievement and keeping oil out of the water -- one way to do
14 it, of course, is to train ships' officers better. There's a
15 lot of new techniques being developed since the Exxon Valdez
16 spill in error chain monitoring, for example, in bridge
17 management techniques, in ship simulation techniques, ship
18 handling techniques. All in the last eight years, and they're
19 becoming cheaper and more available as software becomes more
20 widespread.

21 And we going to fight on with the old simulator here in
22 Seward. By the way, any of you would like -- if you'd like to,
23 after this meeting, drop around and see the old machine in
24 operation and maybe want to drive a tanker through Valdez
25 Narrows you're welcome to try it. But it's getting long in the

1 tooth. It so old, in fact, that the company that made it said
2 they're not making any spare parts and if it breaks down we've
3 had it. There's just no spares available. Most electronic
4 machines are made to have a working life of six to eight years.
5 Once you get a 12 year old electronic machine it's on its last
6 legs and you -- even though it's useful, spares become a
7 problem.

8 So maybe one project you could consider is spill
9 prevention from the way of better simulation. We know
10 simulation works, everyone else uses it and there are plenty of
11 marine simulators throughout the nation but we haven't got one
12 in Alaska and -- well, they're the main points I had to
13 mention.

14 Oh, what about the value to the Council, you people, of
15 such simulation? Well, it's a very public -- it invites the
16 press. A lot of people attend it. A lot of mariners, a lot of
17 commercial fishermen would attend it. A lot of tug boat
18 operators, a lot of pilots. It's very visible. It's a visible
19 way of spending the funds. When you spend them on trees and
20 land, especially at remote places, like the Eyak Tribe, for
21 example, land it's not visible to a large part of the state.
22 But some simulation with invites to the public to come and view
23 it and the press might be good publicity.

24 I think that's all I needed to say and if you have any
25 questions I'll be glad to answer them. Commissioner Brown

1 knows a little bit about what we've been doing. Money has been
2 made available for simulation for -- not for simulation, for
3 research. And research, when we look deeper into it, involved
4 things like use of dispersants or insitu-burning of oil, those
5 kind of projects. When we came up to various people, like the
6 DEC, with ideas on simulation they said, well, that's not
7 really research. I beg to differ in that respect. I think it's
8 pure research.

9 If you have a good simulator, for example, you can --
10 for example, there's talk of straightening out the dog's leg in
11 the traffic lane as the tankers run down from Bligh Reef down
12 towards Hinchinbrook entrance. There's a jog in the traffic
13 lane at the moment that came in when the oil first started to
14 flow as a result of a purse seine fishery in that area. The
15 tankers have to make a dog's leg to avoid this purse seine
16 fishery. Well that fishery no longer exists, but the tankers
17 still make a dog's leg for no apparent reason. The Coast Guard
18 are now thinking of straightening out the dog's leg but then
19 they're worrying about what the effect will be. How close will
20 a tanker now pass to the land? What are the dangers of
21 straightening out the dog's leg. A simulator can very quickly
22 give you all the answers you need. As well as training people
23 it can produce a lot of answers in the effect of iceberg
24 avoidance. Placing of buoyage in the Sound. Best transits to
25 go through Hinchinbrook Entrance, laying down fairways. All

1 this kind of--- this is pure research, can be done on a
2 simulator very quickly rather than spending millions of dollars
3 driving ships up and down. You see, the simulator can have
4 breakdowns with no damage. You can try all the worse scenarios
5 you like, the worst weather conditions, complete loss of
6 steering combined with complete loss of power, and you see on
7 the simulator exactly what's going to happen with no danger to
8 the public or the environment. There's no other way you can do
9 that. So I think the simulator is a very good research tool
10 just as insitu-burning is a research tool or chemical
11 dispersant is a research tool.

12 Thank you. Did you have a question?

13 CHAIRMAN RUE: No. I was just going to say I
14 think Michele Brown would probably love to come and drive your
15 simulation sometime.

16 MR. LODGE: Yeah, she did mention it.

17 MS. BROWN: Yeah, if we have time I would love
18 to do that.

19 CHAIRMAN RUE: Thank you. Does anyone have a
20 question for Dennis?

21 MR. LODGE: Or any question, maybe, from the
22 audience?

23 CHAIRMAN RUE: Yeah.

24 MR. LODGE: Well, I've gone on a bit long
25 there, but we feel it is important and that very, very little

1 is being done in prevention. And we're just almost as much at
2 risk tonight as we were eight years ago. We could be starting
3 all over again back to square one. We could be forming a new
4 Council and back to square one again, God forbid.

5 CHAIRMAN RUE: Let's hope not.

6 MR. RICE: Yes, is industry participating in --
7 or would they support a simulator (indiscernible -- away from
8 microphone).....

9 MR. LODGE: They would. They're already
10 attending classes that we run but, you know, it's always
11 difficult getting commitments from industry. As a matter of
12 fact the Prince William Sound RCAC has made a resolution
13 supporting simulation and stating that they would put seed
14 money into the project if the EVOS Council would come up with
15 solid funds. But that was two years and still nothing has
16 happened. So industry would support this by sending people
17 along. Whether they would be prepared to put hard cash into
18 the system I don't know.

19 MR. RICE: You're the one that could
20 (indiscernible - away from microphone).....

21 MR. LODGE: Yeah.

22 (Indiscernible)

23 MR. LODGE: It's always difficult to prove that
24 education works, you know, because how do you really prove it?
25 Well, I suppose you can look at figures and you look at results

1 a-few years down the road between educated mariners and
2 uneducated ones. But the whole industry is changing
3 dramatically at the moment with the U.S. Coast Guard buying
4 into International Maritime Organization rules. The whole
5 licensing system in the USA and the training system is now
6 bending toward international agreements being formulated in
7 London and Geneva. And the Coast Guard are having to buy into
8 this so the whole system is in a state of flux. But one thing
9 that the International Maritime Organization insists on is that
10 in future all mariners must have hands-on training on
11 simulators because that's the way to go. Just like the
12 military goes that way.

13 CHAIRMAN RUE: Well, Dennis, I think there may
14 be others in the audience who want to speak and.....

15 MR. LODGE: Yeah, I've gone on too long.

16 CHAIRMAN RUE: Well, no. Thank you very much
17 that's very helpful, it's good to hear.

18 Are there others out in the audience who would like
19 to.....

20 MR. LODGE: If not, I'll come back.

21 CHAIRMAN RUE: Yeah, that's fine. That's fine.
22 Anyone else out there like to address the Council on any issue?
23 Yeah, come forward. Let us know your name and.....

24 MS. CLAYTON: Hi, my name is Linda Clayton, I
25 live here in Seward and I'm associated with the University of

1 Alaska-Fairbanks campus. As a member of the local research
2 community and a member of a fishing family I strongly
3 understand the benefits to our natural resources that have come
4 from the backing by the EVOS Council with its funding in all
5 aspects of the research restoration areas. I realize that the
6 National Park representatives would like your assistance in
7 helping them obtain financial help to secure property to add to
8 their park system but I feel that the National Park System as a
9 Federal government department needs to look beyond its goal of
10 adding property to its parks system and realize that studies
11 conducted in research fields, both to animals and to plants,
12 are the basics which have allowed the Park System to maintain
13 its good parks. The parks have benefited greatly from these (
14 studies conducted by the science community.

15 The fishing community and the communities which have
16 suffered from the oil spill need your assistance to help
17 further the research studies to assure a complete restoration
18 of the damaged ecosystems and, in turn, this will benefit the
19 land areas that you previously mentioned this evening that the
20 EVOS Council has assisted in obtaining for various departments,
21 whether it be the Forest Service, National Parks Wildlife
22 Refuge.

23 I think the EVOS Council has done a remarkable job.
24 You started with a disaster, that's how your job started and
25 further research will give us the opportunity to help us, if

1 God forbid; we ever have to have another oil spill.

2 Thank you.

3 CHAIRMAN RUE: Thank you, Linda. Any questions
4 for Linda?

5 MR. SAKURA: Actually, Mr. Chairman, I'd like
6 to say a few words and one is I'm the Interior Department
7 representative and I work for the Assistant Secretary for Fish
8 and Wildlife and Parks, who oversees both the Park Service and
9 the Fish and Wildlife Service. And I would just like to thank
10 the people in Seward for their strong support of the land
11 acquisitions. Mayor Bankford, you know, the members of the
12 City Council, the environmental community here, the business
13 community, the tourism community. We had an excellent signing
14 ceremony with Secretary of Interior just last week.

15 In terms of the science program I know that the
16 Department of Interior and National Park Service fully supports
17 a strong integrated science program as a part of an overall
18 land management effort and we strongly support the science
19 effort and very much appreciate your comments it that regard.

20 Thank you.

21 CHAIRMAN RUE: Okay. Other questions from
22 Council members?

23 (No audible responses)

24 CHAIRMAN RUE: Any other members of the public
25 like to come forward? Yeah.

1 MR. PAUL: For the record my name is A. J. Paul
2 and I'm a marine biological type that's worked for the
3 University of Alaska. I've been here since 1970 and one thing
4 I'd like to point out on the map number 1, the EVOS oil spill
5 region, is kind of a black hole when it comes to scientific
6 research. It falls inside of State waters, so the Federal
7 agencies typically don't fund marine research there.

8 For example, my own self, even though I live here in
9 Seward, I know a heck of a lot more about the Southeastern
10 Bering Sea than I do about my own backyard, my own fjord out in
11 front here. Because the Federal agencies, like NSF, and the
12 SEA Grant Program, and those kind of programs that support a
13 lot of the research that Dr. Spies has talked about and a lot
14 of research that the Trustees have funded since its inception
15 has no other source to go to, other than the Trustees.

16 And I would like to see that the Reserve is a perpetual
17 fund. If I came into money like the Trustees came into money
18 and I was concerned about my family or my town I would like to
19 see it as a perpetual fund so that it would have a longer life.
20 And I hope that we can continue to do the kind of research that
21 we've been doing, I think it's really important and I think the
22 Trustees are probably the only agency that has the chance to
23 look into the farther future and to support research.

24 Thank you.

25 CHAIRMAN RUE: Thank you. Any questions of

1 Mr. Paul?

2 (No audible responses)

3 CHAIRMAN RUE: No. Thank you, A.J. Anyone
4 else in the audience like to give their comments, their
5 thoughts? There must be someone.

6 MS. McCAMMON: It's too quiet.

7 CHAIRMAN RUE: Yeah, it's way too quiet.
8 They're all waiting for the movie.

9 MR. RICE: I'd like to kind of step forward in
10 the future. Excuse me, I'm Bud Rice, National Park Service,
11 but I'm sort of curious if anybody has a -- on the panel here
12 has a vision as to how the Trustee Council will be -- or who
13 will have management oversight of the endowment? What are we
14 going to do after 2001; will the Council continue as it is or
15 will it be modified or changed drastically in some way? Any
16 vision or thoughts about that?

17 CHAIRMAN RUE: Since I'm chairing this meeting
18 I guess I get to go first. I don't -- Bud, I think that's a
19 very good question, I think that's exactly the kind of thing
20 that the Council is going to have to look at. Personally, I
21 think the idea of multi-agency with a public process to involve
22 the public has worked well. There has been criticisms of it,
23 but I still think you don't get parochial agency views as much
24 as you would, I think, if one agency or one entity were
25 managing it. You get much broader prospective, I think. So I

1 think that's good to bring as many prospectives including a
2 very strong public process into it. So I would advocate some
3 kind of system that kept that broad oversight, broad
4 interaction. And particularly when you have -- as A.J. was
5 saying, you got different agencies doing research anyway, the
6 State doing some research, the Federal government doing
7 research, the university -- I think it would be interesting to
8 look at what the university's role might be in a future
9 endowment. Right now it doesn't have any official role, but I
10 certainly be interested in discussing how that role could be
11 played out.

12 Other members want to venture a.....

13 MR. TILLERY: I've given that a fair amount of
14 thought over the last couple of years. Legally there are some
15 steps that would have to be taken. I think the concept of
16 having multiple agencies working together the way the Trustee
17 Council has done it has been beneficial not only for the
18 programs, but I think it's had impacts even beyond the Council
19 programs in just bringing people together and so forth. I
20 think that should be continued. And I certainly would look
21 forward to hearing from the public what their views are, but at
22 least initially, my own view is that the Council needs to go
23 out of business about the year 2001 and it needs to be
24 replaced, perhaps by something with very many of the same
25 agencies, but with a public component, perhaps with a

1 university component. With sort of a broader independent group
2 to see how this money would go. Again, hearing the views of
3 the public I may very well change that but at least initially
4 my thinking was we should go away and something else should
5 take our place.

6 CHAIRMAN RUE: Other Council member want to --
7 or others want to venture a vision?

8 (No audible responses)

9 CHAIRMAN RUE: Okay. Any other members of the
10 public like to give us their thoughts?

11 MR. GIBBONS: Or vision.

12 CHAIRMAN RUE: Or vision, yeah.

13 MR. ADAMS: My name is Chuck Adams, I'm a
14 resident of Seward and I just want to say that I agree with
15 what Bob Spies said. Two things in particular. I think
16 setting up some sort of endowment so that there's money in
17 perpetuity for whatever needs might arise is a good idea. And
18 the other thing he said that I just wanted to reemphasize is,
19 you know, when you look at these maps, you know, there's a lot
20 of land acquisitions, and that's great, but a lot of these sea
21 critters they spend their entire lives at sea or -- and I know
22 there's no way to protect them, other than research, so I
23 really thing that research needs to be the future of this --
24 where it's going.

25 Thanks.

1 CHAIRMAN RUE: Thank you, Chuck. Anyone have
2 questions of Chuck or comments?

3 (No audible responses)

4 CHAIRMAN RUE: No? Other members of the public
5 wish to give us their visions or thoughts?

6 MR. HENDRICKS: John Hendricks with the Alaska
7 SeaLife Center and although I have some access to you
8 privately, I suppose what I should say should be public and
9 that will work that way. I'd like to bring you an Outside
10 view. As you know I've been here in Alaska for only about
11 seven months and I'd like to offer you a view from outside of
12 Alaska on maybe what you're doing.

13 First of all, the City Council, I believe it was the
14 night before last, passed a resolution in which they endorsed a
15 long view and recommendation to the Council and I will have a
16 copy of that provided for your notes later on. But basically
17 it was the long view looking down to the establishment of a
18 trust. And Molly's bringing out a piece of paper and I assume
19 that that's the piece of paper right there.

20 MS. McCAMMON: It was hand-delivered today.

21 MR. HENDRICKS: So I will leave it as it is for
22 however you may choose to use it. But the other thing of it
23 is, is I originally came from the Texas AM University system
24 and a system there that used what we called a Permanent
25 University Fund that was established as part of the land grant

1 college system back in 1876 I believe it was. That was a long
2 view on education and it's worked for Texas for a long, long
3 time and as an administrator within that system and looking at
4 things, you have a mechanism here in the future to help you
5 with that and the fact that your Permanent Fund here in Alaska
6 is rather favorably known throughout the United States as being
7 a well-managed, very foresightful, thoughtful thing. If you do
8 choose to take the long look and you do choose a trust, you do
9 choose to invest in the future. I would suggest that you
10 already have mechanisms here in Alaska that are more than able
11 to help you and make that come true and make it come true in a
12 very effective way. You don't have to look very far here. And
13 investment in the future you already have the mechanisms, you
14 already have established the way to go and the means with which
15 to do it.

16 Thank you very much.

17 CHAIRMAN RUE: Thank you very much, John, I
18 think that's important advice. Are there other members of the
19 audience who would like to come forward and address the
20 Council? Or any questions of Council members?

21 MS. BROWN: Can I just ask one?

22 CHAIRMAN RUE: Yeah, Michele.

23 MS. BROWN: To follow up on your question -- on
24 your comment and you're thinking in terms of having the funds
25 actually managed by the same folks? Do you also have a view on

1 the question that came up earlier about who should be, not the
2 financial managers, but the actual decision makers when this
3 Council has to make the decision whether to disband or recreate
4 itself?

5 MR. HENDRICKS: I think Craig had a point there
6 and I'll have to come back. I think this is not something that
7 you would draw from the Outside, I think this is something that
8 has to be uniquely Alaskan. And I don't -- I personally don't
9 really know enough about Alaska at the time to do it, but I
10 seem to hear some voices inside of Craig's comment that there
11 had to be a wider representation, there had to be more of a
12 community -- more of a State representation that had to be
13 brought back within the community users, whether that be
14 industry or not. But I really don't know Alaska enough to
15 comment on that. I do know permanent funds and I do know their
16 effects and I know how they can really invest in the future and
17 what can do and that I feel pretty well qualified to comment
18 on.

19 MS. BROWN: Thank you.

20 MR. HENDRICKS: But I would suggest looking
21 within your own communities.

22 MS. BROWN: Um-hum. Thank you.

23 CHAIRMAN RUE: Good, I think we plan to do
24 that, I think that's good advice. Any other comments from the
25 audience?

1 (No audible responses)

2 CHAIRMAN RUE: Council members, do we want to
3 take a -- Molly, should we take a short break and then we're
4 going to have the movie? How's the program going to work?

5 MS. McCAMMON: Yeah, we take maybe a 10 minute
6 break or 10 or 15 minute break and then start the film.

7 CHAIRMAN RUE: And everybody is invited to stay
8 for the film.

9 MS. McCAMMON: Yes, please do.

10 CHAIRMAN RUE: Great. As long as there are no
11 other comments then, thank you all very much.

12 (Off record - 6:31 p.m.)

13 Note: The film "Alutiiq Pride: A Story of
14 Subsistence" was viewed. At the end of the film, Chairman Rue,
15 asked for any further comment and there being none, thanked the
16 audience and concluded the meeting at approximately 7:20 p.m.

17 (END OF PROCEEDINGS)

18

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C E R T I F I C A T E

UNITED STATES OF AMERICA)
) ss.
STATE OF ALASKA)

I, Joseph P. Kolasinski, Notary Public in and for the State of Alaska and Owner of Computer Matrix do hereby certify:

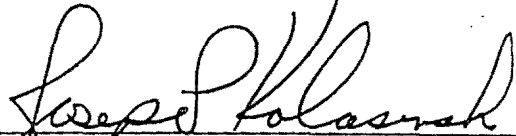
THAT the foregoing pages numbered 4 through 47 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council Public Meeting recorded electronically by me on the 29th day of May 1997, commencing at the hour of 5:15 p.m. at the Rae Building in Seward, Alaska, and thereafter transcribed by me to the best of my knowledge and ability.

THAT the Transcript has been prepared at the request of:

EXXON VALDEZ TRUSTEE COUNCIL, 645 G Street,
Anchorage, Alaska 99501;

DATED at Anchorage, Alaska this 5th day of June 1997.

SIGNED AND CERTIFIED TO BY:



Joseph P. Kolasinski
Notary Public in and for Alaska
My Commission Expires: 04/17/00

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

Friday, May 23, 1997 @ 10:00 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

● Jim Wolfe, USFS
Deborah Williams, USDOJ
*Steve Pennoyer, NMFS

Frank Rue, ADF&G
● Ginny Fay, ADEC
● Craig Tillery, ADOL

* Chair

● Alternates:

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Ginny Fay served as an alternate for Michele Brown for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda, unanimously.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved the March 3, April 18, April 25, and May 9, 1997, Trustee Council meeting notes. Motion by Wolfe, second by Williams.

PUBLIC COMMENTS FROM SIX INDIVIDUALS FROM ANCHORAGE, JUNEAU, KENAI.

3. Small Parcels

APPROVED MOTION: To move Parcels KEN 1060 A - D, KEN 1061, KEN 1062 A - C, and KEN 1070 to Parcels Meriting Special Consideration. Motion by Rue, second by Tillery.

4. Executive Session

APPROVED MOTION: Adjourn into Executive Session for the purpose of discussing habitat acquisition. Motion by Williams, second by Wolfe.

Off Record at 11:21 a.m.

On Record at 12:06 p.m.

Meeting adjourned at 12:10 p.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

May 9, 1997 @ 8:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

Jim Wolfe, USFS
Deborah Williams, USDOJ
*Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
●Craig Tillery, ADOL

* Chair

● Alternates:

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Williams, second by Wolfe.

2. Executive Session

APPROVED MOTION: Adjourn into Executive Session for the purpose of discussing Habitat Negotiations and Strategy a personnel issue. Motion by Wolfe, second by Brown.

Off Record (8:46 a.m.)

On Record (10:40 a.m.)

3. Afognak Joint Venture

APPROVED MOTION: Authorize Alaska Department of Law or the United States to offer Afognak Joint Venture (AJV) \$70,000,000 for the purchase in fee, of parcels AJV-3A, AJV-7, the eastern half of AJV-8, and AJV-1, with acquisition of AJV-1 following a limited harvest planned and approved in cooperation with the governments. Motion by Tillery, second by Rue.

Meeting recessed at 11:13 a.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

April 25, 1997 @ 4:00 p.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

Jim Wolfe, USFS
Deborah Williams, USDOJ
*Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
●Craig Tillery, ADOL

* Chair

● Alternates:

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda.

2. Chenega Shoreline Oiling Project

APPROVED MOTION: Approve the Chenega Shoreline Oiling Project 97291, adopt as findings on the record the memoranda dated April 25, 1997 from Robert Spies, Chief Scientist to Molly McCammon, Executive Director and from Molly McCammon to the Trustee Council and approve additional funding in an amount not to exceed \$150,000 to NOAA for the monitoring component of the project and \$25,000 to ADEC to expand the use of protective boom. Also, add to the findings that protective booms will be left in place until no active sheening is observed for two days in the nearshore and that the treated beaches will be posted, advising that resources should not be harvested for consumption for one year or until laboratory analysis confirms that hydrocarbons have returned to background levels and there are no detectable residues of PES-51. Motion by Brown, second by Wolfe.

Meeting recessed at 5:06 p.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

April 18, 1997 @ 10:30 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

● Jim Wolfe, USFS
Deborah Williams, USDOJ
*Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
Craig Tillery, ADOL

* Chair

● Alternates:

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda.

2. Executive Session

APPROVED MOTION: Adjourn into Executive Session for the purpose of discussions on habitat negotiations and strategy and the Afognak Joint Venture land acquisition project. Motion by Williams, second by Wolfe.

Off Record at 10:40 a.m.

On Record at 11:16 a.m.

3. Technical Budget Amendments

APPROVED MOTION: Transfer \$29,300.00 from Project 97163H to Project 97163M to increase the collection of pigeon guillemot data. Motion by Williams, second by Wolfe.

4. Chenega Shoreline Oiling Project

APPROVED MOTION: Agency staff to convene a mini workshop to discuss questions regarding the use of PES-51. Motion by Wolfe, second by Brown.

Meeting recessed at 11:58 a.m.

raw

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



TRUSTEE COUNCIL MEETING ACTIONS

March 3, 1997 @ 10 a.m.

By Molly McCammon
Executive Director

Trustee Council Members Present:

Phil Janik, USFS
Deborah Williams, USDO
Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
*●Craig Tillery, ADOL

* Chair

● Alternates:

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Pennoyer, second by Williams.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved February 14, 1997 Trustee Council meeting notes.
Motion by Williams, second by Pennoyer.

3. Overlook Park/KEN 55

APPROVED MOTION: Authorize the Alaska Department of Natural Resources to acquire the Overlook parcel (KEN 55), consisting of 97 acres along the Sterling Highway, just outside of Homer for an approved appraisal price of \$279,000. Motion by Williams, second by Brown.

4. Executive Session

APPROVED MOTION: Adjourn into Executive Session to discuss Habitat Protection Acquisition negotiation strategy. Motion by Tillery, second by Pennoyer.

Off Record at 11:36 a.m.

On Record at 3:24 p.m.

Meeting adjourned at 3:35.

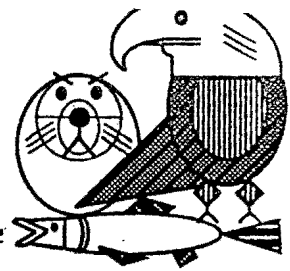
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Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



TRUSTEE COUNCIL MEETING ACTIONS

February 14, 1997 @ 8:30 a.m.

By Molly McCammon
Executive Director

DRAFT

Trustee Council Members Present:

• Jim Wolfe, USFS
• Deborah Williams, USDO
Steve Pennoyer, NMFS

Frank Rue, ADF&G
Michele Brown, ADEC
*• Craig Tillery, ADOL

* Chair

• Alternates:

Deborah Williams served as an alternate for George T. Frampton, Jr. for the entire meeting.

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

1. Approval of the Agenda

APPROVED MOTION: Approved the Agenda. Motion by Williams, second by Wolfe.

2. Approval of the Meeting Minutes

APPROVED MOTION: Approved December 6, 1996 Trustee Council meeting notes. Motion by Pennoyer, second by Rue.

3. Data Policy

APPROVED MOTION: Adopted the Data Policy detailed as an attachment to the February 6, 1997 memo from the Executive Director to state and federal attorneys. Motion by Williams, second by Rue. (Attachment A)

4. Deferred Work Plan Projects (Attachment B)

APPROVED MOTION: Adopted the Executive Director's recommended amendment to Project 97100, that adds \$71,400 in FY97 funds and \$29,300 in FY98 funds to obtain documentary-style film and still photos. Motion by Williams, second by Rue.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

APPROVED MOTION: Adopted the Executive Director's recommendation on Project 97162 for an additional \$34,300 to study the disease levels associated with the herring pound fishery in Prince William Sound. Motion by Rue, second by Brown.

APPROVED MOTION: Adopted the Executive Director's recommendation on Project 97248 to provide \$46,900 in funds and to integrate it into SEA Project 97320T, contingent upon an approved detailed project description and budget. Motion by Williams, second by Rue.

APPROVED MOTION: Adopted the Executive Director's recommendation on Project 97254 to approve the project for \$123,100 for limnological work only and that the Alaska Department of Fish and Game work cooperatively with the Department of the Interior to carry out this project. Motion by Rue, second by Wolfe.

5. Executive Session

APPROVED MOTION: Adjourn into executive Session for the purpose of discussing habitat acquisition and the Executive Director's evaluation. Motion by Williams, second by Rue.

Off Record at 11:24 a.m.
On Record at 1:05 p.m.

6. English Bay

APPROVED MOTION: Approved resolution to offer English Bay Corporation \$14.1 million for approximately 32,400 acres. Motion by Williams, second by Rue. (Attachment C)

7. Roberts Parcel (KEN - 1038)

APPROVED MOTION: Approved resolution to offer \$698,000 for 3.34 acres on the Kenai River, in Soldotna, for the Roberts/Schilling parcel. Motion by Rue, second by Brown. (Attachment D)

8. Chenega Amendment

APPROVED MOTION: Approved the amended Chenega resolution clarifying that of the \$34,000,000 purchase price, \$24,000,000 comes from the Trustee Council and \$10,000,000 from the federal restitution funds. Second, it allows the Trustee Council to go forward with the court

request for the required funds and deposits the money into the federal NRDA R account to be immediately available for closing. Motion by Williams, second by Wolfe. (Attachment E)

Meeting recessed at 1:37 p.m.

raw

**For Consideration at the
Trustee Council Meeting
February 14, 1997**

EXISTING POLICY

According to policy number 20 in the *Exxon Valdez Oil Spill Restoration Plan* (November 1994):

Restoration must reflect public ownership of the process by timely release and reasonable access to information and data.

Information from restoration projects must be available to other scientists and to the general public in a form that can be easily used and understood. An effective restoration program requires the timely release of such information. This policy underscores the fact that since the restoration program is funded by public money, the public owns the results.

In addition, item number 5 under Professional Services Contracts in the Trustee Council *Procedures* adopted August 29, 1996 states:

Special Considerations. All notes and other data developed by the contractor shall remain the sole property of the contracting agency.

PROPOSED CLARIFICATION

We now propose to clarify this statement of Trustee Council policy by adoption of the following:

Therefore, consistent with state and federal laws, any data or other products resulting from any project to which the Trustee Council has contributed financially are in the public domain and as such must be available to the public. ~~Fees will only be charged for copies of data in accordance with the Federal Freedom of Information Act, the State Public Records Act, or other applicable law.~~ Data means recorded information, regardless of form or the media on which it is recorded, including computer programs, data bases, and software. Each final report on a restoration project shall include a brief description of data gathered in the project, including definition of the types of data gathered, the form or forms in which the data are recorded, the location of the data, and a permanent contact at a ~~public institution the appropriate federal or state agency~~ such that the data are accessible to the public, including scientific users, after completion of the project.

FY 97 WORK PLAN -- ADDENDUM (Projects Approved February 14, 1997)

Proj.No.	Project Title	Proposer	Lead Agency	New or Cont'd	FY97 Approved	FY98 Estimate	FY99 Estimate	FY00-02 Estimate	Total FY97 Estimate
97100(supp1)	Supplement: Administration, Science Management, and Public Information (Archaeology Planning)	All Trustee Council Agencies	ALL	Supp	\$12.1	\$0.0	\$0.0	\$0.0	\$

Project Abstract

These additional funds will supplement the public outreach portion of the administration/public information budget. The funds will be used to print additional copies of the *Comprehensive Community Plan for the Restoration of Archaeological Resources in Prince William Sound and Lower Cook Inlet* (prepared under Project 96154), and to conduct meetings on the plan in communities in Prince William Sound and Lower Cook Inlet.

Chief Scientist's Recommendation

Proposal not reviewed.

Trustee Council Action

Fund. These supplemental funds will support the necessary next step in the Trustee Council's deliberation over facilities to store and display archaeological artifacts recovered as a result of the spill cleanup, damage assessment, and restoration. [NOTE: These funds were approved by the Trustee Council on December 6, 1996 and are part of the Public Information/Science Management/Administration part of the FY 97 Work Plan.]

FY 97 WORK PLAN -- ADDENDUM (Projects Approved February 14, 1997)

Proj.No.	Project Title	Proposer	Lead Agency	New or Cont'd	FY97 Approved	FY98 Estimate	FY99 Estimate	FY00-02 Estimate	Total FY97-02 Estimate
97100(supp2)	Supplement: Administration, Science Management, and Public Information (Video Production)	All Trustee Council Agencies	ALL	Supp	\$71.4	\$29.3	\$0.0	\$0.0	\$100.7

Project Abstract

These additional funds will supplement the public outreach portion of the administration/public information budget. The funds will be used to contract, through competitive bid, with an independent film crew and a still photographer to produce a 10-minute video (for use at public meetings and press briefings), a 30-minute documentary (to be aired on public and private stations), and photographs (for use in newspapers, magazines, and other publications) covering Trustee Council restoration projects and accomplishments. Additional raw footage will be produced for video press releases and release to independent documentary filmmakers.

Chief Scientist's Recommendation

Proposal not reviewed.

Trustee Council Action

Fund. This proposal stems from Trustee Council consideration of a proposal (97301) to produce a TV pilot. The Council's action in December 1996 on Project 97301 was to "consider further the possibility of funding some elements of this proposal together with media footage to be used for various educational/outreach efforts." Currently, the Council is unable to respond to requests for such footage, significantly limiting our ability to inform the public of the progress of restoration. Members of the Public Advisory Group have expressed a strong interest in this project as an important step in getting restoration information to the public on a broader scale. Filming is scheduled for Summer 1997 and production is scheduled for Winter 1997-98 so that the products will be available in advance of the 10th anniversary of the spill. [NOTE: These funds were approved by the Trustee Council on February 14, 1997 and are part of the Public Information/Science Management/Administration part of the FY 97 Work Plan.]

FY 97 WORK PLAN -- ADDENDUM (Projects Approved February 14, 1997)

Proj.No.	Project Title	Proposer	Lead Agency	New or Cont'd	FY97 Approved	FY98 Estimate	FY99 Estimate	FY00-02 Estimate	Total FY97-02 Estimate
97162(supp)	Supplement: Investigations of Disease Factors Affecting Declines of Pacific Herring Populations in PWS	G. Marty/UC Davis R. Kocan/Univ. Washington	ADFG	Supp	\$34.3	\$0.0	\$0.0	\$0.0	\$34.3

Project Abstract

When the Pacific herring population in Prince William Sound crashed in 1993, commercial fisheries were closed. Viral hemorrhagic septicemia virus was a major cause of population decline. In 1994, the virus was isolated from 5% of fish in Prince William Sound, but in 1996 the virus was not isolated from any fish sampled from Prince William Sound or Sitka Sound. By comparison, the virus was isolated from 21% of fish sampled from the 1996 spawn-on-kelp pound fishery in Craig, Alaska. Because the pound fishery will be reopened in Prince William Sound in 1997, this project will study the prevalence of virus in fish and water associated with the pounds. Results will be compared with approved field and laboratory studies to determine if virus in pound fisheries threatens population recovery.

Chief Scientist's Recommendation

The investigators are highly qualified, and their work to date has been excellent. Disease was implicated in the herring population crash in 1993, and the reopening of the pound fishery in Spring 1997 provides an excellent opportunity to investigate the possible association between this disease and the Prince William Sound pound fishery. The proposed supplement to project 97162 has direct bearing on future management and recovery of this ecologically and commercially important species. I recommend that the supplement be funded in FY 97.

Trustee Council Action

Fund. This supplement to the ongoing Pacific herring disease project will enable researchers to monitor disease levels associated with the pound fishery in Prince William Sound. This fishery is opening in 1997 for the first time since 1993. The project is supported by the affected fishing interests, and the results are very important to the management and conservation of a key injured species. Any follow-up to this supplementary work, however, should be considered as part of the ongoing Project 162 in the context of the FY 98 work plan. [NOTE: These funds were approved by the Trustee Council on February 14, 1997.]

FY 97 WORK PLAN -- ADDENDUM (Projects Approved February 14, 1997)

Proj.No.	Project Title	Proposer	Lead Agency	New or Cont'd	FY97 Approved	FY98 Estimate	FY99 Estimate	FY00-02 Estimate	Total FY97-02 Estimate
97254	Delight and Desire Lakes Restoration	N. Dudiak/ADFG	ADFG	New 1st yr. 2 yr. project	\$123.1		\$0.0	\$0.0	\$123.1

Project Abstract

The project is intended to accelerate the recovery of the currently depressed wildstock sockeye salmon of Delight and Desire lakes through lake fertilization. Application of liquid fertilizer would increase the forage base for rearing sockeye salmon fry through nutrient enrichment. The expected result would be larger, more numerous sockeye smolt with a corresponding increase in marine survival rates.

Chief Scientist's Recommendation

I have several concerns about the ultimate cost and underlying rationale and need for a Delight and Desire lakes fertilization project, if it were to be undertaken. However, the initial limnological work, which is proposed in FY 97, appears reasonable and will be of value in itself in terms of better understanding the ecology, carrying capacity, and management of these recently glaciated lake systems. On this basis, I recommended funding only the FY 97 limnological work.

Trustee Council Action

Fund. The purpose of this project is to conduct a limnological study at Delight and Desire lakes on the outer Kenai coast to improve understanding and management of these sockeye rearing lakes. The project will be undertaken by the Alaska Department of Fish and Game, working cooperatively with the U.S. Department of the Interior. Depending upon the results of the limnological work, there may be a request for Trustee Council support of lake fertilization, but the Council's support of this limnological work is not a commitment at this time to also support fertilization. [NOTE: These funds were approved by the Trustee Council on February 14, 1997.]

FY 97 WORK PLAN -- ADDENDUM (Projects Approved February 14, 1997)

Proj.No.	Project Title	Proposer	Lead Agency	New or Cont'd	FY97 Approved	FY98 Estimate	FY99 Estimate	FY00-02 Estimate	Total FY97-02 Estimate
97320T(supp)	SEA-Juvenile Herring: Documentation of Herring and Other Forage Fish Natural History through Local and Traditional Ecological Knowledge	J. Seitz and B. Norcross/UAF	ADFG	Supp 1st yr. 2 yr. project	\$46.9		\$0.0	\$0.0	\$46.9

Project Abstract

These additional funds will supplement the juvenile herring component of the Sound Ecosystem Assessment. The funds will be used to collect historical and contemporary knowledge about the ecology of herring and other forage fish. A comprehensive literature review and primary archival records search will complement in-person interviews of individuals and groups regarding the distribution of herring and other forage fish. The project will reconstruct a historical overview of the natural history of herring in Prince William Sound, lower Cook Inlet, and Kodiak. Researchers will map information on their distribution, create an ascii file of mapped data, and create a subject index of textual information on the ecology and life cycle of the fish by species. Data and reports will be provided to affiliated research projects, particularly APEX (1163).

Chief Scientist's Recommendation

This project could contribute to the redevelopment of confidence in fish resources by subsistence users, and provide useful information to supplement and complement information currently being developed through the SEA (1320) and APEX (1163) projects in regard to the distribution and life history of herring and other forage fish. I believe strongly, however, that the goal should be to integrate knowledge from traditional and local sources and from scientific research for the benefit of these fisheries resources. I have questions about the cost of the project, which seems high, but believe that it should be funded in FY 97.

Trustee Council Action

Fund contingent on final approval of the Detailed Project Description and budget. This proposal was deferred in August and again in December pending hiring of a TEK Specialist under Project 97052B. The revised proposal was developed with the assistance of Henry Huntington, TEK Specialist, and supplements and complements the effort currently underway in Project 97320T/SEA-Herring to review archival data on the historical distribution and population size of herring. This project will represent the Trustee Council's first effort to actively integrate local/traditional knowledge with an ongoing research project, using the TEK Protocols adopted by the Council in December 1996 and the expertise of our TEK Specialists (1052B) and network of community facilitators (1052A). This project will address restoration objectives for herring by contributing traditional and local knowledge on herring distribution and population size. Information on other forage fish will be documented as the opportunity arises. The PIs will work with residents of four spill-affected communities in FY 97. Depending on the outcome of the FY 97 effort, funds may be provided in FY 98 to work with additional communities. [NOTE: These funds were approved by the Trustee Council on February 14, 1997.]

FY 97 Work Plan:	\$15,999.5
Addendum to FY 97 Work Plan:	\$204.3
New FY 97 Total:	\$16,203.8

Public Info/Sci Mgt/Admin - Approved to Date:	\$2,869.2
Addendum to Public Info/Sci Mgt/Admin:	\$83.5
New FY 97 Total:	\$2,952.7

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FY 97 Work Plan:	\$15,999.5
Addendum to FY 97 Work Plan:	\$204.3
New FY 97 Total:	\$16,203.8

Public Info/Sci Mgt/Admin - Approved to Date:	\$2,869.2
Addendum to Public Info/Sci Mgt/Admin:	\$83.5
New FY 97 Total:	\$2,952.7

RESOLUTION OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

We, the undersigned, duly authorized members of the Exxon Valdez Oil Spill Trustee Council (Council), after extensive review and after consideration of the views of the public, find as follows:

1. English Bay Corporation (EBC), an Alaska Native Village Corporation, owns the surface estate of, or has valid prioritized selections on, lands located within Kenai Fjords National Park (Park) and the Alaska Maritime National Wildlife Refuge (Refuge) totaling approximately 32,470 acres, and generally depicted on the map at Attachment A (referred to collectively herein as the Lands). The Lands encompass all of EBC's holdings within the Park and on islands within the Refuge that are in proximity to the Park.

2. The Lands were conveyed, or are to be conveyed, to EBC pursuant to the Alaska Native Claims Settlement Act (ANCSA). The subsurface estate associated with the Lands was conveyed, or is to be conveyed, to Chugach Alaska Corporation (Chugach), an Alaska Native Regional Corporation.

3. The Lands are within the oil spill area as defined by the Council in the Final Restoration Plan approved November 2, 1994.

4. EBC is desirous of selling the Lands to the United States as part of the Council's program for restoration of the natural resources and services that were injured by the Exxon Valdez Oil Spill (EVOS).

5. The Lands include important habitat for various species of fish and wildlife for which significant injury resulting from EVOS has been documented through the Council's habitat protection analysis and large parcel evaluation and ranking. This analysis has indicated that the Lands have high value for the restoration of such injured natural resources as pink salmon, black oystercatchers, harbor seals, harlequin ducks, bald eagles, the intertidal/subtidal zone, marbled murrelets, pigeon guillemots, sea otters, river otters, and cultural and archeological resources. This analysis has also indicated that the Lands have high value for the restoration of injured services that rely on these natural resources, including wilderness, recreation and tourism. Restoration of the injured species will benefit from acquisition and protection of this important habitat through the elimination of activities and disturbances which may adversely affect their recovery.

6. The Lands are located wholly within the boundaries of the Park or Refuge and their protection will ensure the preservation of a significant portion of one of the nation's most unique ecosystems. The benefits resulting from such acquisition and protection are further described in the Habitat Benefits Report at Attachment B.

7. Existing laws and regulations, including but not limited to ANCSA, the Alaska National Interest Lands Conservation Act, the National Park Service Organic Act, the Refuge Administration Act, the Alaska Anadromous Fish Protection Act, the Clean Water Act, the

Alaska Coastal Management Act, the Bald Eagle Protection Act and the Marine Mammal Protection Act, are intended, under normal circumstances, to protect resources from serious adverse effects from activities on the Lands. However, restoration, replacement and enhancement of resources injured by EVOS present a unique situation. Without passing judgment on the adequacy or inadequacy of existing law and regulations to protect resources, scientists and other resource specialists agree that, in their best professional judgment, protection of habitat in the spill area to levels above and beyond that provided by existing laws and regulations will have a beneficial effect on recovery of injured resources and lost or diminished services provided by these resources.

8. There has been widespread public support for the acquisition of the Lands within Alaska and nationally.

9. The purchase of the Lands is an appropriate means to restore a portion of the injured resources and services in the oil spill area. Acquisition of the Lands is consistent with the Final Restoration Plan.

10. The Lands are located along the shoreline of the south coast of the Kenai Peninsula. Development occurring on the Lands may have a significant effect, particularly on a cumulative basis, on both water quality and injured or reduced natural resources and services located on the Lands or on areas nearby. In the event the Lands are not acquired or protected at this time, development by the landowners may occur in a manner that may adversely impact

water quality and subsequently natural resources and services injured or reduced by EVOS.

11. In 1993, the National Park Service (NPS) and EBC entered into a cooperative arrangement for conducting an appraisal of the Lands. This appraisal, which estimated the fair market value of the Lands to be \$18,646,680, was rejected by the review appraiser for NPS. NPS subsequently conducted its own appraisal for the Lands which estimated the fair market value of the property to be \$4,118,100. This appraisal was approved by the federal and state review appraisers.

12. The Department of the Interior (Department) prepared and submitted an offer to EBC to purchase the Lands at the approved appraised value. EBC rejected this offer and protracted negotiations ensued between EBC and the Department over a two-year period.

13. Subject to the approval of joint settlement funding by the Council and EVOS federal criminal restitution funding by the federal trustees, EBC and the Department reached an agreement in principle regarding the sale and purchase in fee simple of the Lands, subject to the reservation of certain rights by the landowner. The Department has requested \$14,100,000 from the joint settlement funds to contribute to the fee purchase of the Lands from EBC. This amount is based on the acquisition of fee interests comparable to those fee interests previously acquired by the United States on Kodiak Island, and currently being acquired from Chenega Corporation, in which access rights pertaining to certain hunting,

fishing and gathering activities were reserved and retained by the landowners. Minor adjustments in the total joint funding may be necessary to reflect a further determination of EBC's ANCSA entitlement within the Park and Refuge by the Bureau of Land Management (BLM). Up to \$1,250,000 is to be provided from EVOS federal criminal restitution funds for the purchase of the reserved access rights from EBC on a majority of the Lands, and for costs related to the acquisition. The purchase is intended to be made in a single closing, but EBC may elect several closings to track possible phased conveyances by BLM of EBC's remaining ANCSA entitlement within the Park or Refuge.

14. As additional consideration for the approval of this sale, EBC has offered to commit \$500,000 of its proceeds at closing to establish a special cultural conservation fund. This fund would be used to survey, protect, curate and interpret archeological sites and cultural artifacts which are associated with the Lands and are of historic and cultural importance to the residents of the Village of Nanwalek (formerly known as English Bay). Access to the sites for such purposes would be coordinated with NPS. Although this fund would not fall under the aegis of the Council, such work by the fund would clearly have a complementary effect on the restoration of archeological sites and cultural artifacts in the oil spill area. Consequently, the EBC acquisition provides additional restoration benefits for the injured cultural resources and services. Consistent with its statutory authorities, the Department has agreed to work with the trustees of the fund as

complementary to the restoration objectives of the Council and the mission of NPS.

15. It is ordinarily the federal government's practice to pay fair market value for lands it acquires. However, due to the unique circumstances of this proposed acquisition, including the Lands' exceptional habitat for purposes of promoting recovery of natural resources and related services injured by EVOS and the need to acquire it to prevent possible degradation of the habitat, the Council believes it is appropriate in this case to pay more than the estimated fair market value of the Lands.

16. This negotiated price represents the lowest price at which the Lands can be acquired and protected under the Council's habitat protection program.

17. This is a reasonable price given the significant natural resource and service values protected; the scope and pervasiveness of the EVOS environmental disaster and the need for protection of ecosystems; the relationship of the price to other large-scale acquisitions in Alaska by the United States and the State of Alaska, including purchases under the Council's habitat protection program as well as other federal acquisitions; and the priority of this acquisition to other expenditures of the joint settlement funds for restoration purposes.

18. Acquisition of the Lands will provide significant public access and use that is not currently available.

THEREFORE, we resolve to provide \$14,100,000 in funding towards the purchase in fee by the United States, acting through the Département, for the Lands. This amount is based on the above-described acquisition of 32,470 acres of land, depicted on the map at Attachment A, and is subject to minor adjustment, either upward or downward, based on a final determination by BLM of EBC's ANCSA entitlement within the Park or Refuge. In the event that BLM determines that such ANCSA entitlement is either increased or decreased from 32,470 acres, EBC and the Department have agreed that the amount of joint funding should be increased or decreased accordingly by a factor of \$418.6433 per acre; provided that any such adjustment does not increase the total joint funds required by more than 5% without further approval of the Council.

This authorization for funding is subject to the inclusion of the following terms and conditions in any implementing purchase agreement with EBC:

(a) funding is subject to the receipt by the United States District Court for the District of Alaska (District Court) of any necessary settlement payments due from Exxon Corporation, et al. and the subsequent disbursement of these funds by the District Court for this purpose;

(b) EBC shall grant to the State of Alaska (State) at no additional cost a conservation easement similar to that used in other federal acquisitions funded by the Council which will enable the State to enforce on a non-exclusive basis the restoration objectives of this acquisition. The form and substance of this

easeement and the related warranty deed for the United States must also be satisfactory to the Alaska Department of Law and the United States Department of Justice;

(c) completion of a title search and review satisfactory to the United States and the State for the respective interests in the Lands acquired by each government;

(d) no development is to take place on the Lands prior to closing; and

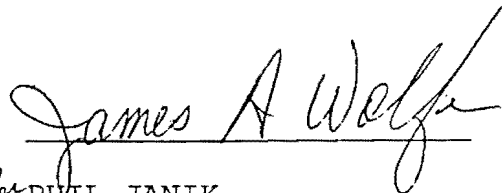
(e) compliance with the National Environmental Policy Act and other provisions of applicable federal law.

By unanimous consent, following (i) execution of the purchase agreement between EBC and the United States, (ii) written notice from the Department to the Executive Director of the Council stating the maximum amount due from the joint settlement funds based on the BLM entitlement calculation and the adjustment described above, and (iii) certification by the Executive Director of such amount due EBC and that the executed purchase agreement is in accordance with the foregoing terms and conditions, we request the Alaska Department of Law and the Assistant Attorney General of the Environment and Natural Resources Division of the United States Department of Justice to petition the District Court for disbursement of the joint settlement funds in the above certified amount.

Such amounts represent the only amounts due under this resolution to EBC by the United States to be funded from the joint

settlement funds in the District Court Registry, and no additional amounts or interest are herein authorized to be paid to EBC from such joint funds.

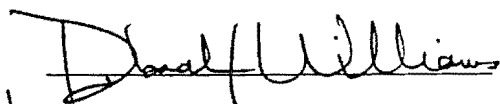
APPROVED by the Council at its meeting of February 14, 1997, held in Anchorage and Juneau, Alaska, as affirmed by our signatures affixed below:



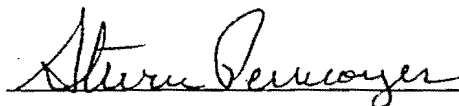
for PHIL JANIK
Regional Forester
Alaska Region
USDA Forest Service



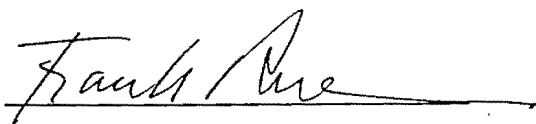
for BRUCE M. BOTELHO
Attorney General
State of Alaska



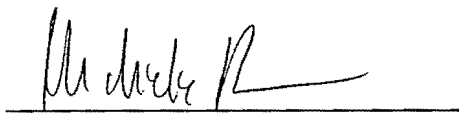
for GEORGE T. FRAMPTON, JR.
Assistant Secretary for
Fish and Wildlife and Parks
Department of the Interior



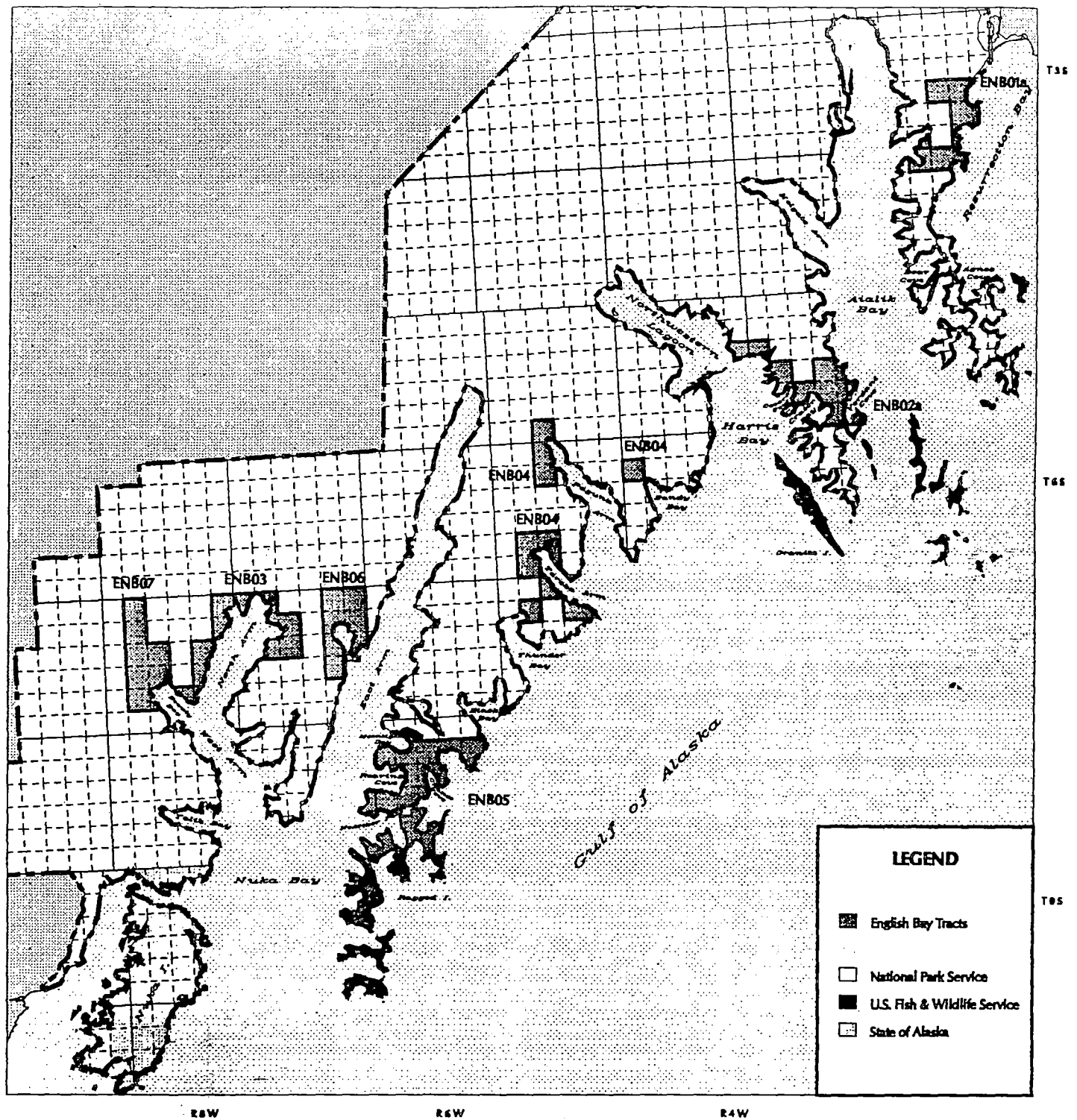
STEVEN PENNOYER
Director, Alaska Region
National Marine
Fisheries Service



FRANK RUE
Commissioner
Alaska Department of
Fish and Game



MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation



Habitat Protection Acquisition Parcels Kenai Fjords National Park

English Bay Corporation Parcels

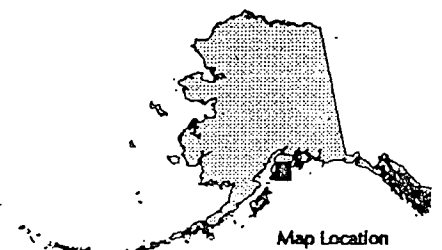


National Park Service
Alaska System Support Office
Anchorage, Alaska

February 7, 1997



Scale 1:400,000
Alber's Equal Area Projection



Attachment B
Restoration Benefits Report
English Bay Corporation Lands

Region - Kenai Peninsula

The lands to be acquired from the English Bay Corporation lie along the southeast coastline of the Kenai peninsula, primarily within Kenai Fjords National Park, with some lands located within the Alaska Maritime National Wildlife Refuge.

Description of the English Bay Lands

The English Bay parcels (designated as ENB 01A through ENB 07) are located along the deep water fjords of the Kenai Fjords National Park, the only fjord system in the United States. Combined, the parcels total 32,471 acres. The interest to be acquired is fee simple title to the surface estate.

The park is characterized by a complicated highly indented coastline, interspersed protected waters, and extremely scenic uplands. The fjords have tide-water glaciers, many of which have receded dramatically this century. Upland slopes are predominately steep, although there are also some relatively flat areas; soils are generally shallow. Coastal parts of the parcels are covered by a temperate rainforest dominated by Sitka spruce and western hemlock. Under story vegetation is typical of that found with this forest type. More inland parts of the parcels are covered with shrub and tundra vegetation types.

These coastal uplands and the adjacent marine waters provide habitat for a great diversity and abundance of marine life including various species of marine mammals, sea birds and fish. These waters are often occupied by harbor seals, sea otters, Northern sea lions, porpoises and Minke, Humpback, Orca and Gray whales. Harbor seals, sea otters and sea lions are known to haul out at various areas on the subject lands.

Numerous species of marine and other birds, including harlequin ducks, Kittlitz's and marbled murrelets, pigeon guillemots, black oystercatchers, pelagic cormorants and bald eagles injured by the *Exxon Valdez* oil spill, are found throughout the area and use park uplands. Several species of fish that were injured by the oil spill use these waters, including pink salmon, red salmon, Dolly Varden, Pacific herring, and Cutthroat trout. Upland areas also support black bear, moose, mountain goat, river otter, wolverine, mink, marten, coyote, snowshoe hare, and porcupine.

The English Bay lands package as a whole provides valuable habitat for nearly all of the injured resources and services harmed by the oil spill with some of the tracts having especially high values. Six of the seven parcels were ranked as having high value for wilderness. Five of the seven parcels were ranked as having high value for marbled murrelets. Six of the parcels were directly oiled by the oil spill, including heavy oiling of an archeological site. Some of the most important restoration values identified on these lands are further described below.

The ENB 06/James Bay parcel, located on the west side of McCarty Fiord in Nuka Bay contains a protected tidally-influenced lagoon that is bordered by sandy beaches and both forested and marshy lowlands. This biologically rich parcel has six short clear water streams that feed into the lagoon and is especially valuable for harlequin ducks (feeding, loafing and documented use by young and probable breeding); intertidal-subtidal resources (large mussel and clam beds, kelp, eelgrass and sheltered rocky shore); marbled murrelets (feeding concentrations, probable nesting); pigeon guillemots (feeding concentrations, probable nesting); black oystercatchers (nesting, feeding and loafing); river otters (feeding and probable denning, known latrine sites and high use area); sea otters (feeding and pupping area); and bald eagles (six documented nest sites and feeding area for adult and immature eagles). This lagoon system also has regionally significant value for pink salmon, helping to support the commercial fishing service. The protected lagoon on this parcel also affords important sea plane access and is frequently used as a put-in and take-out location for sea kayakers and other recreationists.

The ENB 02a/Harris Peninsula parcel, extending along the eastern side of Harris Bay and a portion of the western coast of Aialik Bay, is especially valuable for marbled murrelets (high detection rates, feeding and probable nesting); river otters (feeding, latrine sites and probable denning); and archeological resources (a historic Russian/Native trade location with four documented cultural sites). This parcel also supports feeding concentrations of pigeon guillemots and provides probable nesting habitat as well. The parcel has high value for wilderness and recreation.

The ENB 05/McArthur Pass parcel, including the outermost portion of the peninsula that defines the eastern side of McCarty Fiord and the northern half of Ragged Island, was heavily oiled and has high value for archeological resources (village location, six documented cultural sites); marbled murrelets (feeding, probable nesting) and also contains a haulout for the threatened Northern sea lion. This parcel is known to be used by river otters.

Additionally, the English Bay lands and the adjacent coastal waters provide habitat for common loons, cormorants and Kittlitz's murrelets, species that have been recognized as injured since the *Restoration Plan* was adopted in 1994, but not expressly used in the published large parcel habitat evaluation process.

The English Bay lands and associated marine waters also support high value tourism

and recreation services that sustain the City of Seward's growing recreation and tourism economy. Both large commercially-operated and small privately-owned boats ply the fjords in increasing numbers. The area is well known by sport fishermen who seek out salmon and halibut. Kayakers, campers, photographers and birders from around the world have discovered the park. The four public use cabins built by the National Park Service on the coast are heavily booked throughout each summer. Numerous businesses based in Seward have grown steadily since the park was created due to the enormous public interest in the wildlife values of this area. These recreation and tourism service companies continue to add to their capacity in response to growing public interest in the Park, its magnificent landscape, and its wildlife. There were 110 large cruise ship dockings in Seward during 1996. Half the park's 1995 commercial use licenses were for flight-seeing businesses providing tours of the park lands.

Purchase of the English Bay lands will result in habitat protection for not only the lands acquired, but for a much larger area. The lands to be acquired are within the designated boundaries of Kenai Fjords National Park, an area comprised of 669,000 acres. As such, adding these lands back into park status will ensure that the thousands of acres of protected habitat in the park are not fragmented by various developments or other activities. Both the lands acquired and the lands in the park will provide protection for injured natural and cultural resources and services injured by the oil spill.

Should the English Bay lands not be acquired, private development would fracture habitat into smaller blocks and protection for injured resources and services would be compromised. In future years some forested areas of the park could be logged. Even small logging operations could severely impair the biological, scenic, wilderness and recreational qualities of the otherwise undisturbed area.

The lands acquired will be managed by the National Park Service pursuant to the authorities under the National Park Service's Organic Act, 16 USC 1, and the Alaska National Interest Lands Conservation Act (ANILCA), 16 USC 3101 or the United States Fish and Wildlife Service in the case of lands included within the Alaska Maritime National Wildlife Refuge. All lands acquired will be managed consistent with the Trustee Council's mission to restore injured resources and services. Cultural sites of particular importance to the Native community will be protected in a manner consistent with state and federal laws.

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**RESOLUTION OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL**

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council ("Council"), after extensive review and after consideration of the views of the public, find as follows:

1. The owner of small parcel KEN 1038 has indicated an interest in selling said parcel;
2. An appraisal of the parcel commissioned by the Seller has been approved by the State and federal review appraisers;
3. As set forth in Attachment A, if acquired, this small parcel has attributes which will restore, replace, enhance and rehabilitate injured natural resources and the services provided by those natural resources, including important habitat for several species of fish and wildlife for which significant injury resulting from the spill has been documented. The owner has indicated his willingness to sell it to the State of Alaska for the \$698,000 which is less than the appraised fair market value would be for the parcel. As originally proposed the parcel contained 5.9 acres 644 feet of river frontage and was valued at \$1,304,000 by an approved fair market value appraisal. Although the parcel has been reduced in size the river frontage is unchanged. Parcel KEN 1038, because of its location where the Sterling Highway crosses the river and adjacent to the Visitors' Center and in downtown Soldotna, provides highly visible and convenient access to large numbers of recreational anglers. Acquisition of this parcel will ease fishing pressures on more remote sections of the river where it is difficult to justify costly bank stabilization measures and boardwalks and provide a good fishing location when resource managers must close other sections of the river so as to protect sensitive habitat. The boardwalk and other shoreline stabilization measures on the property were built pursuant to an easement that may be terminated by the landowner. Acquisition

of the parcel will assure that these shoreline protections remain.

4. Existing laws and regulations, including but not limited to the Alaska Forest Practices Act, the Alaska Anadromous Fish Protection Act, the Clean Water Act, the Alaska Coastal Management Act, the Bald Eagle Protection Act and the Marine Mammal Protection Act, are intended, under normal circumstances, to protect resources from serious adverse effects from activities on the lands. However, restoration, replacement and enhancement of resources injured by *Exxon Valdez* oil spill ("EVOS") present a unique situation. Without passing judgment on the adequacy or inadequacy of existing law and regulations to protect resources, scientists and other resource specialists agree that, in their best professional judgment, protection of habitat in the spill area to levels above and beyond that provided by existing laws and regulations will have a beneficial effect on recovery of injured resources and lost or diminished services provided by these resources;

5. There has been widespread public support for the acquisition of these lands within Alaska as well as on a national basis;

6. The purchase of the lands is an appropriate means to restore a portion of the injured resources and services in the oil spill area. Acquisition of these lands is consistent with the Final Restoration Plan;

7. The purchase of small parcels is an appropriate means to restore a portion of the injured resources and services in the oil spill area.

THEREFORE, we resolve to provide funds for the State of Alaska to offer to purchase and, if the offer is accepted, to purchase all the seller's rights and interests in small parcel KEN 1038 and to provide funds necessary for closing costs recommended by the Executive Director of the Trustee Council ("Executive Director"), which may include the cost of surveying the reduced parcel, and approved by the Trustee Council and pursuant to the following conditions:

(a) the amount of funds (hereinafter referred to as the "Purchase Price") to be provided by the Trustee Council to the State of Alaska shall be \$698,000;

(b) authorization for funding for any acquisition described in the foregoing paragraph shall terminate if a purchase agreement is not executed by December 15, 1997;

(c) disbursement of these funds by the District Court;

(d) a satisfactory title search is completed by the acquiring government and the Seller is willing and able to convey fee simple title by warranty deed;

(e) no timber harvesting, road development or any alteration of the land will be initiated on the land without the express agreement of the acquiring government prior to purchase;

(f) a satisfactory hazardous materials survey is completed;

(g) compliance with the National Environmental Policy Act;

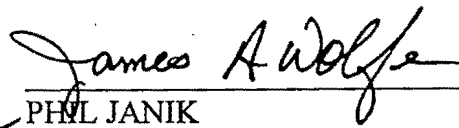
(h) a conservation easement shall be conveyed to the United States and a warranty deed to the State of Alaska, both of which must be satisfactory in form and substance to the Department of the Interior and the Department of Law; and

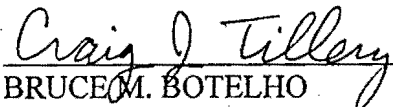
It is the intent of the Trustee Council that any facilities or other development on the foregoing small parcel after acquisition shall be of limited impact and in keeping with the goals of restoration and that there shall be no commercial use except as may be consistent with applicable state or federal law and the goals of restoration to prespill conditions of any natural resource injured, lost, or destroyed as a result of the EVOS and the services provided by that resource or replacement or substitution for the injured, lost or destroyed resources and affected services as described in the Memorandum of Agreement and Consent Decree between the United States and the State of Alaska entered August 28, 1991 and the Restoration Plan as approved by the Trustee Council.

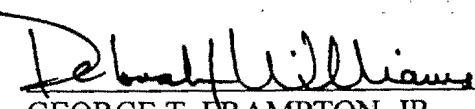
By unanimous consent, following execution of the purchase agreement between the seller and the State of Alaska and certification by the Executive Director that the executed purchase agreement is in accordance with the foregoing terms and conditions, we request the Alaska Department of Law and the Assistant Attorney General of the Environment and Natural Resources Division of the United States Department of Justice to petition the District Court for disbursement of the joint settlement funds in the above certified amount.

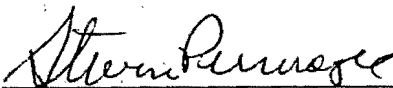
Such amounts represent the only amount due under this resolution to the seller by the State of Alaska to be funded from the joint funds in the District Court Registry, and no additional amounts or interest are herein authorized to be paid to the seller from such joint funds.


Approved by the Council at its meeting of February 14, 1997, held in Anchorage and Juneau, Alaska, as affirmed by our signatures affixed below:

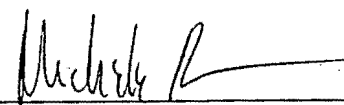

for PHIL JANIK
Regional Forester
Alaska Region
USDA Forest Service


for BRUCE M. BOTELHO
Attorney General
State of Alaska


for GEORGE T. FRAMPTON, JR.
Assistant Secretary for
Fish and Wildlife and Parks
Department of the Interior


STEVEN PENNOYER
Director, Alaska Region
National Marine
Fisheries Service


FRANK RUE
Commissioner
Alaska Department of
Fish and Game


MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation

**RESOLUTION OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL**

We, the undersigned, duly authorized members of the Exxon VALDEZ Oil Spill Trustee Council, after review find as follows:

1. By resolution dated May 31, 1996 ("Resolution") the Trustee Council approved acquisition of land and interests in land in Prince William Sound owned by the Chenega Corporation ("Chenega");

2. The Resolution required that certain conditions be satisfied before the Alaska Department of Law and the United States Department of Justice request funds from the United States District Court for payment to Chenega. One condition, that a purchase agreement be executed, has now been fulfilled in that the United States, the State of Alaska and Chenega on February 5, 1997 executed an Agreement for the Sale and Purchase of Lands and Interests in Lands among the Chenega Corporation and the United States and the State of Alaska ("Purchase Agreement") providing for the conveyance of fee title and conservation easements on the aforesaid lands. A second condition was that a satisfactory title search be completed. The title search has been commenced is not yet completed. Other conditions required by the Resolution have either been fulfilled or are expected to be fulfilled in the near future;

3. Chenega has requested that the Trustee Council expedite this transaction so that it will be able to receive the initial payment at the earliest possible date.

4. The Purchase Agreement provides for the payment of thirty-four million dollars (\$34,000,000) by the United States to Chenega at the time of closing. Twenty-four million dollars (\$24,000,000) is to be provided from the *Exxon Valdez* oil spill joint settlement funds, and

the Forest Service has agreed to provide ten million dollars (\$10,000,000) of the sale proceeds from federal criminal restitution funds.

THEREFORE, we resolve to provide twenty-four million dollars (\$24,000,000) for the United States, acting through the Forest Service, and the State of Alaska to purchase the combination of fee simple and conservation easement interests described in the Purchase Agreement in accordance with the conditions therein and the following conditions:

- (a) receipt by the United States District Court for the District of Alaska ("District Court") of the annual settlement payments due from Exxon Corporation, et al;
- (b) disbursement of these funds by the District Court to the United States;
- (c) completion of a satisfactory title search ensuring that Chenega is able to convey fee simple title or other interests in a manner that complies with the United States Department of Justice title standards and is satisfactory to the Alaska Department of Law;
- (d) no timber harvesting on the lands described in the Agreement prior to closing ;
- (e) the absence of development on the Lands prior to closing;

The Alaska Department of Law and the Assistant Attorney General of the Environment and Natural Resources Division of the U.S. Department of Justice are requested to petition the District Court for withdrawal of the sum of twenty-four million dollars (\$24,000,000) from the *Exxon Valdez* oil spill settlement account established as a result of the Governments' settlement. No funds may be expended by the United States until the after the terms and conditions set forth herein and the conditions precedent set forth in Section 7 of the Purchase Agreement have been met and written notice is received from the Alaska Department of Law, the United States Department of Agriculture, Office of the General Counsel and the Executive Director of the Trustee

Council that the aforesaid conditions of this resolution and the Purchase Agreement have been satisfied.

Dated this 14th day of February, 1997 at Anchorage, Alaska.

for James Aubrey
PHIL JANIK
Regional Forester
Alaska Region
USDA Forest Service

Craig J. Tillery
BRUCE M. BOTELHO
Attorney General
State of Alaska

for Donald Williams
GEORGE T. FRAMPTON, JR.
Assistant Secretary for
Fish and Wildlife and Parks
Department of the Interior

Steven Pennoyer
STEVEN PENNOYER
Director, Alaska Region
National Marine
Fisheries Service

Frank Rue
FRANK RUE
Commissioner
Alaska Department of
Fish and Game

Michele Brown
MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation